TONOGOLD RESOURCES, INC.

Financial Statements

For the three months ended March 31, 2014 and 2013

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Tonogold Resources, Inc.
Balance Sheets
(Unaudited)

	March 31, 2014	December 31, 2013
ASSETS		
Current Assets		
Cash	$ 2,256	$ 7,647
Prepaid expense	4,600	-
Total Current Assets	6,856	7,647
Fixed Assets		
Property, plant and equipment, net	3,648	3,793
Other Assets		
Investment in Mil-ler Resouces and Energy SA de CV	45,000	-
Investment in Persistence Mining	5,000	5,000
Total Assets	$ 60,504	$ 16,440
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	$ 7,744	$ 8,776
Accrued payroll	87,977	51,977
Accrued interest	10,967	10,967
Accrued payroll taxes	28,243	31,827
Total Current Liabilities	134,931	103,547
Stockholders' Deficit		
Preferred stock, 40,000,000 authorized: None issued at December 31, 2013 and 2012	-	-
Common stock, $0.001 par value: 200,000,000 shares authorized, 190,148,612 shares issued and outstanding at March 31, 2014 and at December 31, 2013 respectively	190,149	190,149
Additional paid-in capital	13,842,694	13,842,694
Subscibed common stock	199,781	44,781
Deficit accumulated	(14,307,051)	(14,164,731)
Total Stockholders' Deficit	(74,427)	(87,107)
Total Liabilities and Stockholder's Equity	$ 60,504	$ 16,440

The accompanying notes are an integrat part of these financial statements

Tonogold Resources, Inc.
Statements of Operations
(Unaudited)

	For the three months ended March 31, 2014	March 31, 2013
Net Revenues	$ -	$ 4,092
Cost of Revenue	-	-
Gross Profit	-	4,092
Operating Expenses		
Mineral Property Costs	2,059	1,904
General and Administrative expenses	140,261	60,475
Total Operating Expenses	142,320	62,379
Provision for income taxes	-	-
Net Loss	$ 142,320	$ 58,287
Net (Loss) Per Share - Basic and Fully Diluted	$ 0.00	$ 0.00
Weighted average number of Common shares outstanding, basic and fully diluted	190,148,612	107,854,126

See accompanying notes to Financial Statements

Tonogold Resources, Inc.
Statements of Cash Flows
(Unaudited)

	For the Three Months Ended	
	March 31, 2014	**March 31, 2013**
Cash Flows from Operating Activities		
Net gain or (loss)	$ (142,320)	$ (58,287)
Adjustment to reconcile net loss to net cash provided by operations:		
Depreciation	145	1,194
Changes in operating working capital:		
Decrease in accouts receivable	-	18,676
Increase in prepaid expenses	(4,600)	
Increase (decrease) in accounts payable	(1,032)	2,236
Increase payroll accrual	36,000	36,000
Increase (decrease) accrued liabilities	(3,584)	279
Net change in operating working captital	26,929	58,385
Net Cash Provided Used in Operations	(115,391)	98
Cash Flows From Investing Activities		
Investment in Mil-ler Resouces and Energy SA de CV	(45,000)	-
Net Cash Provided by (Used in) Investments Activities	(45,000)	-
Cash Flows from Financing Activities		
Subscribed common stock	155,000	-
Net Cash Provided by Financing Activities	155,000	-
Net (Decrease) Increase in Cash	(5,391)	98
Cash--Beginning of Period	7,647	1,665
Cash - Ending of Period	$ 2,256	$ 1,763
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Income taxes paid	$ -	$ -
Interest paid	$ -	$ -

See accompanying notes to Financial Statements

Tonogold Resources, Inc.
Statement of Stockholders' Equity (Deficit)
(Unaudited)

	COMMON SHARES Shares	Par Value $0.001	ADDITIONAL PAID-IN CAPITAL	SUBSCRIBED STOCK	INCOME (DEFICIT)	STOCKHOLDERS' ACCUMULATED EQUITY (DEFICIT)
Balance December 31, 2012	107,853,126	$ 107,853	$ 13,239,223		$ (13,560,239)	(213,163)
Shares issued for cash	81,076,930	81,077	593,723			674,800
Shares issued for interest payable	1,218,556	1,218	9,749			10,967
Subscribed stock				44,781		44,781
Net loss					(604,492)	(604,492)
Balance December 31, 2013	190,148,612	$ 190,148	$ 13,842,695	$ 44,781	$ (14,164,731)	$ (87,107)
Subscribed stock				155,000		155,000
Net loss					(142,320)	(142,320)
Balance March 31, 2014	$ 190,148,612	$ 190,148	$ 13,842,695	$ 199,781	$ (14,307,051)	$ (74,427)

The accompanying notes are an integrat part of these financial statements

Tonogold Resources, Inc.
Footnotes to Financial Statements
For the Three Months Ended March 31, 2014 and 2013

(Unaudited)

Note 1. Organization and Significant Accounting Policies

Organization and Line of Business

Tonogold Resources, Inc., a Delaware corporation, is a result of the Acquisition of Point Loma Partners, Inc. "PLP" by Gamesboro Com, Inc. "GB" (formerly Alliance Trophy Club, Inc.) as of May 1, 2002. The Company changed its name to Tonogold Resources, Inc. in 2004.

Tonogold has been primarily engaged in the acquisition, exploration and development of mining properties, however in 2008 the company revised its business model and now focuses on obtaining and proving out mining properties for sale to other mining development companies in order to generate income in the form of cash, stock, joint venture interests, and royalties. In addition, the Company will do consulting with mining development companies.

During 2009 and continuing through the present the Company has generated revenues from the sale of mining properties taking stock, cash and royalty percentages and consulting fees.

Basis of Preparation

The accompanying un-audited financial statements have been prepared in accordance with generally accepted accounting principles for financial reporting and pursuant to the rules and regulations of the Securities and Exchange Commission ("Commission").

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Revenue Recognition

The Company recognizes revenue from the sale of leases at the time the lease is sold and income from consulting agreements as earned. Royalty income is recognized as received. For lease of mining properties acquired prior to the above policy the Company still expenses costs associated with continuing those leases.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less as cash equivalents.

Property, Plant and Equipment

Property, plant and equipment is stated at cost and depreciated using the straight-line method over the estimated useful life of the assets, which is three to ten years.

Long-Lived Assets

The Company accounts for intangible assets in accordance with Statement of Financial Accounting Standards (SFAS) No.144 " Accounting For The Impairment or Disposal of Long-Lived Assets" and Statement of Financial Accounting Standards (SFAS) No. 142 "Goodwill and Other Intangible".

Income Taxes

The Company follows SFAS No. 109 "Accounting for Income Taxes" (SFAS No. 109) for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the differences between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expense or benefit is based on the change in the asset or liability each period. If available evidence suggests that is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax asset to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change.

Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods. Deferred taxes are classified as current or non-current, depending on the classification of assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse.

Minimum State income taxes are recorded as paid.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period's presentation. The reclassifications had on effect on the net loss, total assets, or shareholders' deficit.

Going Concern

The financial statements have been prepared assuming that the Company will continue as a going concern. As of March 31, 2014 the Company had cash of $2,256 and negative working capital of ($128,056). The Company had net loss from continuing operations of $142,320 for the three months ended March 31, 2014.

The accompanying financial statements do not include any adjustments relating to the recovery and classification of asset carrying amounts or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

Mining Property costs

The Company incurs costs on activities that relate to the securing of mining leases. The costs are capitalized as investments in projects until the lease can be sold or until the lease proves to be of no value and expensed.

Prior to 2008 all costs related to mining properties were expensed and that policy is still in effect for those properties the Company continues to hold.

Stock-Based Compensation

Statement of Financial Accounting Standards No. 123 (Revised 2004), "Share-Based Payment" ("SFAS 123R"). SFAS 123R requires that compensation cost related to share-based payment transactions be recognized in the financial statements. Share-based payment transactions within the scope of SFAS 123R include stock options, restricted stock plans, performance-based awards, stock appreciation rights, and employee share purchase plans. The provisions of SFAS 123R, as amended, are effective for small business issuers beginning as of the next interim period after December 15, 2005.

The Company has elected to use the modified–prospective approach method. Stock-based compensation expense for all awards granted is based on the grant-date fair values estimated in accordance with the provisions of FAS 123R. The Company recognizes these compensation costs, net of an estimated forfeiture rate, on a pro rata basis over the requisite service period of each vesting trenched of each award.

The Company considers voluntary termination behavior as well as trends of actual option forfeitures when estimating the forfeiture rate.

The Company measures compensation expense for its non-employee stock-based compensation under the Financial Accounting Standards Board (FASB) Emerging Issues Task Force (EITF) Issue No. 96-18, "Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or

Services". The fair value of the option issued is used to measure the transaction, as this is more reliable than the fair value of the services received. The fair value is measured at the value of the Company's common stock on the date that the commitment for performance by the counterparty has been reached or the counterparty's performance is complete. The fair value of the equity instrument is charged directly to compensation expense and additional paid-in capital.

Basics and Diluted Net Loss Per Common Share

The Company computes per share amounts in accordance with SFAS No. 128, "Earnings per Share". SFAS No. 128 requires presentation of basis and diluted EPS. Basic EPS is computed by dividing the income (loss) available to Common Shareholders by the weighted-average number of common shares outstanding for the period. Diluted EPS is based on the weighted-average number of shares of common stock and common stock equivalents outstanding during the periods.

Recent Accounting Pronouncements

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and does not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

Note 2. Income taxes

The components of the deferred tax asset are as follows:

	March 31, 2014	December 31, 2013
Deferred tax assets		
Net operating loss carry-forward	4,200,000	$ 4,100,000
Valuation allowance	(4,200,000)	(4,100,000)
Net deferred tax assets	$ -	$ -

The Company had available approximately $10,247,000 at March 31, 2014 and $10,104,000 at December 31, 2013 of unused Federal and California net operating loss carry-forwards that may be applied against future taxable income. These net operating loss carry-forwards expire through 2034 and 2024 for Federal and State purposes, respectively. There is no assurance that the Company will realize the benefit of the net operating loss carry-forwards.

SFAS No. 109 requires a valuation allowance to be recorded when it is more likely than not that some or all of the deferred tax assets will not be realized.

Reconciliation of the differences between the statutory tax rate and the effective income tax rate is as follows at March 31, 2014 and December 31, 2012 respectively:

Statutory rate	35%
State taxes, net of Federal tax benefit	6%
Net operating loss carryforward	41%
Effective tax rage	0%

Note 3. Project investments

During the year ended December 31, 2013 the Company sold Arizona project and Coors project for $20,000 and a 3% royalty capped at $50,000. The total invested on the date of sale was $33,638 in Arizona project and $23,940 in Coors project, a total of $57,578. The Company has recognized the loss in the accompanying financial statements. Any royalties received will be recognized as income when received.

Note 4. Mineral Properties

Prior to 2008, and subsequently for all properties, all costs were and are expensed as incurred.

1) King Tonopah East Lease

On February 18, 2005 the Company obtained a mining lease from Royce L. Hackworth and Belva Tomany to develop and operate mining properties in the Tonopah mining district, Nye County, Nevada. The agreement required an $11,000 payment at signing. The lease was amended on November 2, 2010 to include a revised schedule of annual payments listed below.

The Company will pay a royalty of 3% of all mineral sales that may be reduced to 1.5% upon payment of $150,000 during the first ten years.

The Company paid rental of $4,500 in the year ended December 31, 2013. Rentals are payable and investment required in exploration, development and mining as follows:

Year Ended	Rents Required
February 18, 2014	$5,000
Subsequent years	$10,000

The Company has incurred $232,465 in expenses on the King Tonopah property to date.

2) Tonopah Divide Lease

On March 1, 2006, the Company obtained a ten-year mining lease from Tonopah Divide Mining Company, with option to renew as long as the property is in production, to develop and operate mining properties in the Divide Mining District, Esmeralda County, Nevada. The agreement required a $30,000 payment at signing and a rental payment of $10,000 per month starting April 1, 2006.

On March 14, 2008, the Company signed an Exploration and Option Agreement with Centerra (U.S.), Inc., a subsidiary of Centerra Gold, Inc. Centerra incurred project related expenses of approximately $4.7 million over a four year period. The mining venture with Centerra was terminated in 2012 and Tonogold's ownership interest in the project is now 100% subject to the terms of the leases.

Concurrent with the signing of the Exploration and Option Agreement, the terms of the mining lease with Tonopah Divide Mining Company have been amended per the following terms. Advance minimum royalties, investment required in exploration, development and mining are as follows:

Years Ended	Investment Required	Royalty
May 1, 2014	-	$100,000
March 1, 2015*	-	$68,187
March 1, 2016*	-	$75,000
Subsequent Years*	$300,000	$75,000

*Advance minimum royalty payments will be paid on a pro-rated monthly basis beginning June 1, 2014. Advance minimum royalty payments are adjusted by the increase in the CPI (consumer price index) on an annual basis.

There is no additional investment required until 2024.

Prior advance minimum royalty payments can be offset against production royalty payments.

Upon commencement of commercial production a maximum of 4% net smelter royalty will be paid to the Tonopah Divide Mining Company or its associated leasers.

In addition to the primary lease with the Tonopah Divide Mining Company there are several subordinate leases including the Victory Divide, Apex-Bookeeper, Big Divide, and Mammoth leases. Rental payments for the subordinate leases total approximately $12,250 per year. The Company has incurred $533,819 in expenses on the Tonopah Divide property to date.

Note 5. Private Placement of common shares

On June 6, 2013, we closed a private placement which raised $711,000 through the sale of 79,000,000 shares of restricted common stock. Through June 30, 2013 we issued 66,357,666 shares pursuant to the private placement and had an additional 12,642,334 subscribed. The shares were issued pursuant to Rule 506 and the certificates contained a restrictive legend. The expenses of the private placement were $49,591 leaving net proceeds of $660,439.

During the six months ended December 31, 2013 the Company issued an additional 11,000,000 of the subscribed shares $99,000, leaving $14,791 of the subscribed shares of June 30, 2013 still to be issued and 1,218,556 in payment of interest payable $10,967. An additional $30,000 was subscribed at December 31, 2013 with the total subscribed at $44,781.

During the three months ended March 31, 2014, $155,000 was subscribed bringing the total of subscribed common shares to $199,781.

Note 6. Warrants issued for services

In May and June 2013 the Company issued warrants for services as follows:

Issue Date	Name / Services Rendered	Exercise Price	Underlying Shares / Expiration Date
5/29/13	Comstock Royalty, Inc. Corporate Advisory / Financial Relations	$.01	1,600,000 Exp: May 29, 2016
6/1/13	Mark J. Ashley Issued to CEO (Employment Contract)#	$.01	1,700,000 Exp: June 6, 2018
6/1/13	Simona Ashley Issued to CEO (Employment Contract)#	$.01	1,700,000 Exp: June 6, 2018
6/1/13	Mark J. Ashley Issued to CEO (Employment Contract)#	$.05	1,650,000 Exp: June 6, 2018
6/1/13	Simona Ashley Issued to CEO (Employment Contract)#	$.05	1,650,000 Exp: June 6, 2018
6/1/13	Mark J. Ashley Issued to CEO (Employment Contract)#	$.08	1,650,000 Exp: June 6, 2018
6/1/13	Simona Ashley Issued to CEO (Employment Contract)#	$.08	1,650,000 Exp: June 6, 2018
6/6/13	Pareto Capital, Ltd. Investment Banking Services	$.01	3,000,000 Exp: June 30, 2018

#10 million warrants issued to CEO (directly and to nominee) pursuant to Contract of Employment

Note 7. Employment agreement

In March 2013 the Company entered into an employment agreement with the Chief Executive Officer. Remuneration was set at $192,000 per year and the issue of 10 million warrants (see Note 6).

Note 8. Investment in Persistence Mining Inc.

Persistence Mining, Inc. (PMI) was formed as a Nevada corporation in February 2012 with Tonogold acquiring 750,000 shares (4.5%) of the company. PMI will explore and develop barite mines in Nevada. On October 1, 2012 Tonogold signed a one year contract with PMI to provide management services for $20,000 per month. This contract was canceled during the three months ended March 31, 2013.

Note 9. Agreement with Mil-ler Resources and Energy SA

On October 18, 2013, we entered into an exclusive option agreement with Mil-Ler Resources and Energy SA ("Mil-Ler") a private Mexican mining and exploration company to acquire up to 34% equity interest in Mil-Ler in two tranches of $5 million each for a total investment of up to $10 million. Mil-Ler operates the Nevmex iron ore mine located 24 miles from Hermosillo, Mexico. On February 18, 2014, the option was extended until March 28, 2014 and in addition, Tonogold obtained the exclusive right to purchase shares from existing shareholders that would bring its ownership in Mil-Ler to 51% for a payment of $6 million plus a minimum of 59 million shares in Tonogold.

Subsequent to the end of the quarter, Tonogold and Mil-ler shareholders agreed to merge 100% of Mil-Ler into Tonogold in a non-cash transaction for the issue of 541 million restricted shares in Tonogold (subject to Tonogold shareholders approving a 1 for 10 reverse share split and an appropriate adjustment to our Authorized capital). Tonogold has retained EAS Advisors acting through Merriman Capital to raise $14 million through the sale of equity at $.05 per share to provide appropriate funding to explore untested anomalies, regional consolidation opportunities.

MIL-LER owns mineral rights over approximately 135 square miles (350 square kilometers) 40 kilometers north of Hermosillo (the capital of Sonora), Mexico. Exploration drilling over a small area of the total claims during 2011 confirmed the presence of iron ore mineralization. MIL-LER commenced a small scale operation in January 2013 and mines ore (both hematite and magnetite) which is beneficiated via a simple two stage crushing and dry magnetic separation process producing approximately 15,000 tonnes of iron ore product which is transported by road to main port at Guaymas (180 kilometers from site) where the product is shipped and sold to China under an off-take agreement.

PART 2 MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company was organized to engage in the acquisition, exploration and development of mining properties. However, in 2008 the Company changed its focus to engage in the acquisition and exploration of mining properties with the objective to sell those properties that proved out to companies that focused on the development and operation of mining properties.

Revenues

The Company has no revenues for the quarter as compared to $4,092 from management fees in the first quarter of 2013.

Mineral property costs

Mineral property costs were $2,098 as compared to $1,904 for the prior year. These expenses were for the retaining the King Tonopah properties..

General and administrative expenses

		March 31,2014		March 31, 2013
Remuneration	$	109,627	$	54,150
Office		3,161		1,695
Insurance		1,413		1,463
Promotional		9,459		711
Pink sheet filing		2,410		-
Travel		2,205		311
Telephone		3,303		2,491
Professional fees		6,645		(1,380)
Other		2,038		1,034
Total	$	140,261	$	60,475

Total Remuneration has increased, mainly the result of the appointment of the Chief Executive Officer, which occurred in April 2013.

Professional fees in Q1/13 included a credit from prior periods. Professional fees for Q1/14 included costs associated with the acquisition of Mil-ler.

The Company had free office space available in the prior year. The Company did not have any Pink Sheet filing fees during the first quarter of last year.

Working capital

As of December 31, 2013 the Company had cash of $2,256. During the year the Company completed an equity raising of $660,000 (after costs). The company had a negative working capital position of $128,000 at March 31, 2014. The Company had net loss from continuing operations of $142,320 for the three months ended March 31, 2014 as compared a net loss from continuing operations of $58,287 for the three months ended March 31, 2013. The Company has raised and additional $155,000 during the quarter ended March 31, 2014.

The company will need to raise additional funds during the next twelve months in order to sustain our business. Additional funds may not be available and we cannot predict what revenues and cash flow from operations we can expect during the next twelve months.