GoGold Announces Revenue of $17 Million for the Year Ending September 30, 2017

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Trading Symbol: TSX: GGD
Shares Outstanding: 171,376,481

HALIFAX, Dec. 22, 2017 /CNW/ - GoGold Resources Inc. (TSX: GGD) ("GoGold", "the Company") is pleased to annou release of financial results for the quarter and year ending September 30, 2017 with revenue of $17.0 million (All amou U.S. dollars) from the sale of 502,804 silver ounces and 7,313 gold ounces during the year.

Financial Highlights for the year ending September 30, 2017:

- Executed agreement for sale of Santa Gertrudis for gross proceeds of $80 million (less working capital adjustmer $380,000) plus a 2% net smelter royalty resulting in a gain of $53.9 million which closed subsequent to year end.
- Revenue of $17.0 million from the sale of 502,804 silver ounces and 7,313 gold ounces, a realized price of $16.4 equivalent ounce and a net loss of $584,000
- Cash flow from operations before changes in non-cash working capital of $3.6 million, or 2 cents per basic share
- Adjusted cash cost per ounce of silver, net of gold by-product credits was $1.80
- Adjusted cash cost per silver equivalent ounce was $9.39
- Adjusted all in sustaining cost per silver equivalent ounce was $16.10
- Produced 545,465 silver and 7,961 gold ounces, providing 1,146,573 silver equivalent ounces at Parral

GoGold generated record revenue for the year end September 30, 2017, with low adjusted cash costs per silver equiva The sale of Santa Gertrudis was entered into on September 5, 2017 and closed on November 2, 2017. Net proceeds o were cash of $77,190,000 and a 2% net smelter royalty on the project. The sale resulted in a pre-tax gain in the quarter December 31, 2017 of $53,920,000 on the project which was initially acquired in 2014.

The net loss for the year includes an unusual net realizable value adjustment related to inventory of $9,420,000. In Aug management determined that it was economical to reprocess tailings which had been originally stacked on the leach pa summer of 2016. The quality of the agglomerate was poor during this period, and as a result, the material has not been leach solution at the proper flow rates. To decrease the recovery time for this material, the Corporation will reagglomera restack the material on the leach pad using the same methodology that has been used to stack material over the past y have been no adjustments to the expected recoverable ounces on the rehandled material as a result of the reprocessin Corporation carries the heap leach inventory at the lower of cost or net realizable value, an assessment of net realizabl completed in Q4 2017 considering the impact of reprocessing and related costs which resulted in a charge to cash cost $7,652,000 and amortization and depletion of $1,768,000. The increased costs of reagglomerating the material had a s impact on the net realizable value adjustment. The adjusted cash and all in sustaining costs per ounce set out above a table below exclude the effect of the net realizable value adjustment.

Production for the quarter ending September 30, 2017 was 353,370 silver equivalent ounces which was the fourth cons quarter of production growth. The quarter ended September 30th is traditionally the rainy season in Mexico which can n impact production. With improvements that have been made to the operating procedures related to managing the impa production increased 125% over the previous year rainy season quarter.

Financial Highlights for the quarter ending September 30, 2017:

- Revenue of $4.44 million from 262,095 silver equivalent ounces, a realized price of $16.96 per silver equivalent o
- Adjusted cash cost per ounce of silver, net of gold credits was $4.03
- Adjusted cash cost per silver equivalent ounce was $10.18
- Adjusted all in sustaining cost per silver equivalent ounce was $22.42
- Produced 165,415 silver and 2,177 gold ounces, providing 353,370 silver equivalent ounces

Summarized Consolidated Financial Information	Three months ended September 30		Year ended September 30	
(in thousands USD, except per share amounts)	2017	2016[1]	2017	2016
Revenue	$ 4,444	$ 2,220	$ 17,045	$ 16,267
Cost of sales[2]	$ 13,183	$ 1,346	$ 23,179	$ 10,582
Operating income (loss)	$ (10,227)	$ (715)	$ (9,743)	$ 943
Net loss[3]	$ (1,501)	$ (1,291)	$ (584)	$ (20,537)
Basic net loss per share	$ (0.009)	$ (0.008)	$ (0.003)	$ (0.124)
Cash flow from operations, before changes in non-cash working capital	$ 2,091	$ (448)	$ 3,551	$ 3,422

[1] Adjusted for discontinued operations associated with the sale of Santa Gertrudis.

[2] Cost of sales in the quarter ended September 30, 2017 includes a negative net realizable value adjustment of $9,420.

[3] Net loss in the year ended 2016 includes an impairment charge of $20,030 recorded on the San Diego property.

Key Performance Indicators[1]	Three months ended September 30		Year ended September 30	
(in thousands USD, except per ounce amounts)	2017	2016	2017	2016
Total tonnes stacked	279,717	332,628	1,166,789	1,834,888
Adjusted AISC per silver equivalent ounce[2,4]	$ 22.42	$ 21.04	$ 16.10	$ 11.36
Adjusted cash cost per silver ounce[3,4]	$ 4.03	$ (5.20)	$ 1.80	$ 0.76
Adjusted cash cost per silver equivalent ounce[2,4]	$ 10.18	$ 7.50	$ 9.39	$ 6.49
Realized silver price	$ 16.96	$ 18.96	$ 16.40	$ 15.50

[1] Key performance indicators are unaudited non-GAAP

[2] Gold is converted using actual realized prices

[3] Using Gold as a by-product credit

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

This news release should be read in conjunction with the consolidated financial statements for the year ended Septemb 2017, notes to the financial statements, and management's discussion and analysis for the year ended September 30, have been filed on SEDAR and are available on the Company's website.

Technical information contained in this news release with respect to GoGold has been reviewed and approved by Mr. E P.Eng., who is a qualified person for the purposes of NI 43-101.

CAUTIONARY STATEMENT:

The securities described herein have not been, and will not be, registered under the United States Securities Act of 193
amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United State
for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in compliance with the
requirements of the U.S. Securities Act and applicable state securities laws or pursuant to exemptions therefrom. This r
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. A
statements other than statements of historical fact, included in this release, including, without limitation, statements reg
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 d
such information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the c
of GoGold and its subsidiaries as a going concern, general economic and market conditions, mineral prices, the accura
mineral resource estimates, and the ability to satisfy all conditions to funding of the second tranche under the credit
agreement. There can be no assurance that such information will prove to be accurate and actual results and future eve
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 the GoGold's projects, the failure to establish estimated mineral resources or minera
volatility of commodity prices, variations of recovery rates and global economic conditions. For additional information wi
to risk factors applicable to GoGold, reference should be made to GoGold's continuous disclosure materials filed from t
with securities regulators, including, but not limited to, GoGold's Annual Information Form. The forward-looking informat
contained in this release is made as of the date of this release.

Cautionary non-GAAP Measures and Additional GAAP Measures
Note that for purposes of this section, GAAP refers to IFRS. The Company believes that investors use certain non-GAA
additional GAAP measures as indicators to assess mining companies. They are intended to provide additional informat
should not be considered in isolation or as a substitute for measures of performance prepared with GAAP. Non-GAAP a
additional GAAP measures do not have a standardized meaning prescribed under IFRS and therefore may not be com
similar measures presented by other companies.

Additional GAAP measures that are presented on the face of the Company's consolidated statements of comprehensiv
include "Operating income (loss)". These measures are intended to provide an indication of the Company's mine and o
performance. "Cash flow from operating activities before changes in non-cash working capital" is a non-GAAP performa
measure that could provide an indication of the Company's ability to generate cash flows from operations, and is calcul
adding back the change in non-cash working capital to "Net cash used in operating activities" as presented on the Com
consolidated statements of cash flows. Per ounce measures are calculated by dividing the relevant mining and process
and total costs by the tonnes of ore processed in the period. "Cash costs per ounce" and "all-in sustaining costs per ou
used in this analysis are non-GAAP terms typically used by mining companies to assess the level of gross margin avail
Company by subtracting these costs from the unit price realized during the period. These non-GAAP terms are also use
the ability of a mining company to generate cash flow from operations. There may be some variation in the method of c
of these metrics as determined by the Company compared with other mining companies. In this context, "cash costs pe
reflects the cash operating costs allocated from in-process and dore inventory associated with ounces of silver and gold
period. "Cash costs per ounce" may vary from one period to another due to operating efficiencies, grade of material pro
silver/gold recovery rates in the period. "All-in sustaining costs per ounce" include total cash costs, exploration, corpora
administrative, share based compensation and sustaining capital costs. For a reconciliation of non-GAAP and GAAP m
please refer to the Management Discussion and Analysis dated December 22, 2017, for the year ended September 30,
presented on SEDAR.

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