

## NEWS RELEASE

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### GoGold Announces Closing of Private Placement of Subscription Receipts of Absolute Gold and Execution of the Definitive Business Combination Agreement

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HALIFAX: GoGold Resources Inc. ("**GoGold**" or the "**Company**") (TSX-V: GGD) is pleased to announce that Absolute Gold Holdings Inc. ("**Absolute**") has completed the previously announced brokered private placement financing (the "**Offering**") of subscription receipts (the "**Subscription Receipts**") sold at a price of CDN\$1.00 per Subscription Receipt through a syndicate of agents led by BMO Capital Markets and which included Canaccord Genuity Corp. and Wolverton Securities Ltd. (collectively, the "**Agents**"). CDN\$24 million of the Offering has been deposited in escrow today with the remaining CDN\$6 million of the Offering to be deposited into escrow upon receipt of shareholder approval of the proposed acquisition of Absolute, previously announced on March 30, 2012 (the "**Acquisition Transaction**"). The Acquisition Transaction is anticipated to be completed not later than August 1, 2012 pursuant to the terms of a definitive business combination agreement entered into between GoGold and Absolute today and described below (the "**Business Combination Agreement**").

The gross proceeds of the Offering (the "**Escrowed Proceeds**") that have been and will be deposited into escrow with Computershare Trust Company of Canada, as escrow agent, will be released to Absolute upon notice to the escrow agent that the escrow release conditions discussed below (the "**Release Conditions**") have been satisfied. Upon satisfaction of the Release Conditions, a commission of 5% of the Escrowed Proceeds will be payable to the Agents. It is intended that, upon completion of the Acquisition Transaction, the net proceeds of the Offering will be used for exploration of GoGold's San Diego project, exploration and development of Absolute's Parral project, and general working capital purposes.

Upon the satisfaction of the Release Conditions, each Subscription Receipt will be automatically converted into one Unit which will consist of one common share of Absolute (an "**Absolute Share**") and one half of one common share purchase warrant of Absolute. Each whole warrant of Absolute (an "**Absolute Warrant**") will entitle the holder to acquire an additional Absolute Share at a price of CDN\$1.21 for a period of 30 months from the date of satisfaction of the Release Conditions. The Subscription Receipts, Absolute Shares and Absolute Warrants are subject to an indefinite hold period under Canadian securities laws. The Company expects that the GoGold securities issuable to holders of Subscription Receipts in exchange for Absolute Shares and Absolute Warrants upon completion of the Acquisition Transaction will not be subject to any hold period under Canadian securities laws.

## **Update on Acquisition Transaction**

The Business Combination Agreement was entered into at the time of closing of the Offering. The Acquisition Transaction, previously expected to be completed by way of a three-cornered amalgamation, will now be completed by way of a plan of arrangement under the *Canada Business Corporations Act* (the “**Plan of Arrangement**”) whereby each Absolute Share will be exchanged for 0.81 common shares of GoGold (each whole share, a “**GoGold Share**”) and each Absolute Warrant will be exchanged for 0.81 common share purchase warrants of GoGold (each whole warrant, a “**GoGold Warrant**”). Each GoGold Warrant will entitle the holder to purchase one GoGold Share at a price of CDN\$1.50 for a period of 30 months from the date of satisfaction of the Release Conditions (subject to any required regulatory approvals).

Conditions to the completion of the Acquisition Transaction and the Release Conditions include receipt by GoGold of a fairness opinion and valuation and obtaining the required approvals for the Acquisition Transaction from the shareholders of Absolute and GoGold, and the TSX Venture Exchange, as well as the requisite judicial approval of the Plan of Arrangement.

Stonecap Securities Inc. has been retained by the board of directors of GoGold to provide a formal valuation in relation to the Acquisition Transaction, in addition to a fairness opinion previously announced. The valuation will be prepared in accordance with the requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

For further information please contact:

Terence F. Coughlan, President and CEO,  
or,  
Sean Tufford, Vice President, Corporate Development  
GoGold Resources Inc.,  
T: 902 482-1998  
F: 902 442-1898

Email : [sean@gogoldresources.com](mailto:sean@gogoldresources.com)  
Or visit : [www.gogoldresources.com](http://www.gogoldresources.com)

### **CAUTIONARY STATEMENT:**

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*This News Release includes certain “forward-looking statements”. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding potential mineralization and reserves, exploration results, and future plans and objectives of GoGold including completion of the Acquisition Transaction and completion of the Offering by Absolute, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from GoGold’s expectations are exploration risks detailed herein and from time to time in the filings made by GoGold with securities regulators.*

*The securities offered have not been registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or applicable state securities laws, and may not be offered or sold in the United States or to “U.S.*

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