

GoGold Reports Financial Results for the Quarter ended June 30, 2019 and Provides Los Ricos Update

Trading Symbol: TSX: GGD
Shares Outstanding: 171,901,481

HALIFAX, Aug. 8, 2019 /CNW/ - **GoGold Resources Inc. (TSX: GGD) ("GoGold", "the Company")** reports revenue of \$6.4 million on the sale of 438,740 silver equivalent ounces sold at an average realized price of \$14.55. The Corporation closed the quarter in a strong financial position with \$9.0 million in cash and marketable securities and no debt. (All amounts are in U.S. dollars).

Production in the quarter was a record 451,011 silver equivalent ounces, the second consecutive quarter that Parral has set a production record. Parral generated EBITDA of \$1,681,000 in the quarter, compared to a loss of \$59,000 in the quarter ended June 30, 2018.

"Parral continues to perform well, with another record production quarter completed, and we're seeing strong results thus far in July and August," stated Brad Langille, President and CEO. "Leaching on the second lift is providing strong results, which is demonstrated by production growth and the increase in EBITDA from a year ago, with strong all-in costs of \$13.61 in the quarter and \$14.26 for the year to date. The SART project is on track, and once this is in operation in early 2020, we anticipate significant cost savings and cash inflows from liberated cyanide and copper that is currently in solution."

During the quarter, the Company recorded a decrease in the value of marketable securities of \$2.2 million, which is the largest contribution to the net loss of \$3.2 million on the quarter. For the year to date, the Company has recorded an increase in the value of marketable securities of \$2.0 million. The value of marketable securities has increased since quarter end by 14% as of the date of this press release.

Los Ricos

The Company is carrying out a 10,000m diamond drilling program of HQ size core in conjunction with a field program of geological mapping, sampling and trenching on the property. The program has focused on testing the top 200 metres of the mineralized zone to determine the potential for surface mining. This work includes "twinning" selected historical RC drill holes; completing new holes on 25m spaced "infill" sections; completing new deeper holes down dip beneath the historical RC drill holes; testing the strike extension of the deposit to the north of the underground workings; and stepping out 1500 metres to the south where the Company had success at initial greenfield exploration trenching.

"The drilling program at Los Ricos is providing very strong results and is intersecting substantial widths and grades of gold and silver. The option agreement on the project has allowed the Company to more fully understand the potential of this asset," said Langille. "We see Los Ricos being a core asset and significant driver of value for GoGold."

As of June 30, 2019, the Company has spent \$1.2 million on exploration and the acquisition of the option agreement of the Los Ricos project. Currently, 44 holes totalling 5,914m of HQ size drill core have been completed, with assayed results received and reported for 26 drill holes. The table below shows some highlights of the drill results to date, see Appendix A for the full results of GoGold's drilling to date.

Hole ID	From	To	Length ¹	Au	Ag	AuEq ²
	(m)	(m)	(m)	(g/t)	(g/t)	(g/t)
LRGG-19-001 ³	71.0	106.5	35.5	1.24	284.7	5.04
LRGG-19-003 ⁴	145.0	165.4	20.4	2.21	318.7	6.45
LRGG-19-008 ⁵	109.4	131.7	22.4	4.13	182.1	6.55
LRGG-19-009 ⁶	34.5	55.7	21.2	7.66	1270.2	24.60
LRGG-19-022 ⁷	170.4	193.7	23.3	1.78	201.5	4.47

1. Not true width

2. AuEq converted using a silver to gold ratio of 75:1

3. See press release dated April 17, 2019

4. See press release dated April 24, 2019

5. See press release dated May 1, 2019

6. See press release dated May 14, 2019

7. See press release dated July 31, 2019

Following is a summary of the consolidated financial information and key performance indicators for the three and nine months ended June 30, 2019.

Summarized Consolidated Financial Information (in thousands USD, except per share amounts)	Three months ended June 30		Nine months ended June 30	
	2019	2018	2019	2018
Revenue	\$ 6,383	\$ 6,289	\$ 17,264	\$ 17,524
Production costs, except amortization and depletion	4,702	3,936	12,855	14,236
Mine site EBITDA ¹	1,681	(59)	2,920	3,288
Net income (loss)	(3,227)	(3,626)	7,364	26,370
Basic net earnings per share	(0.02)	(0.02)	0.04	0.15

¹Earnings before interest, taxes, depreciation and amortization

Key Performance Indicators ¹	Three months ended June 30		Nine months ended June 30	
	2019	2018	2019	2018
Total tonnes stacked	519,643	447,193	1,354,130	1,248,503
Silver equivalent production ²	451,011	292,273	1,200,369	1,109,970
Adjusted AISC per silver equivalent ounce ^{2,4}	\$ 13.61	\$ 14.09	\$ 14.26	\$ 15.58
Adjusted Cash cost per silver equivalent ounce ^{2,4}	\$ 10.72	\$ 6.09	\$ 10.84	\$ 8.11
Adjusted Cash cost per silver ounce ^{3,4}	\$ 7.87	\$ 10.30	\$ 8.08	\$ 11.20
Realized silver price	\$ 14.55	\$ 16.46	\$ 14.56	\$ 16.13

¹Key performance indicators are unaudited non-GAAP measures

²Gold is converted using actual realized prices

³Using Gold as a by-product credit

⁴Adjusted for net realizable value adjustment, see reconciliation in MD&A

This news release should be read in conjunction with the condensed consolidated interim financial statements for the three and nine months ended June 30, 2019, notes to the financial statements, and management's discussion and analysis for the three and nine months ended June 30, 2019, which have been filed on SEDAR and are available on the Company's website.

Mr. Robert Harris, P.Eng. is the qualified person as defined by National Instrument 43-101 and is responsible for the technical information of this release related to Parral. Mr. David Duncan, P. Geo. is the qualified person as defined by National Instrument 43-101 and is responsible for the technical information of this release related to Los Ricos and drilling results.

About GoGold Resources

GoGold Resources (TSX: GGD) is a Canadian-based silver and gold producer focused on operating, developing, exploring and acquiring high quality projects in Mexico. The Company's Parral Tailings project produces silver and gold at a low cash cost. Headquartered in Halifax, NS, GoGold

is building a portfolio of low cost, high margin projects. For more information visit gogoldresources.com.

Appendix A – GoGold Drill Holes

Hole ID	Comment	From (m)	To (m)	Length ¹ (m)	Au (g/t)	Ag (g/t)	AuEq ² (g/t)
LRGG-19-001	Main	71.0	106.5	35.5	1.24	284.7	5.04
	HW zone	71.0	81.0	10.0	1.27	249.1	4.59
	Open Stope ³	81.0	82.5	1.5	*	*	*
	FW zone including	82.5	106.5	24.0	1.31	317.3	5.54
		91.5	98.0	6.5	3.32	905.8	15.39
LRGG-19-002	Main including	26.5	54.1	27.6	1.56	159.0	3.68
		28.4	34.0	5.6	5.52	525.0	12.52
LRGG-19-003	Main including	145.0	165.4	20.4	2.21	318.7	6.45
		145.0	155.5	10.5	4.26	608.0	12.36
		146.0	153.2	7.2	6.17	869.5	17.77
LRGG-19-004	Main	96.5	99.0	2.5	0.04	27.2	0.40
LRGG-19-005	Main	121.0	131.8	10.8	0.19	53.8	0.91
LRGG-19-006	Main including	107.1	132.0	25.0	0.33	35.7	0.81
		119.7	122.5	2.8	1.41	52.6	2.11
LRGG-19-007	Main including	149.5	161.2	11.7	0.68	88.8	1.87
		163.0	169.1	6.1	0.58	141.9	2.47
LRGG-19-008	Main including and	109.4	131.7	22.4	4.13	182.1	6.55
		127.5	130.5	3.0	25.08	533.9	32.20
		134.7	147.6	12.9	0.17	31.5	0.59
LRGG-19-009	Main including	34.5	55.7	21.2	7.66	1270.2	24.60
		37.8	44.7	6.9	21.97	3717.6	71.54
LRGG-19-010	Open Stope ³	97.5	99.0	1.5	-	-	-
	Main including	99.0	117.8	18.8	0.37	67.9	1.27
		102.2	106.7	4.5	0.96	119.5	2.55
LRGG-19-011	Main including	253.0	271.5	18.5	1.20	140.3	3.07
		261.8	270.3	8.4	2.16	227.8	5.19
LRGG-19-012	Main including	220.3	238.0	17.8	0.59	82.7	1.69
		224.5	238.0	13.5	0.77	100.4	2.11
		228.5	235.5	7.0	1.16	131.9	2.92
LRGG-19-013	Main including	163.9	179.5	15.6	0.78	194.7	3.38
		166.0	174.8	8.8	1.30	296.5	5.25
		166.0	168.2	2.2	2.09	331.7	6.52
LRGG-19-014	Main including and	204.3	218.5	14.2	1.10	126.8	2.79
		208.3	216.0	7.7	1.94	209.3	4.73
		224.5	228.0	3.5	0.16	26.5	0.51
LRGG-19-015	Main including	23.4	40.5	17.1	0.71	67.9	1.62
		27.0	32.6	5.6	1.68	137.2	3.51
	Open Stope ³	40.5	43.7	3.2	*	*	*
	Main including	43.7	54.0	10.3	1.19	85.0	2.33
		43.7	49.0	5.3	2.02	138.1	3.87
LRGG-19-016	Main Open Stope ³	80.8	85.8	5.0	0.52	160.6	2.66
		85.8	88.3	2.5	*	*	*
	including	91.7	98.1	6.3	2.14	336.7	6.63
LRGG-19-017	Main including	83.2	115.2	32.0	0.80	178.8	3.18
		83.2	94.5	11.3	1.46	347.8	6.10
LRGG-19-018	Main including	258.5	279.9	21.4	0.81	170.1	3.08
		263.2	276.0	12.9	1.24	262.4	4.74
		268.5	276.0	7.5	1.78	342.4	6.35
LRGG-19-019	Main Open Stope ³	23.0	27.5	4.5	1.50	196.6	4.13
		27.5	29.7	2.2	*	*	*
	Main including	29.7	43.5	13.8	0.63	86.0	1.78
		29.7	33.9	4.2	1.52	198.3	4.17
LRGG-19-020	Main including	43.8	58.7	14.9	1.78	106.4	3.20
		45.0	52.0	7.0	3.48	155.6	5.55
LRGG-19-021	Main Open Stope ³	9.0	16.5	7.5	0.09	18.1	0.33
		16.5	22.5	6.0	*	*	*
	Main including	22.5	38.1	15.6	1.15	113.5	2.67
		22.5	29.0	6.5	2.38	236.5	5.54
LRGG-19-022	Main including	170.4	193.7	23.3	1.78	201.5	4.47
		171.5	181.5	10.0	3.58	389.6	8.78
LRGG-19-023	Main including	34.0	58.0	24.0	0.61	126.0	2.29
		34.0	48.7	14.7	0.93	200.8	3.61
LRGG-19-024	Main	25.0	30.0	5.0	0.36	30.8	0.77
LRGG-19-025	Main including	34.9	59.5	24.6	1.30	135.0	3.10
		34.9	50.4	15.5	2.00	203.3	4.71
LRGG-19-026	Main Open Stope ³	4.0	9.7	5.7	1.29	201.1	3.98
		9.7	11.3	1.6	*	*	*
	Main	11.3	29.5	18.2	0.16	34.5	0.62

1. Not true width

2. AuEq converted using a silver to gold ratio of 75:1

3. Voids from historical underground workings, no sample

CAUTIONARY STATEMENT:

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to exemptions therefrom. This release does not constitute an offer to sell or a solicitation of an offer to buy of any of GoGold's securities in the United States.

This news release may contain "forward-looking information" as defined in applicable Canadian securities legislation. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the Parral tailings project, the Los Ricos project, future operating margins, future production and processing, and future plans and objectives of GoGold, constitute forward looking information that involve various risks and uncertainties. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the continuance of GoGold and its subsidiaries as a going concern, general economic and market conditions, mineral prices, the accuracy of mineral resource estimates, and the performance of the Parral project. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such forward-looking information.

Important factors that could cause actual results to differ materially from GoGold's expectations include exploration and development risks associated with GoGold's projects, the failure to establish estimated mineral resources or mineral reserves, volatility of commodity prices, variations of recovery rates, and global economic conditions. For additional information with respect to risk factors applicable to GoGold, reference should be made to GoGold's continuous disclosure materials filed from time to time with securities regulators, including, but not limited to, GoGold's Annual Information Form. The forward-looking information contained in this release is made as of the date of this release.

Cautionary non-IFRS Measures and Additional IFRS Measures

The Company believes that investors use certain non-IFRS and additional IFRS measures as indicators to assess mining companies. They are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared with IFRS. Non-IFRS and additional IFRS measures do not have a standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other companies.

Additional IFRS measures that are presented on the face of the Company's consolidated statements of comprehensive income include "Operating income (loss)". These measures are intended to provide an indication of the Company's mine and operating performance. "Cash flow from operating activities before changes in non-cash working capital" is a non-IFRS performance measure that could provide an indication of the Company's ability to generate cash flows from operations, and is calculated by adding back the change in non-cash working capital to "Net cash used in operating activities" as presented on the Company's consolidated statements of cash flows. Per ounce measures are calculated by dividing the relevant mining and processing costs and total costs by the ounces of metal sold in the period. "Cash costs per ounce" and "all-in sustaining costs per ounce" as used in this analysis are non-IFRS terms typically used by mining companies to assess the level of gross margin available to the Company by subtracting these costs from the unit price realized during the period. These non-IFRS terms are also used to assess the ability of a mining company to generate cash flow from operations. There may be some variation in the method of computation of these metrics as determined by the Company compared with other mining companies. In this context, "cash costs per ounce" reflects the cash operating costs allocated from in-process and dore inventory associated with ounces of silver and gold sold in the period. "Cash costs per ounce" may

vary from one period to another due to operating efficiencies, grade of material processed and silver/gold recovery rates in the period. "All-in sustaining costs per ounce" include total cash costs, exploration, corporate and administrative, share based compensation and sustaining capital costs. For a reconciliation of non-IFRS and IFRS measures, please refer to the Management Discussion and Analysis dated August 7, 2019, for the three and nine months ended June 30, 2019 as presented on SEDAR.

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