

GAMCO Gold Fund, Inc.

Shareholder Commentary – June 30, 2009



Caesar Bryan

To Our Shareholders,

The GAMCO Gold Fund's net asset value per Class AAA Share appreciated by 8.37% for the second quarter of 2009. This performance reflects the continued recovery of gold equities from what we believe was a very oversold condition at the end of 2008. For comparison, the XAU Index returned 3.53% for the quarter and the average gold fund monitored by Lipper appreciated by 6.62%.

For the first six months of the year, the GAMCO Gold Fund appreciated by 22.77% which compares with a rise of 12.56% for the XAU Index and 18.03% for the average gold fund monitored by Lipper.

Comparative Results

Average Annual Returns through June 30, 2009 (a)

	Quarter	Year to Date	1 Year	3 Year	5 Year	10 Year	Since Inception (7/11/94)
GAMCO Gold Fund Class AAA	8.37%	22.77%	(22.36)%	4.99%	16.81%	19.45%	8.12%
Philadelphia Gold and Silver Index	3.53	12.56	(28.09)	(0.06)	11.19	9.13	2.54(b)
Lipper Gold Fund Average	6.62	18.03	(22.62)	2.74	14.46	16.16	4.29
S&P 500 Index	15.92	3.19	(26.20)	(8.22)	(2.24)	(2.22)	6.85

The expense ratio in the current prospectus is 1.44% for the Fund's Class AAA Shares. Class AAA Shares do not have a sales charge.

(a) **Returns represent past performance and do not guarantee future results.** Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Performance returns for periods of less than one year are not annualized. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.** See page 7 for further details about additional classes of shares. Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. Investing in gold is considered speculative and is affected by a variety of worldwide economic, financial, and political factors. The Philadelphia Gold & Silver Index is an unmanaged indicator of stock market performance of large North American gold and silver companies, while the Lipper Average reflects the average performance of mutual funds classified in this particular category. The Standard & Poor's ("S&P") 500 Index is an unmanaged indicator of stock market performance. Dividends are considered reinvested. You cannot invest directly in an index.

(b) Since June 30, 1994.

GAMCO GOLD FUND INVESTMENT RESULTS (CLASS AAA SHARES) (a)

		Quarter				Year
		1st	2nd	3rd	4th	
2009:	Net Asset Value	\$22.69	\$24.59	—	—	—
	Total Return	13.3%	8.4%	—	—	—
2008:	Net Asset Value	\$30.20	\$31.67	\$21.55	\$20.03	\$20.03
	Total Return	7.4%	4.9%	(32.0)%	(7.1)%	(28.7)%
2007:	Net Asset Value	\$24.85	\$25.19	\$30.36	\$28.11	\$28.11
	Total Return	(0.5)%	1.4%	20.5%	2.6%	24.7%
2006:	Net Asset Value	\$25.09	\$25.96	\$23.91	\$24.98	\$24.98
	Total Return	20.6%	3.5%	(7.9)%	15.2%	32.4%
2005:	Net Asset Value	\$15.27	\$15.13	\$18.74	\$20.80	\$20.80
	Total Return	(4.6)%	(0.9)%	23.9%	14.1%	33.6%
2004:	Net Asset Value	\$17.55	\$14.38	\$16.53	\$16.00	\$16.00
	Total Return	(3.5)%	(18.1)%	15.0%	(2.0)%	(10.9)%
2003:	Net Asset Value	\$10.83	\$12.26	\$15.18	\$18.18	\$18.18
	Total Return	(11.8)%	13.2%	23.8%	20.9%	49.4%
2002:	Net Asset Value	\$9.54	\$10.54	\$10.55	\$12.28	\$12.28
	Total Return	45.4%	10.5%	0.1%	16.4%	87.2%
2001:	Net Asset Value	\$4.88	\$6.12	\$6.33	\$6.56	\$6.56
	Total Return	(7.2)%	25.4%	3.4%	4.7%	26.0%
2000:	Net Asset Value	\$5.19	\$5.27	\$5.04	\$5.26	\$5.26
	Total Return	(16.7)%	1.5%	(4.4)%	4.4%	(15.6)%
1999:	Net Asset Value	\$5.45	\$5.39	\$6.74	\$6.23	\$6.23
	Total Return	(3.7)%	(1.1)%	25.1%	(7.6)%	10.1%
1998:	Net Asset Value	\$6.63	\$5.68	\$6.17	\$5.66	\$5.66
	Total Return	12.9%	(14.3)%	8.6%	(8.3)%	(3.6)%
1997:	Net Asset Value	\$11.83	\$9.79	\$9.17	\$5.87	\$5.87
	Total Return	(4.0)%	(17.2)%	(6.3)%	(35.4)%	(51.9)%
1996:	Net Asset Value	\$14.00	\$13.40	\$13.46	\$12.32	\$12.32
	Total Return	22.7%	(4.3)%	0.4%	(8.5)%	8.0%
1995:	Net Asset Value	\$11.00	\$11.96	\$12.27	\$11.41	\$11.41
	Total Return	(0.6)%	8.7%	2.6%	(7.0)%	3.1%
1994:	Net Asset Value	—	—	\$12.37	\$11.07	\$11.07
	Total Return	—	—	23.7%(b)	(10.5)%	10.7%(b)

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the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing. See page 7 for further details about additional classes of shares. Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. Investing in gold is considered speculative and is affected by a variety of worldwide economic, financial, and political factors.

(b) From commencement of investment operations on July 11, 1994.

The price of gold barely moved during the second quarter of 2009. At the end of June the price of gold was \$926.60 per ounce, a rise of about seven dollars for the three months under review. This represents an appreciation of about 0.8%. During April and May, the gold price reacted positively to weakness in the U.S. dollar and in early June it briefly rose above \$980 per ounce. However, the dollar stabilized in the exchange market and the gold price drifted lower during June. During the quarter, credit market conditions continued to improve and equity investors gained confidence that the worst of the recession was over. This led to strong gains in global equity markets. For the quarter, the dollar, as measured by the DXY Index, declined by 6.2% and ended June at 80.13.

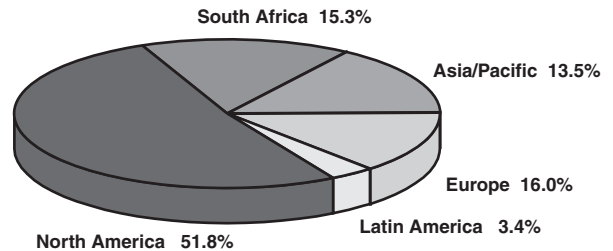
Our Approach

We look at a number of company specifics in order to determine which gold stocks are relatively undervalued. Our focus is on capitalization per ounce of production and, more importantly, on capitalization per ounce of recoverable reserves. This determines how much gold actually backs every dollar invested in a gold company. We appreciate that every mining company must replace the gold that it mines, and we place a heavy emphasis on the quality of management and their ability to create shareholder wealth. We invest globally with an emphasis on gold producing companies.

Global Allocation

The accompanying chart presents the Fund's holdings by geographic region as of June 30, 2009. The geographic allocation will change based on current global market conditions. Countries and/or regions represented in the chart and below may or may not be included in the Fund's future portfolio.

HOLDINGS BY GEOGRAPHIC REGION – 6/30/09



COMMENTARY

Although equity markets performed strongly in the second quarter reflecting news of economic stabilization, prospects for financial and economic stability remain highly uncertain.

During the past few months a number of foreign central bankers and finance ministers have raised the issue of the safety of their reserve holdings dominated in U.S. dollars. First a quick recap. Global foreign exchange reserves have grown at a rapid rate during the past few years. In 2000, global foreign exchange reserves totaled about \$2 trillion and this has now grown to nearer \$7 trillion. Of this, about 65% is invested in U.S. dollars which is about \$4.5 trillion. This is an enormous amount of money, and is, we believe, without precedent in economic history. The buildup in reserves is the consequence of current account surplus countries intervening to prevent their currencies from appreciating in value. Many of these current account asset surplus countries simply do not want their currencies to appreciate for fear of losing export competitiveness.

China, for example, has foreign exchange reserves in excess of \$2 trillion which represents over 25% of total global foreign exchange reserves. In the second quarter of 2009, China's reserves grew by \$177.9 billion to \$2.132 trillion. Of this only about \$35 billion is invested in gold, or less than 2%. This compares with about 10% of global foreign exchange reserves invested in gold at the end of 2008. In 1980, nine years after President Nixon took the U.S. off the gold standard, 60% of global foreign exchange reserves were allocated to gold. Why is China concerned about the dollar? Probably because of recent changes in monetary management, which resulted in a massive rise in the size of the Federal Reserve's balance sheet and the adoption of a zero interest rate policy. China has increased their gold holdings to 1,054 tonnes and it is likely that this will rise over time, perhaps significantly. And where China leads, others will likely follow.

Prior to the onset of the financial crisis in the middle of 2008, the DXY Index, which measures the general international value of the dollar relative to six major world currencies was trading between 72 and 74. As the financial crisis progressed, there was huge demand worldwide for dollars as liabilities were reduced. This took the DXY Index to nearly 90 at the start of March 2009. Since then the index has fallen to about 80 as financial market stresses have eased. Should financial market conditions ease further and investor risk appetite rise, expect the dollar to weaken. This should be positive for the price of gold.

Investment Scorecard

Despite an insignificant move in the gold price during the quarter, gold equities continued their recovery following the brutal selloff during the second half of 2008. We still believe that gold equities have more upside even with the gold at its current price. In a higher gold price environment, gold equities could enjoy a significant upward move.

Similar to the first quarter, it was those companies that had been hit hardest in the downturn that bounced back the most. Generally, these were smaller gold companies and included Odyssey Resources (0.03% of net assets as of June 30, 2009), Avnel Gold (0.02%), Witswatersrand Consolidated (0.6%), Cluff Gold (0.2%), Centamin Egypt (1.1%), and Golden Queen (0.4%). All these holdings appreciated by more than 50%. Among holdings larger than 1% of the portfolio at the end of June, Hochschild Mining (1.9%), Kingsgate Consolidated (1.1%), Anglo Platinum (1.8%), Red Bank Mining (1.0%), Impala Platinum (2.9%), Freeport-McMoRan (3.5%), and Wesdome Gold (1.4%), all rose by between 30% and 50%. However, some of our large holdings hurt performance. These included Yamana Gold (2.5%), Harmony Gold (2.9%), Agnico-Eagle (7.5%), Newmont Mining (5.3%), and Royal Gold (1.3%). They all fell by between 5% and 10%.

Let's Talk Stocks

The following are stock specifics on selected holdings of our Fund. Favorable earnings prospects do not necessarily translate into higher stock prices, but they do express a positive trend that we believe will develop over time. Individual securities mentioned are not necessarily representative of the entire portfolio. For the following holdings, the percentage of net assets and their share prices stated in U.S. dollar equivalent terms are presented as of June 30, 2009.

Agnico-Eagle Mines Ltd. (4.2% of net assets as of June 30, 2009) (AEM - \$52.48 - NYSE) is a mid sized Canadian gold company with an established operating history and currently has reserves of 18.1 million ounces of gold. The company operates the La Ronde mine in Quebec, Canada. Agnico-Eagle has secured a dominant land position along the Cadillac-Bousquet belt, which will provide the company with future growth opportunities at Lapa and Goldex. Agnico-Eagle has also expanded its growth potential through acquisitions. These have resulted in the development of mines in Mexico and Finland. More recently the company acquired Cumberland Resources which controls a project in Northern Canada. The company has one of the best growth profiles among the universe of gold companies.

Barrick Gold Corp. (2.1%) (ABX - \$33.55 - NYSE) is the world's largest gold mining company. The company has operations in South America, Australia, and East Africa. Barrick has a good track record in bringing new discoveries to production and its acquisition of Placer Dome brings further development opportunities as well as cost savings. The company continues to reduce its gold hedges, which is well received by the market. In 2008, Barrick is produced over 7.6 million ounces of gold at a cash cost of \$443 per ounce.

Buenaventura ADR (1.3%) (BVN - \$24.03 - NYSE) is a Peruvian based gold mining company founded and managed by the Benavides family. The company's main assets are its 43.7% stake in South America's largest gold mine, Yanacocha, which is operated by Newmont Mining and its 18.5% ownership in the Cerro Verde Copper Mine. During the past fifty years of the company's existence, it has been able to acquire a very interesting land position in mineral rich Peru. This year the company should produce over 1.2 million ounces of gold and about 18 million ounces of silver.

Eldorado Gold Corp. (1.4%) (EGO - \$8.95 - American Stock Exchange) is a well financed junior gold producer with an exciting growth profile and gold reserves over 6 million ounces. Currently, the company has two producing assets, the Kisladag in Turkey and the Tanjianshan Mine in China. The company has decided to develop the Vila Nova iron ore project in Brazil and has increased its share of the project to 75%. Eldorado also has an exciting development project called Efemçukuru in Turkey, which is expected to be in production during 2010.

Fresnillo plc (2.6%) (FRES.LN - \$8.58 - London Stock Exchange) is the largest primary silver producer in the world. Its namesake, Fresnillo mine in the central state of Zacatecas, Mexico is a world class asset containing 372 million ounces of proven and probable silver reserves. Accounting for its gold production on a by-product basis would indicate a negative cash cost per ounce of silver produced on a group basis. The company dropped a bid for Mexican silver producer MAG Silver, when it felt that pursuing the deal was no longer in the best interest of shareholders.

Gold Fields Ltd. (4.9%) (GFI - \$12.05 - NYSE) is one of the world's largest gold producers with a huge gold reserve position. During recent years the company has expanded its production and operations outside its home market of South Africa where it controls the famous Kloof and Driefontein mines. This expansion has mostly taken place in West Africa, Australia, and South America. The company has taken control of the South Deep mine in South Africa which has enormous potential with reserves of 29 million ounces. Recently the company has sold some assets in West Africa and Venezuela for about \$700 million which will strengthen its balance sheet.

Hochschild Mining plc (1.9%) (HOC.L - \$4.57 - London Stock Exchange) is a leading underground precious metals producer with a primary focus on the exploration, mining, processing, and sale of silver and gold. The company currently has five underground, epithermal vein mines, four located in southern Peru and one in southern Argentina and one open pit mine in northern Mexico. Hochschild also has one early stage development project in Mexico and fifteen long-term prospects of precious metal epithermal vein deposits throughout Latin America. Hochschild has a superior management team that has established a reputation of consistent reserve replacement, relatively high-grade deposits and impressive margins. The company has a very strong balance sheet.

Kinross Gold Corp. (4.5%) (KGC - \$18.15 - NYSE) is a senior gold producer with operations located in North America, Brazil, Chile, and Russia. It is advancing three growth projects: Paracatu in Brazil, Kupol in Russia and Buckhorn in the U.S. Recently the company reached an asset swap agreement with Goldcorp on their joint ventures. Kinross will acquire the remaining 50% share of the La Coipa mine in Chile and receive \$200 million in cash. In exchange, Goldcorp will acquire Kinross' 32% interest in Porcupine and 49% interest in Musselwhite, both in Ontario. These and other projects should result in a strong production growth over the next three years.

Lihir Gold Ltd. (4.4%) (LIHR - \$23.33 - Nasdaq) is a leading Asia-Pacific gold company, which operates the flagship Lihir Island mine in Papua New Guinea and is developing the Ballarat East underground project in Australia. The company purchased Equigold, which controls a gold mine in Queensland, Australia and a mine in the Ivory Coast, West Africa. This should lift production to over 1.0 million ounces of gold in 2009. At 2008 year-end, reserves were estimated at 22 million ounces. Lihir is undertaking an expansion program at its Lihir mine, which should see production reach 1 million ounces within the next few years.

Newcrest Mining Ltd. (4.1%) (NCM.AX - \$24.44 - Australian Stock Exchange) is the largest Australian domiciled gold producer with operations in Australia and Indonesia. The company has a portfolio of low cost, long life operating mines, a strong pipeline of growth projects and highly prospective brown and green field exploration projects. Newcrest has a substantial reserve and resource base combined with a long reserve life. The company has substantial leverage to the gold price. Low gearing and a strong balance sheet places the company in a good position to fund major development projects and to capitalize on external growth opportunities.

Randgold Resources (13.1%) (GOLD - \$64.17 - Nasdaq) is a mid-sized gold producer that has an extensive exploration portfolio concentrated in West Africa. Current production is sourced from its two gold mines located in Mali. Randgold's exploration portfolio is primarily concentrated in Mali, Senegal, Ghana, Burkina Faso and Tanzania. Randgold has one of the most exciting growth profiles among gold producing companies.

Redback Mining Inc. (1.0%) (RBI.CN - \$8.72 - Toronto Stock Exchange) is an emerging mid tier gold producer with assets in Ghana and Mauritania in western Africa. Redback recently entered into a definitive agreement to acquire Moto Goldmines, a Toronto listed exploration and development company with a large gold deposit in the Democratic Republic of the Congo. Moto will bring 4 million ounces of gold reserves and 15 million ounces of total resources to the combined company, which will bring total production from an expected 400 thousand ounces in 2009 to over 1 million ounces once the Moto mine is in full production.

Conclusion

Despite the efforts of the private sector to reduce debt, total debt relative to the economy continues to rise largely due to growth in the public sector. According to Ned Davis Research, total U.S. credit market debt as a percent of GDP is now about 375%. This compares with a level of 150% in 1970 and dwarfs the buildup in debt

during the 1920s. It takes an ever-increasing amount of debt to create a dollar of GDP growth. There are three ways to reduce the real burden of debt: rapid economic growth, default, or inflate. In the latter two outcomes, gold would likely perform well. Gold equities generally offer a leveraged opportunity on changes in the price of gold. In higher gold price environment we expect gold equities to offer investors significant upside from current levels.

Sincerely,



August 12, 2009

Caesar Bryan, Portfolio Manager

Note: The views expressed in this Shareholder Commentary reflect those of the Portfolio Manager only through the end of the period stated in this Shareholder Commentary. The Portfolio Manager's views are subject to change at any time based on market and other conditions. The information in this Portfolio Manager's Shareholder Commentary represents the opinions of the individual Portfolio Manager and is not intended to be a forecast of future events, a guarantee of future results, or investment advice. Views expressed are those of the Portfolio Manager and may differ from those of other portfolio managers or of the Firm as a whole. This Shareholder Commentary does not constitute an offer of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this Shareholder Commentary has been obtained from sources we believe to be reliable, but cannot be guaranteed.

Minimum Initial Investment – \$1,000

The Fund's minimum initial investment for regular accounts is \$1,000. There are no subsequent investment minimums. No initial minimum is required for those establishing an Automatic Investment Plan. Additionally, the Fund and other Gabelli/GAMCO Funds are available through the no-transaction fee programs at many major brokerage firms. The Fund imposes a 2% redemption fee on shares sold in seven days or less of a purchase. See the prospectus for more details.

www.gabelli.com

Please visit us on the Internet. Our homepage at www.gabelli.com contains information about GAMCO Investors, Inc., the Gabelli/GAMCO Mutual Funds, IRAs, 401(k)s, current and historical quarterly reports, closing prices, and other current news. We welcome your comments and questions via e-mail at info@gabelli.com.

You may sign up for our e-mail alerts at www.gabelli.com and receive early notice of quarterly report availability, news events, media sightings, and mutual fund prices and performance.

The Fund's daily NAV is available in the financial press and each evening after 6:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). The Fund's Nasdaq symbol is GOLDX for Class AAA Shares. Please call us during the business day for further information.

Top Ten Holdings (Percent of Net Assets) June 30, 2009

Randgold Resources Ltd., ADR 13.1%	Gold Fields Ltd., ADR 4.9%
Goldcorp Inc. 7.7%	Lihir Gold Ltd. 4.4%
Agnico-Eagle Mines Ltd., Toronto 7.5%	Newcrest Mining Ltd. 4.1%
Kinross Gold Corp., Toronto 6.9%	Franco-Nevada Corp., Toronto 4.0%
Newmont Mining Corp. 5.3%	Freeport-McMoRan Copper & Gold Inc. 3.5%

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our open-end mutual funds can now elect to receive their Annual, Semiannual, and Quarterly Fund Reports, Manager Commentaries and Prospectuses via e-delivery. For more information or to sign-up for e-delivery, please visit our website at www.gabelli.com.

Multi-Class Shares

The GAMCO Gold Fund began offering additional classes of Fund shares in December 2002. Class AAA Shares are no-load shares offered directly by selected broker/dealers. Class A and Class C Shares are targeted to the needs of investors who seek advice through financial consultants. Class I Shares are available solely to certain institutions that invest directly with the Fund. The minimum initial investment amount for Class I Shares is \$500,000. The Board of Directors determined that expanding the types of Fund shares available through various distribution options would enhance the ability of the Fund to attract additional investors.

GAMCO Gold Fund Average Annual Returns — June 30, 2009 (a)

	Class AAA Shares	Class A Shares	Class B Shares	Class C Shares	Class I Shares
1 Year	(22.36)%	(22.37)% (26.83)(b)	(22.93)% (26.78)(c)	(22.94)% (23.71)(d)	(22.14)%
5 Year	16.81	16.81 15.43(b)	15.92 15.69(c)	15.94 15.94	16.90
10 Year	19.45	19.45 18.75(b)	18.86 18.86	18.87 18.87	19.50
Life of Fund (e)	8.12	8.12 7.70(b)	7.76 7.76	7.77 7.77	8.15
Current Expense Ratio	1.44	1.44	2.19	2.19	1.20
Maximum Sales Charge	None	5.75	5.00	1.00	None

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The Class AAA Share NAVs per share are used to calculate performance for the periods prior to the issuance of Class A Shares, Class B Shares, and Class C Shares on December 23, 2002 and Class I Shares on January 11, 2008. The actual performance of the Class B Shares and Class C Shares would have been lower due to the additional expenses associated with these classes of shares. The actual performance of the Class I Shares would have been higher due to lower expenses related to this class of shares.

(b) Includes the effect of the maximum 5.75% sales charge at the beginning of the period.

(c) Performance results include the deferred sales charges for the Class B Shares upon redemption at the end of the one year and five year periods of 5% and 2%, respectively, of the Fund's NAV at the time of purchase or sale, whichever is lower. Class B Shares are not available for new purchases.

(d) Performance results include the deferred sales charges for the Class C Shares upon redemption at the end of the one year period of 1% of the Fund's NAV at the time of purchase or sale, whichever is lower.

(e) Performance is calculated from the inception of Class AAA Shares on July 11, 1994.

We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com/funds.

GAMCO Gold Fund, Inc.

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Net Asset Value per share available daily by calling
800-GABELLI after 7:00 P.M.

GAMCO

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GAMCO Gold Fund, Inc.

This report is submitted for the general information of the shareholders of GAMCO Gold Fund, Inc. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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**SHAREHOLDER COMMENTARY
JUNE 30, 2009**

GAMCO Gold Fund, Inc.

Semi-Annual Report June 30, 2009

To Our Shareholders,

During the second quarter of 2009, the net asset value (“NAV”) per Class AAA Share of the GAMCO Gold Fund (the “Fund”) rose 8.4%, while the Philadelphia Gold and Silver (“XAU”) Index rose 3.5% and the Lipper Gold Fund Average was up 6.6%. For the six month period ended June 30, 2009, the Fund gained 22.8% versus an increase of 12.6% for the XAU Index and a gain of 18.0% for the Lipper Gold Fund Average.

Enclosed are the financial statements and the investment portfolio as of June 30, 2009.

Comparative Results

Average Annual Returns through June 30, 2009 (a)

	Quarter	Year to Date	1 Year	3 Year	5 Year	10 Year	Since Inception (7/11/94)
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Philadelphia Gold and Silver Index	3.53	12.56	(28.09)	(0.06)	11.19	9.13	2.54
Lipper Gold Fund Average	6.62	18.03	(22.62)	2.74	14.46	16.16	4.29
S&P 500 Index	15.92	3.19	(26.20)	(8.22)	(2.24)	(2.22)	6.85
Class A	8.38	22.73	(22.37)	5.00	16.81	19.45	8.12
	2.15(b)	15.67(b)	(26.83)(b)	2.94(b)	15.43(b)	18.75(b)	7.70(b)
Class B	8.18	22.31	(22.93)	4.19	15.92	18.86	7.76
	3.18(c)	17.31(c)	(26.78)(c)	3.26(c)	15.69(c)	18.86	7.76
Class C	8.19	22.27	(22.94)	4.21	15.94	18.87	7.77
	7.19(d)	21.27(d)	(23.71)(d)	4.21	15.94	18.87	7.77
Class I	8.43	22.90	(22.14)	5.13	16.90	19.50	8.15

In the current prospectus, the expense ratios for Class AAA, A, B, C, and I Shares are 1.44%, 1.44%, 2.19%, 2.19%, and 1.20%, respectively. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A, B, and C Shares is 5.75%, 5.00%, and 1.00%, respectively.

(a) **Returns represent past performance and do not guarantee future results.** Total returns and average annual returns reflect changes in share price and reinvestment of distributions and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. Performance returns for periods of less than one year are not annualized. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectus contains more information about this and other matters and should be read carefully before investing.** Investing in foreign securities involves risks not ordinarily associated with investments in domestic issues, including currency fluctuation, economic, and political risks. Investing in gold is considered speculative and is affected by a variety of worldwide economic, financial, and political factors.

The Class AAA Shares NAVs per share are used to calculate performance for the periods prior to the issuance of Class A Shares, Class B Shares, and Class C Shares on December 23, 2002 and Class I Shares on January 11, 2008. The actual performance of the Class B Shares and Class C Shares would have been lower due to the additional expenses associated with these classes of shares. The actual performance of the Class I Shares would have been higher due to lower expenses related to this class of shares. The S&P 500 Index is an unmanaged indicator of stock market performance. The Philadelphia Gold and Silver Index is an unmanaged indicator of stock market performance of large North American gold and silver companies, while the Lipper Gold Fund Average reflects the average performance of mutual funds classified in this particular category. Dividends are considered reinvested. You cannot invest directly in an index.

(b) Includes the effect of the maximum 5.75% sales charge at the beginning of the period.

(c) Performance results include the deferred sales charges for the Class B Shares upon redemption at the end of the quarter, year to date, one year, three year, and five year periods of 5%, 5%, 5%, 3%, and 2%, respectively, of the Fund's NAV at the time of purchase or sale, whichever is lower. Class B Shares are not available for new purchases.

(d) Performance results include the deferred sales charges for the Class C Shares upon redemption at the end of the quarter, year to date, and one year periods of 1% of the Fund's NAV at the time of purchase or sale, whichever is lower.

We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com/funds.

GAMCO Gold Fund, Inc.

Disclosure of Fund Expenses (Unaudited)

For the Six Month Period from January 1, 2009 through June 30, 2009

Expense Table

We believe it is important for you to understand the impact of fees and expenses regarding your investment. All mutual funds have operating expenses. As a shareholder of a fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of a fund. When a fund's expenses are expressed as a percentage of its average net assets, this figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your Fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The Expense Table below illustrates your Fund's costs in two ways:

Actual Fund Return: This section provides information about actual account values and actual expenses. You may use this section to help you to estimate the actual expenses that you paid over the period after any fee waivers and expense reimbursements. The "Ending Account Value" shown is derived from the Fund's **actual** return during the past six months, and the "Expenses Paid During Period" shows the dollar amount that would have been paid by an investor who started with \$1,000 in the Fund. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your Fund under the heading "Expenses Paid During Period" to estimate the expenses you paid during this period.

Hypothetical 5% Return: This section provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio. It assumes a hypothetical annualized return of 5% before expenses during the period shown. In this case – because the hypothetical return used is **not** the Fund's actual return – the results do not apply to your investment and you cannot use the hypothetical account value and expense to estimate the actual ending account balance or expenses you paid for the period. This example is useful in making comparisons of the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs such as sales charges (loads), redemption fees, or exchange fees, if any, which are described in the Prospectus. If these costs were applied to your account, your costs would be higher. Therefore, the 5% hypothetical return is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	Beginning Account Value 01/01/09	Ending Account Value 06/30/09	Annualized Expense Ratio	Expenses Paid During Period*
GAMCO Gold Fund, Inc.				
Actual Fund Return				
Class AAA	\$1,000.00	\$1,227.70	1.47%	\$ 8.12
Class A	\$1,000.00	\$1,227.30	1.47%	\$ 8.12
Class B	\$1,000.00	\$1,223.10	2.22%	\$12.24
Class C	\$1,000.00	\$1,222.70	2.22%	\$12.23
Class I	\$1,000.00	\$1,229.00	1.22%	\$ 6.74
Hypothetical 5% Return				
Class AAA	\$1,000.00	\$1,017.50	1.47%	\$ 7.35
Class A	\$1,000.00	\$1,017.50	1.47%	\$ 7.35
Class B	\$1,000.00	\$1,013.79	2.22%	\$11.08
Class C	\$1,000.00	\$1,013.79	2.22%	\$11.08
Class I	\$1,000.00	\$1,018.74	1.22%	\$ 6.11

* Expenses are equal to the Fund's annualized expense ratio for the last six months multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half-year, then divided by 365.

Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of net assets as of June 30, 2009:

GAMCO Gold Fund, Inc.

North America	51.9%	Australia	13.6%
United Kingdom	18.0%	Latin America	1.3%
South Africa	15.3%	Other Assets and Liabilities (Net)	(0.1)%
			<u>100.0%</u>

The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (the "SEC") for the first and third quarters of each fiscal year on Form N-Q, the last of which was filed for the quarter ended March 31, 2009. Shareholders may obtain this information at www.gabelli.com or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-Q is available on the SEC's website at www.sec.gov and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Proxy Voting

The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30th, no later than August 31st of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities is available without charge, upon request, by (i) calling 800-GABELLI (800-422-3554); (ii) writing to The Gabelli Funds at One Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at www.sec.gov.

GAMCO Gold Fund, Inc.
Schedule of Investments — June 30, 2009 (Unaudited)

<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>	<u>Shares</u>	<u>Cost</u>	<u>Market Value</u>
COMMON STOCKS — 99.9%			348,150	Goldcorp Inc., New York ... \$ 2,783,846	\$ 12,098,213
METALS AND MINING — 99.9%			695,058	Goldcorp Inc., Toronto ...	24,159,562
Australia — 13.6%			2,000,000	Golden Queen Mining Co. Ltd.†	1,134,849
500,000	Andean Resources Ltd.† ... \$ 591,756	\$ 697,865	1,000,000	Golden Queen Mining Co. Ltd.† (a)(b) ...	400,191
1,000,000	Avoca Resources Ltd.† ...	1,389,926	619,200	Great Basin Gold Ltd.† ...	629,859
3,569,000	Centamin Egypt Ltd.† ...	3,935,579	1,000,000	Hawthorne Gold Corp.† ...	215,294
700,000	Dominion Mining Ltd. ...	1,580,671	452,000	IAMGOLD Corp., New York ...	3,131,462
1,010,000	Kingsgate Consolidated Ltd.†	3,099,586	54,000	IAMGOLD Corp., Toronto ...	548,689
8,800,000	Lihir Gold Ltd.† ...	9,103,006	100,000	International Tower Hill Mines Ltd.† ...	261,919
790,250	Newcrest Mining Ltd. ...	9,137,587	100,000	Keegan Resources Inc.† (d)	203,077
10,000,000	PanAust Ltd.† ...	2,025,423	300,000	Keegan Resources Inc.† (c)(d)	612,511
500,000	Silver Lake Resources Ltd.†	176,246	1,165,000	Kinross Gold Corp., New York	10,697,898
1,093,333	Sino Gold Mining Ltd.† ...	3,688,314	610,949	Kinross Gold Corp., Toronto	5,654,037
51,525,000	Tanami Gold NL† ...	2,363,793	1,800,000	Nayarit Gold Inc.† (a)(b)(d)	998,020
		<u>37,091,887</u>	610,071	Newmont Mining Corp. ...	24,820,329
		<u>63,944,555</u>	600,000	Northern Star Mining Corp.†	415,416
Latin America — 1.3%			200,000	Odyssey Resources Ltd.† (a)(b) ...	177,352
264,800	Compania de Minas Buenaventura SA, ADR ...	3,269,454	500,000	Odyssey Resources Ltd.† (a)(b) ...	244,242
		<u>6,363,144</u>	395,000	Osisko Mining Corp.† (d) ...	1,449,633
North America — 51.7%			120,000	Osisko Mining Corp.† (a)(b)(d) ...	817,996
381,000	Agnico-Eagle Mines Ltd., New York ...	5,080,287	535,000	Red Back Mining Inc.† ...	3,551,552
291,231	Agnico-Eagle Mines Ltd., Toronto ...	2,565,728	150,000	Royal Gold Inc. ...	6,540,388
49,800	Anatolia Minerals Development Ltd., New York† ...	163,969	200,000	San Gold Corp.† ...	306,356
330,000	Anatolia Minerals Development Ltd., Toronto† ...	1,024,412	500,000	SEMAFO Inc.† ...	888,114
950,000	Axmin Inc.† ...	344,778	600,000	SEMAFO Inc.† (a) ...	970,533
2,300,000	Axmin Inc.† (a)(b) ...	882,895	4,100,000	Wesdome Gold Mines Ltd. ...	6,040,214
225,000	Banro Corp.† ...	672,445	1,109,390	Yamana Gold Inc., New York	7,493,401
125,000	Banro Corp.† (a) ...	285,345	243,444	Yamana Gold Inc., Toronto ...	1,275,154
302,400	Barrick Gold Corp., New York	8,854,394			<u>139,670,932</u>
182,661	Barrick Gold Corp., Toronto ...	4,839,575			<u>243,671,172</u>
188,200	Complex Minerals Corp.† ...	741,324			
100,000	Detour Gold Corp.† ...	967,586			
754,900	Eldorado Gold Corp., New York† ...	1,623,064			
145,000	Eldorado Gold Corp., Toronto†	555,596			
467,500	Eldorado Gold Corp., Toronto† (a) ...	1,040,162			
125,000	Franco-Nevada Corp., New York	2,461,226			
155,000	Franco-Nevada Corp., Toronto	4,573,990			
473,000	Franco-Nevada Corp., Toronto (c) ...	9,568,623			
329,500	Freeport-McMoRan Copper & Gold Inc. ...	5,504,194			
25,000	Gammon Gold Inc., New York†	109,228			
411,000	Gammon Gold Inc., Toronto†	2,171,025			
		<u>2,720,801</u>			
			South Africa — 15.3%		
			116,700	Anglo Platinum Ltd. ...	7,851,466
			279,000	AngloGold Ashanti Ltd., ADR	8,099,087
			1,918,249	Gold Fields Ltd., ADR ...	24,843,412
			200,000	Harmony Gold Mining Co. Ltd.† ...	2,614,946
			1,131,326	Harmony Gold Mining Co. Ltd., ADR† ...	15,329,293
			170,000	Impala Platinum Holdings Ltd. ...	1,859,022
			456,000	Impala Platinum Holdings Ltd., ADR ...	2,553,975
			296,909	Witwatersrand Consolidated Gold Resources Ltd.† ...	3,681,674
					<u>66,832,875</u>
					<u>2,917,506</u>
					<u>72,103,214</u>

See accompanying notes to financial statements.

GAMCO Gold Fund, Inc.
Schedule of Investments (Continued) — June 30, 2009 (Unaudited)

Shares	Cost	Market Value
COMMON STOCKS (Continued)		
METALS AND MINING (Continued)		
United Kingdom — 18.0%		
37,500	Avnel Gold Mining Ltd.† . . . \$ 15,947	\$ 4,030
300,000	Avnel Gold Mining Ltd.† (a)(b)	32,240
500,000	Avnel Gold Mining Ltd.† (a)(b)(d)	69,853
1,091,000	Cluff Gold plc†	1,052,971
1,445,500	Fresnillo plc	12,411,891
158,500	Gem Diamonds Ltd.†	402,361
1,979,216	Hochschild Mining plc	9,057,349
962,200	Randgold Resources Ltd., ADR	61,744,374
	<u>37,842,251</u>	<u>84,775,069</u>
TOTAL COMMON STOCKS	284,707,399	470,857,154
WARRANTS — 0.2%		
North America — 0.2%		
500,000	Axmin Inc., expire 06/19/10† (a)(b)(d)	11,984
62,500	Franco-Nevada Corp., expire 03/13/12† (b)(c)(d)	173,262
87,500	Franco-Nevada Corp., expire 06/16/17† (c)	353,566
4,900	Goldcorp Inc., expire 06/09/11†	40,425
384,600	Great Basin Gold Ltd., expire 10/15/10†	168,634
50,015	Kinross Gold Corp., expire 09/03/13†	212,418
1,800,000	Nayarit Gold Inc., expire 07/25/10† (a)(b)(d)	126,867
495,000	New Gold Inc., expire 04/03/12† (a)(d)	17,023
60,000	Osisko Mining Corp., expire 11/15/09† (a)(b)(d)	23,530
TOTAL WARRANTS	711,420	1,127,709
GOLD BULLION — 0.0%		
North America — 0.0%		
1(e)	Gold Bullion†	668
TOTAL INVESTMENTS — 100.1%	\$285,419,456	471,985,531
Other Assets and Liabilities (Net) — (0.1%)		(498,707)
NET ASSETS — 100.0%		\$471,486,824

(a) At June 30, 2009, the Fund held investments in restricted securities amounting to \$8,204,292 or 1.74% of net assets, which were valued under methods approved by the Board of Directors as follows (except as noted in (b), these securities are liquid):

Acquisition Shares	Issuer	Acquisition Date	Acquisition Cost	06/30/09 Carrying Value Per Unit
800,000	Avnel Gold Mining Ltd.	11/23/05	\$ 426,106	\$0.1276
2,300,000	Axmin Inc.	12/20/02	882,895	0.0903
500,000	Axmin Inc. Warrants expire 06/19/10	06/26/08	—	0.0240
125,000	Banro Corp.	01/14/04	285,345	1.8054
467,500	Eldorado Gold Corp., Toronto	02/25/03	1,040,162	9.0100
1,000,000	Golden Queen Mining Co. Ltd.	05/24/02	400,191	0.5674
1,800,000	Nayarit Gold Inc.	07/14/08	998,020	0.4385
1,800,000	Nayarit Gold Inc. Warrants expire 07/25/10	07/14/08	—	0.0705
495,000	New Gold Inc. Warrants expire 04/03/12	03/09/07	108,702	0.0344
500,000	Odyssey Resources Ltd.	10/20/05	244,242	0.2235
200,000	Odyssey Resources Ltd.	10/23/06	177,352	0.2235
120,000	Osisko Mining Corp.	10/30/07	817,996	5.6313
60,000	Osisko Mining Corp. Warrants expire 11/15/09	10/30/07	—	0.3922
600,000	SEMAFO Inc.	12/07/05	970,533	1.8140

(b) Illiquid security.
(c) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At June 30, 2009, the market value of Rule 144A securities amounted to \$12,698,112 or 2.69% of net assets.
(d) Security fair valued under procedures established by the Board of Directors. The procedures may include reviewing available financial information about the company and reviewing valuation of comparable securities and other factors on a regular basis. At June 30, 2009, the market value of fair valued securities amounted to \$5,194,216 or 1.10% of net assets.
(e) Share amount reported in ounces.
† Non-income producing security.
ADR American Depositary Receipt

Geographic Diversification	% of Market Value	Market Value
North America	51.8%	\$244,799,549
United Kingdom	18.0	84,775,069
South Africa	15.3	72,103,214
Australia	13.6	63,944,555
Latin America	1.3	6,363,144
	<u>100.0%</u>	<u>\$471,985,531</u>

See accompanying notes to financial statements.

GAMCO Gold Fund, Inc.

Statement of Assets and Liabilities June 30, 2009 (Unaudited)

Assets:	
Investments, at value (cost \$285,419,456) . . .	\$ 471,985,531
Foreign currency, at value (cost \$2,482)	2,574
Receivable for investments sold	239,313
Receivable for Fund shares sold	1,252,697
Dividends receivable	104,736
Prepaid expenses	60,808
Total Assets	<u>473,645,659</u>
Liabilities:	
Payable to custodian	1,025,099
Payable for Fund shares redeemed	422,266
Payable for investment advisory fees	406,976
Payable for distribution fees	107,157
Payable for accounting fees	3,750
Other accrued expenses	193,587
Total Liabilities	<u>2,158,835</u>
Net Assets applicable to 19,182,263 shares outstanding	<u>\$ 471,486,824</u>
Net Assets Consist of:	
Paid-in capital, each class at \$0.001 par value	\$ 294,472,803
Accumulated net investment loss	(5,552,001)
Accumulated net realized loss on investments and foreign currency transactions	(3,996,676)
Net unrealized appreciation on investments	186,566,075
Net unrealized depreciation on foreign currency translations	(3,377)
Net Assets	<u>\$ 471,486,824</u>
Shares of Capital Stock:	
Class AAA:	
Net Asset Value, offering, and redemption price per share (\$442,627,725 ÷ 18,000,362 shares outstanding; 375,000,000 shares authorized)	<u>\$24.59</u>
Class A:	
Net Asset Value and redemption price per share (\$16,146,746 ÷ 657,065 shares outstanding; 250,000,000 shares authorized)	<u>\$24.57</u>
Maximum offering price per share (NAV ÷ 0.9425, based on maximum sales charge of 5.75% of the offering price)	<u>\$26.07</u>
Class B:	
Net Asset Value and offering price per share (\$1,502,207 ÷ 62,410 shares outstanding; 125,000,000 shares authorized)	<u>\$24.07 (a)</u>
Class C:	
Net Asset Value and offering price per share (\$7,800,596 ÷ 324,336 shares outstanding; 125,000,000 shares authorized)	<u>\$24.05 (a)</u>
Class I:	
Net Asset Value, offering, and redemption price per share (\$3,409,550 ÷ 138,090 shares outstanding; 125,000,000 shares authorized)	<u>\$24.69</u>

(a) Redemption price varies based on the length of time held.

Statement of Operations For the Six Months Ended June 30, 2009 (Unaudited)

Investment Income:	
Dividends (net of foreign taxes of \$83,692)	\$ 1,057,829
Interest	985
Total Investment Income	<u>1,058,814</u>
Expenses:	
Investment advisory fees	2,061,907
Distribution fees – Class AAA	485,619
Distribution fees – Class A	17,144
Distribution fees – Class B	6,949
Distribution fees – Class C	33,663
Shareholder services fees	131,665
Shareholder communications expenses	109,250
Custodian fees	45,315
Registration expenses	33,942
Directors' fees	30,820
Legal and audit fees	28,514
Accounting fees	22,500
Interest expense	7,898
Miscellaneous expenses	34,059
Total Expenses	<u>3,049,245</u>
Net Investment Loss	<u>(1,990,431)</u>
Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency:	
Net realized gain on investments	6,215,285
Net realized gain on foreign currency transactions	<u>24,364</u>
Net realized gain on investments and foreign currency transactions	<u>6,239,649</u>
Net change in unrealized appreciation/ depreciation on investments	81,398,386
Net change in unrealized appreciation/ depreciation on foreign currency translations	<u>(3,369)</u>
Net change in unrealized appreciation/ depreciation on investments and foreign currency translations	<u>81,395,017</u>
Net Realized and Unrealized Gain/(Loss) on Investments and Foreign Currency	<u>87,634,666</u>
Net Increase in Net Assets Resulting from Operations	<u>\$ 85,644,235</u>

See accompanying notes to financial statements.

GAMCO Gold Fund, Inc.

Statement of Changes in Net Assets

	<u>Six Months Ended</u> <u>June 30, 2009</u> <u>(Unaudited)</u>	<u>Year Ended</u> <u>December 31, 2008</u>
Operations:		
Net investment loss	\$ (1,990,431)	\$ (2,013,485)
Net realized gain/(loss) on investments and foreign currency transactions	6,239,649	(4,514,599)
Net change in unrealized appreciation/depreciation on investments and foreign currency translations	81,395,017	(171,347,851)
Net Increase/(Decrease) in Net Assets Resulting from Operations	<u>85,644,235</u>	<u>(177,875,935)</u>
Capital Share Transactions:		
Class AAA	(4,802,595)	51,982,328
Class A	1,406,771	1,101,190
Class B	(91,490)	(928,050)
Class C	514,394	(517,044)
Class I	1,851,454	1,497,291
Net Increase/(Decrease) in Net Assets from Capital Share Transactions	<u>(1,121,466)</u>	<u>53,135,715</u>
Redemption Fees	<u>29,553</u>	<u>132,323</u>
Net Increase/(Decrease) in Net Assets	<u>84,552,322</u>	<u>(124,607,897)</u>
Net Assets:		
Beginning of period	<u>386,934,502</u>	<u>511,542,399</u>
End of period (including undistributed net investment income of \$0 and \$0, respectively)	<u>\$ 471,486,824</u>	<u>\$ 386,934,502</u>

See accompanying notes to financial statements.

GAMCO Gold Fund, Inc.

Financial Highlights

Selected data for a share of capital stock outstanding throughout each period:

Period Ended December 31	Income from Investment Operations					Distributions			Ratios to Average Net Assets/ Supplemental Data						
	Net Asset Value, Beginning of Period	Net Investment Loss(a)	Net Realized and Unrealized Gain (Loss) on Investments	Total from Investment Operations	Net Investment Income	Net Realized Gain on Investments	Return of Capital	Total Distributions	Redemption Fees(a)	Net Asset Value, End of Period	Total Return	Net Assets End of Period (in 000's)	Net Investment Loss	Operating Expenses(b)	Portfolio Turnover Ratio†
Class AAA															
2009(c)	\$20.03	\$(0.10)	\$ 4.66	\$ 4.56	—	—	—	\$0.00(d)	\$24.59	22.8%	\$442,628	(0.95)%(e)	1.47%(e)	5%	
2008	28.11	(7.99)	(8.09)	(8.09)	—	—	—	0.01	20.03	(28.7)	366,855	0.39	1.44	10	
2007	24.98	(0.15)	6.29	6.14	\$(0.68)	—	\$(3.01)	0.00(d)	28.11	24.7	484,172	0.56	1.46	12	
2006	20.80	(0.06)	6.77	6.71	(0.49)	—	(2.53)	0.00(d)	24.98	32.4	419,724	0.24	1.47	12	
2005	16.00	(0.07)	5.45	5.38	(0.12)	—	(0.38)	0.00(d)	20.80	33.6	333,104	0.44	1.52	4	
2004	18.18	(0.12)	(1.87)	(1.99)	(0.19)	—	(0.20)	0.01	16.00	(10.9)	279,081	(0.73)	1.54	11	
Class A															
2009(c)	\$20.02	\$(0.10)	\$ 4.65	\$ 4.55	—	—	—	\$0.00(d)	\$24.57	22.7%	\$ 16,147	(0.95)%(e)	1.47%(e)	5%	
2008	28.09	(0.09)	(7.99)	(8.08)	—	—	—	0.01	20.02	(28.7)	11,752	0.37	1.44	10	
2007	24.95	(0.14)	6.28	6.14	\$(0.67)	—	\$(3.00)	0.00(d)	28.09	24.8	15,116	0.54	1.46	12	
2006	20.79	(0.06)	6.77	6.71	(0.51)	—	(2.55)	0.00(d)	24.95	32.4	17,489	0.22	1.47	12	
2005	15.97	(0.07)	5.43	5.36	(0.08)	—	(0.54)	0.00(d)	20.79	33.6	6,739	0.47	1.54	4	
2004	18.16	(0.12)	(1.86)	(1.98)	(0.21)	—	(0.22)	0.01	15.97	(10.8)	13,802	(0.76)	1.54	11	
Class B															
2009(c)	\$19.68	\$(0.18)	\$ 4.57	\$ 4.39	—	—	—	\$0.00(d)	\$24.07	22.3%	\$ 1,502	(1.70)%(e)	2.22%(e)	5%	
2008	27.82	(0.30)	(7.85)	(8.15)	—	—	—	0.01	19.68	(29.3)	1,314	1.17	2.19	10	
2007	24.77	(0.35)	6.21	5.86	\$(0.49)	—	\$(2.81)	0.00(d)	27.82	23.8	2,785	1.30	2.21	12	
2006	20.65	(0.25)	6.69	6.44	(0.28)	—	(2.32)	0.00(d)	24.77	31.3	2,481	1.00	2.22	12	
2005	15.93	(0.19)	5.37	5.18	(0.00)(d)	—	(0.46)	0.00(d)	20.65	32.6	2,100	1.19	2.27	4	
2004	18.10	(0.23)	(1.87)	(2.10)	(0.08)	—	(0.08)	0.01	15.93	(11.6)	1,565	(1.49)	2.29	11	
Class C															
2009(c)	\$19.67	\$(0.18)	\$ 4.56	\$ 4.38	—	—	—	\$0.00(d)	\$24.05	22.3%	\$ 7,801	(1.70)%(e)	2.22%(e)	5%	
2008	27.79	(0.28)	(7.85)	(8.13)	—	—	—	0.01	19.67	(29.2)	5,892	1.12	2.19	10	
2007	24.72	(0.34)	6.18	5.84	\$(0.46)	—	\$(2.77)	0.00(d)	27.79	23.8	9,469	1.30	2.21	12	
2006	20.64	(0.25)	6.71	6.46	(0.34)	—	(2.38)	0.00(d)	24.72	31.4	9,469	0.99	2.22	12	
2005	15.92	(0.19)	5.37	5.18	(0.09)	—	(0.46)	0.00(d)	20.64	32.6	5,145	1.19	2.27	4	
2004	18.10	(0.23)	(1.87)	(2.10)	(0.09)	—	(0.09)	0.01	15.92	(11.5)	4,091	(1.49)	2.29	11	
Class I															
2009(c)	\$20.09	\$(0.08)	\$ 4.68	\$ 4.60	—	—	—	\$0.00(d)	\$24.69	22.9%	\$ 3,409	(0.69)%(e)	1.22%(e)	5%	
2008(f)	31.71	(0.03)	(11.60)	(11.63)	—	—	—	0.01	20.09	(36.6)	1,122	(0.13)(e)	1.20(e)	10	

† Total return represents aggregate total return of a hypothetical \$1,000 investment at the beginning of the period and sold at the end of the period including reinvestment of distributions and does not reflect applicable sale charges. Total return excluding the effect of the contribution from the Fund's Adviser of \$380,000 for the year ended December 31, 2006 was 32.3%, 32.3%, 31.1%, and 31.3% for Class AAA, Class A, Class B, and Class C Shares, respectively. Total return for a period of less than one year is not annualized.

†† Effective in 2008, a change in accounting policy was adopted with regard to the calculation of the portfolio turnover rate to include cash proceeds due to mergers. Had this policy been adopted retroactively, the portfolio turnover rate for the years ended 2007, 2006, 2005, and 2004 would have been as shown.

(a) Per share amounts have been calculated using the average shares outstanding method.
 (b) The Fund incurred interest expense during the years ended December 31, 2008, 2007, 2006, 2005, and 2004. If interest expense had not been incurred, the ratio of operating expenses to average net assets would have been 1.43%, 1.44%, 1.44%, 1.50%, and 1.52% (Class AAA), 1.43%, 1.44%, 1.44%, 1.51%, and 1.52% (Class A), 2.17%, 2.19%, 2.25%, and 2.27% (Class B), 2.18%, 2.19%, 2.19%, 2.25%, and 2.27% (Class C), and 1.18% (Class I), respectively. For the six months ended June 30, 2009, the effect of interest expense was minimal.

(c) For the six months ended June 30, 2009, unaudited.

(d) Amount represents less than \$0.005 per share.

(e) Annualized.

(f) From the commencement of offering Class I Shares on January 11, 2008 through December 31, 2008.

See accompanying notes to financial statements.

GAMCO Gold Fund, Inc.

Notes to Financial Statements (Unaudited)

1. Organization. GAMCO Gold Fund, Inc. (the “Fund”) was organized on May 13, 1994 as a Maryland corporation. The Fund is a diversified open-end management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”). The Fund’s primary objective is long-term capital appreciation. The Fund commenced investment operations on July 11, 1994.

2. Significant Accounting Policies. The preparation of financial statements in accordance with United States (“U.S.”) generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

Security Valuation. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market’s official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Directors (the “Board”) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the “Adviser”).

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of sixty days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities’ fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than sixty days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons with the valuation and changes in valuation of similar securities, including a comparison of foreign securities with the equivalent U.S. dollar value ADR securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

Statement of Financial Accounting Standard No. 157, “Fair Value Measurements” (“SFAS 157”) clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under SFAS 157 are described below:

- Level 1 – quoted prices in active markets for identical securities;
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and

GAMCO Gold Fund, Inc.
Notes to Financial Statements (Continued) (Unaudited)

- Level 3 – significant unobservable inputs (including the Fund's determinations as to the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments by inputs used to value the Fund's investments as of June 30, 2009 is as follows:

	Valuation Inputs		Total Market Value at 6/30/09
	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	
INVESTMENTS IN SECURITIES:			
ASSETS (Market Value):			
Common Stocks			
Metals and Mining			
Australia	\$ 5,093,531	\$ 58,851,024	\$ 63,944,555
Latin America	6,363,144	—	6,363,144
North America	242,080,707	1,590,465	243,671,172
South Africa	55,092,115	17,011,099	72,103,214
United Kingdom	61,850,497	22,924,572	84,775,069
Total Common Stocks	370,479,994	100,377,160	470,857,154
Warrants			
North America	421,476	706,233	1,127,709
Gold Bullion			
North America	668	—	668
TOTAL INVESTMENTS IN SECURITIES	\$370,902,138	\$101,083,393	\$471,985,531

There were no Level 3 investments held at June 30, 2009.

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Balance as of 12/31/08	Accrued discounts/ (premiums)	Realized gain/ (loss)	Change in unrealized appreciation/ depreciation†	Net purchases/ (sales)	Transfers in and/or out of Level 3	Balance as of 6/30/09	Net change in unrealized appreciation/ depreciation during the period on Level 3 investments held at 6/30/09†
INVESTMENTS IN SECURITIES:								
ASSETS (Market Value):								
Common Stocks								
Metals and Mining								
North America	\$ 761,847	\$—	\$—	\$ 27,389	\$—	\$(789,236)	\$—	\$—
Warrants								
Metals and Mining								
North America	528,233	—	—	(389,382)	—	(138,851)	—	—
TOTAL INVESTMENTS IN SECURITIES	\$1,290,080	\$—	\$—	\$(361,993)	\$—	\$(928,087)	\$—	\$—

† Net change in unrealized appreciation/depreciation on investments is included in the related amounts in the Statement of Operations.

Derivative Financial Instruments.

The Fund may invest in various derivative financial instruments and engage in various portfolio investment strategies for the purpose of hedging against a specific transaction with respect to either the currency in which

GAMCO Gold Fund, Inc.

Notes to Financial Statements (Continued) (Unaudited)

the transaction is denominated or another currency. Losses may arise if the value of the contract decreases due to an unfavorable change in the price of the underlying security or if the counterparty does not perform its duties under the contract. Investing in certain derivative financial instruments entails certain execution, market, liquidity, hedging, and tax risks. Participation in the options or futures markets and in currency exchange transactions involves investment risks and transaction costs to which the Fund would not be subject absent the use of these strategies. If the Adviser's prediction of movements in the direction of the securities, foreign currency, and interest rate markets is inaccurate, the consequences to the Fund may leave the Fund in a worse position than if it had not used such strategies.

The Fund is subject to foreign currency exchange rate risk in the normal course of pursuing its investment objectives by investing in various derivative financial instruments, as described below.

Forward Foreign Exchange Contracts. The Fund may engage in forward foreign exchange contracts for the purpose of hedging a specific transaction with respect to either the currency in which the transaction is denominated or another currency as deemed appropriate by the Adviser. Forward foreign exchange contracts are valued at the forward rate and are marked-to-market daily. The change in market value is included in unrealized appreciation/depreciation on investments and foreign currency translations. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts. At June 30, 2009, there were no open forward foreign exchange contracts.

Repurchase Agreements. The Fund may enter into repurchase agreements with primary government securities dealers recognized by the Federal Reserve Board, with member banks of the Federal Reserve System, or with other brokers or dealers that meet credit guidelines established by the Adviser and reviewed by the Board. Under the terms of a typical repurchase agreement, the Fund takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the Fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. It is the policy of the Fund to always receive and maintain securities as collateral whose market value, including accrued interest, is at least equal to 102% of the dollar amount invested by the Fund in each agreement. The Fund will make payment for such securities only upon physical delivery or upon evidence of book entry transfer of the collateral to the account of the custodian. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market on a daily basis to maintain the adequacy of the collateral. If the seller defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by the Fund may be delayed or limited. At June 30, 2009, there were no open repurchase agreements.

Foreign Currency Translations. The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at the current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized

GAMCO Gold Fund, Inc.

Notes to Financial Statements (Continued) (Unaudited)

appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial trade date and subsequent sale trade date is included in realized gain/loss on investments.

Foreign Securities. The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the ability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. issuers.

Foreign Taxes. The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

Restricted and Illiquid Securities. The Fund may invest up to 15% of its net assets in securities for which the markets are illiquid. Illiquid securities include securities the disposition of which is subject to substantial legal or contractual restrictions. The sale of illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Securities freely saleable among qualified institutional investors under special rules adopted by the SEC may be treated as liquid if they satisfy liquidity standards established by the Board. The continued liquidity of such securities is not as well assured as that of publicly traded securities, and accordingly the Board will monitor their liquidity.

Concentration Risks. The Fund may invest a high percentage of its assets in specific sectors of the market in order to achieve a potentially greater investment return. As a result, the Fund may be more susceptible to economic, political, and regulatory developments in a particular sector of the market, positive or negative, and may experience increased volatility to the Fund's NAV and a magnified effect in its total return.

Securities Transactions and Investment Income. Securities transactions are accounted for on the trade date with realized gain or loss on investments determined by using the identified cost method. Interest income (including amortization of premium and accretion of discount) is recorded on the accrual basis. Premiums and discounts on debt securities are amortized using the effective yield to maturity method. Dividend income is recorded on the ex-dividend date except for certain dividends which are recorded as soon as the Fund is informed of the dividend.

Determination of Net Asset Value and Calculation of Expenses. Certain administrative expenses are common to, and allocated among, various affiliated funds. Such allocations are made on the basis of each Fund's average net assets or other criteria directly affecting the expenses as determined by the Adviser pursuant to procedures established by the Board.

In calculating the NAV per share of each class, investment income, realized and unrealized gains and losses, redemption fees, and expenses other than class specific expenses are allocated daily to each class of shares based upon the proportion of net assets of each class at the beginning of each day. Distribution expenses are borne solely by the class incurring the expense.

GAMCO Gold Fund, Inc.

Notes to Financial Statements (Continued) (Unaudited)

Custodian Fee Credits and Interest Expense. When cash balances are maintained in the custody account, the Fund receives credits which are used to offset custodian fees. The gross expenses paid under the custody arrangement are included in custodian fees in the Statement of Operations with the corresponding expense offset, if any, shown as “custodian fee credits.” When cash balances are overdrawn, the Fund is charged an overdraft fee equal to 2.00% above the federal funds rate on outstanding balances. This amount, if any, would be included in “interest expense” in the Statement of Operations.

Distributions to Shareholders. Distributions to shareholders are recorded on the ex-dividend date. Distributions to shareholders are based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under U.S. generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on passive foreign investment companies and other investment securities and foreign currency transactions held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. Distributions from net investment income include net realized gains on foreign currency transactions. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. These reclassifications have no impact on the NAV of the Fund including the Fund’s use of the tax accounting practice known as equalization.

No distributions were made during the year ended December 31, 2008.

Provision for Income Taxes. The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). It is the policy of the Fund to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of its net investment company taxable income and net capital gains. Therefore, no provision for federal income taxes is required.

At December 31, 2008, the Fund had net capital loss carryforwards for federal income tax purposes of \$10,019,216, which are available to reduce future required distributions of net capital gains to shareholders through 2016.

The following summarizes the tax cost of investments and the related unrealized appreciation/depreciation at June 30, 2009:

	Cost	Gross Unrealized Appreciation	Gross Unrealized Depreciation	Net Unrealized Appreciation
Investments	\$285,481,658	\$206,334,621	\$(19,830,748)	\$186,503,873

Management has analyzed the Fund’s tax positions taken on federal income tax returns for all open tax years (current and prior three tax years) and has concluded that no provision for federal income tax is required in the Fund’s financial statements. The Fund’s federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

3. Investment Advisory Agreement and Other Transactions. The Fund has entered into an investment advisory agreement (the “Advisory Agreement”) with the Adviser which provides that the Fund will pay the Adviser a fee, computed daily and paid monthly, at the annual rate of 1.00% of the value of its average daily net assets. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund’s portfolio, oversees the administration of all aspects of the Fund’s business and affairs, and pays the compensation of all Officers and Directors of the Fund who are affiliated persons of the Adviser.

GAMCO Gold Fund, Inc.

Notes to Financial Statements (Continued) (Unaudited)

If total net assets of the Fund are in excess of \$100 million, the Fund pays each Director who is not considered to be an affiliated person an annual retainer of \$6,000 plus \$1,000 for each Board meeting attended. Each Director is reimbursed by the Fund for any out of pocket expenses incurred in attending meetings. If total net assets of the Fund are below \$100 million, the Fund pays each Independent Director an annual retainer of \$1,000 plus \$250 for each Board meeting attended and each Director is reimbursed by the Fund for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$500 per meeting attended and the Chairman of the Audit Committee and the Lead Director each receive a \$1,000 annual fee. A Director may receive a single meeting fee, allocated among the participating funds, for participation in certain meetings held on behalf of multiple funds. Directors who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Fund.

4. Distribution Plan. The Fund's Board has adopted a distribution plan (the "Plan") for each class of shares, except for Class I Shares, pursuant to Rule 12b-1 under the 1940 Act. Gabelli & Company, Inc. ("Gabelli & Company"), an affiliate of the Adviser, serves as distributor of the Fund. Under the Class AAA, Class A, Class B, and Class C Share Plans, payments are authorized to Gabelli & Company at annual rates of 0.25%, 0.25%, 1.00%, and 1.00%, respectively, of the average daily net assets of those classes, the annual limitations under each Plan. Such payments are accrued daily and paid monthly.

5. Portfolio Securities. Purchases and sales of securities for the six months ended June 30, 2009, other than short-term securities and U.S. Government obligations, aggregated \$20,537,052 and \$21,444,818, respectively.

6. Transactions with Affiliates. During the six months ended June 30, 2009, Gabelli & Company informed the Fund that it retained \$13,457 from investors representing commissions (sales charges and underwriting fees) on sales and redemptions of Fund shares.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement between the Fund and the Adviser. During the six months ended June 30, 2009, the Fund paid or accrued \$22,500 to the Adviser in connection with the cost of computing the Fund's NAV.

7. Line of Credit. The Fund participates in an unsecured line of credit of up to \$75,000,000 under which it may borrow up to 10% of its net assets from the custodian for temporary borrowing purposes. Borrowings under this arrangement bear interest at the higher of the sum of the overnight LIBOR plus 100 basis points or the sum of Fed Funds plus 100 basis points at the time of borrowing. This amount, if any, would be included in "interest expense" in the Statement of Operations. At June 30, 2009, borrowings outstanding under the line of credit amounted to \$1,025,000.

The average daily amount of borrowings outstanding under the line of credit during the six months ended June 30, 2009 was \$1,566,796 with a weighted average interest rate of 1.06%. The maximum amount borrowed at any time during the six months ended June 30, 2009 was \$19,381,000.

8. Capital Stock. The Fund offers five classes of shares – Class AAA Shares, Class A Shares, Class B Shares, Class C Shares, and Class I Shares. Class AAA Shares are offered without a sales charge only to investors who acquire them directly from Gabelli & Company, or through selected broker/dealers, or the transfer agent. Class I Shares are offered to foundations, endowments, institutions, and employee benefit plans without a sales charge. Class A Shares are subject to a maximum front-end sales charge of 5.75%. Class B Shares are subject to a contingent deferred sales charge ("CDSC") upon redemption within six years of purchase and automatically convert to Class A Shares approximately eight years after the original purchase. The applicable

GAMCO Gold Fund, Inc.
Notes to Financial Statements (Continued) (Unaudited)

CDSC is equal to a declining percentage of the lesser of the NAV per share at the date of the original purchase or at the date of redemption, based on the length of time held. Class C Shares are subject to a 1.00% CDSC for one year after purchase. Class B Shares are available only through exchange of Class B Shares of other funds distributed by Gabelli & Company. Class I Shares were first issued on January 11, 2008.

The Fund imposes a redemption fee of 2.00% on all classes of shares that are redeemed or exchanged on or before the seventh day after the date of a purchase. The redemption fee is deducted from the proceeds otherwise payable to the redeeming shareholders and is retained by the Fund. The redemption fees retained by the Fund during the six months ended June 30, 2009 and the year ended December 31, 2008 amounted to \$29,553 and \$132,323, respectively.

The redemption fee does not apply to redemptions of shares where (i) the shares were purchased through automatic reinvestment of distributions, (ii) the redemption was initiated by the Fund, (iii) the shares were purchased through programs that collect the redemption fee at the program level and remit them to the Fund, or (iv) the shares were purchased through programs that the Adviser determines to have appropriate anti-short-term trading policies in place or as to which the Adviser has received assurances that look-through redemption fee procedures or effective anti-short-term trading policies and procedures are in place.

Transactions in shares of capital stock were as follows:

	Six Months Ended June 30, 2009 (Unaudited)		Year Ended December 31, 2008	
	Shares	Amount	Shares	Amount
	Class AAA		Class AAA	
Shares sold	3,683,973	\$ 80,632,543	9,961,069	\$ 256,862,465
Shares redeemed	(3,994,907)	(85,435,138)	(8,875,283)	(204,880,137)
Net increase/(decrease)	<u>(310,934)</u>	<u>\$ (4,802,595)</u>	<u>1,085,786</u>	<u>\$ 51,982,328</u>
	Class A		Class A	
Shares sold	201,720	\$ 4,214,898	253,276	\$ 6,177,466
Shares redeemed	(131,699)	(2,808,127)	(204,448)	(5,076,276)
Net increase	<u>70,021</u>	<u>\$ 1,406,771</u>	<u>48,828</u>	<u>\$ 1,101,190</u>
	Class B		Class B	
Shares sold	212	\$ 4,111	770	\$ 15,441
Shares redeemed	(4,557)	(95,601)	(34,121)	(943,491)
Net decrease	<u>(4,345)</u>	<u>\$ (91,490)</u>	<u>(33,351)</u>	<u>\$ (928,050)</u>
	Class C		Class C	
Shares sold	55,539	\$ 1,209,090	189,353	\$ 4,800,566
Shares redeemed	(30,771)	(694,696)	(230,562)	(5,317,610)
Net increase/(decrease)	<u>24,768</u>	<u>\$ 514,394</u>	<u>(41,209)</u>	<u>\$ (517,044)</u>
	Class I		Class I*	
Shares sold	101,073	\$ 2,262,744	67,654	\$ 1,795,221
Shares redeemed	(18,832)	(411,290)	(11,805)	(297,930)
Net increase	<u>82,241</u>	<u>\$ 1,851,454</u>	<u>55,849</u>	<u>\$ 1,497,291</u>

* From the commencement of offering Class I Shares on January 11, 2008.

GAMCO Gold Fund, Inc.

Notes to Financial Statements (Continued) (Unaudited)

9. Indemnifications. The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

10. Other Matters. On April 24, 2008, the Adviser entered into an administrative settlement with the SEC to resolve the SEC's inquiry regarding prior frequent trading activity in shares of the GAMCO Global Growth Fund (the "Global Growth Fund") by one investor who was banned from the Global Growth Fund in August 2002. In the settlement, the SEC found that the Adviser had violated Section 206(2) of the Investment Advisers Act, Section 17(d) of the 1940 Act, and Rule 17d-1 thereunder, and had aided and abetted and caused violations of Section 12(d)(1)(B)(i) of the 1940 Act. Under the terms of the settlement, the Adviser, while neither admitting nor denying the SEC's findings and allegations, agreed, among other things, to pay the previously reserved total of \$16 million (including a \$5 million penalty), of which at least \$11 million will be distributed to shareholders of the Global Growth Fund in accordance with a plan being developed by an independent distribution consultant and approved by the independent directors of the Global Growth Fund and the staff of the SEC, and to cease and desist from future violations of the above referenced federal securities laws. The settlement will not have a material adverse impact on the Adviser or its ability to fulfill its obligations under the Advisory Agreement. On the same day, the SEC filed a civil action against the Executive Vice President and Chief Operating Officer of the Adviser, alleging violations of certain federal securities laws arising from the same matter. The officer is also an officer of the Global Growth Fund and other funds in the Gabelli/GAMCO fund complex including the Fund. The officer denies the allegations and is continuing in his positions with the Adviser and the funds. The Adviser currently expects that any resolution of the action against the officer will not have a material adverse impact on the Fund or the Adviser or its ability to fulfill its obligations under the Advisory Agreement.

11. Subsequent Events. Management has evaluated the impact of all subsequent events on the Fund through August 25, 2009, the date the financial statements were issued, and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

GAMCO Gold Fund, Inc.

Board Consideration and Re-Approval of Investment Advisory Agreement (Unaudited)

Section 15(c) of the Investment Company Act of 1940, as amended (the “1940 Act”), contemplates that the Board of Directors (the “Board”) of GAMCO Gold Fund, Inc. (the “Fund”), including a majority of the Directors who have no direct or indirect interest in the investment advisory agreement and are not “interested persons” of the Fund, as defined in the 1940 Act (the “Independent Board Members”), are required to annually review and re-approve the terms of the Fund’s existing investment advisory agreement and approve any newly proposed terms therein. In this regard, the Board reviewed and re-approved, during the most recent six month period covered by this report, the Investment Advisory Agreement (the “Advisory Agreement”) with Gabelli Funds, LLC (the “Adviser”) for the Fund.

More specifically, at a meeting held on February 25, 2009, the Board, including the Independent Board Members, considered the factors and reached the conclusions described below relating to the selection of the Adviser and the re-approval of the Advisory Agreement.

1) The nature, extent, and quality of services provided by the Adviser.

The Board Members reviewed in detail the nature and extent of the services provided by the Adviser under the Advisory Agreement and the quality of those services over the past year. The Board noted that these services included managing the investment program of the Fund, including the purchase and sale of portfolio securities, as well as the provision of general corporate services. The Board Members considered that the Adviser also provided, at its expense, office facilities for use by the Fund and supervisory personnel responsible for supervising the performance of administrative, accounting, and related services for the Fund, including monitoring to assure compliance with stated investment policies and restrictions under the 1940 Act and related securities regulation. The Board Members noted that, in addition to managing the investment program for the Fund, the Adviser provided certain non-advisory and compliance services, including services for the Fund’s Rule 38a-1 compliance program.

The Board Members also considered that the Adviser paid for all compensation of officers and Independent Board Members of the Fund and that the Adviser further provided services to shareholders of the Fund who had invested through various programs offered by third party financial intermediaries (“Participating Organizations”). The Board Members evaluated these factors based on its direct experience with the Adviser and in consultation with Fund Counsel. The Board noted that the Adviser had engaged, at its expense, PNC to assist it in performing certain of its administrative functions. The Board Members concluded that the nature and extent of the services provided was reasonable and appropriate in relation to the advisory fee, that the level of services provided by the Adviser, either directly or through PNC, had not diminished over the past year, and that the quality of service continued to be high.

The Board Members reviewed the personnel responsible for providing services to the Fund and concluded, based on their experience and interaction with the Adviser, that (i) the Adviser was able to retain quality personnel, (ii) the Adviser and its agents exhibited a high level of diligence and attention to detail in carrying out their advisory and administrative responsibilities under the Advisory Agreement, (iii) the Adviser was responsive to requests of the Board, (iv) the scope and depth of the Adviser’s resources was adequate, and (v) the Adviser had kept the Board apprised of developments relating to the Fund and the industry in general. The Board Members also focused on the Adviser’s reputation and long standing relationship with the Fund. The Board Members also believed that the Adviser had devoted substantial resources and made substantial commitments to address new regulatory compliance requirements applicable to the Fund.

2) The performance of the Fund and the Adviser.

The Board Members reviewed the investment performance of the Fund, on an absolute basis, as compared with its Lipper peer group of other SEC registered funds, and against the Fund's broad based securities market benchmark as reflected in the Fund's prospectus and annual report. The Board Members considered the Fund's one, three, five, and ten year average annual total return for the periods ended December 31, 2008, but placed greater emphasis on the Fund's longer term performance. The peer group considered by the Board Members was developed by Lipper and was comprised of other gold funds (the "Performance Peer Group"). The Board considered these comparisons helpful in their assessment as to whether the Adviser was obtaining for the Fund's shareholders the total return performance that was available in the marketplace, given the Fund's objectives, strategies, limitations, and restrictions. In reviewing the performance of the Fund, the Board Members noted that the Fund's performance was at the median for the one year period, and above the median for the three year, five year, and ten year periods. The Board Members concluded that the Fund's performance was reasonable in comparison with that of the Performance Peer Group.

In connection with its assessment of the performance of the Adviser, the Board Members considered the Adviser's financial condition and whether it had the resources necessary to continue to carry out its functions under the Advisory Agreement. The Board Members concluded that the Adviser had the financial resources necessary to continue to perform its obligations under the Advisory Agreement and to continue to provide the high quality services that it has provided to the Fund to date.

3) The cost of the advisory services and the profits to the Adviser and its affiliates from the relationship with the Fund.

In connection with the Board Members' consideration of the cost of the advisory services and the profits to the Adviser and its affiliates from the relationship with the Fund, the Board Members considered a number of factors. First, the Board Members compared the level of the advisory fee for the Fund against comparative Lipper expense peer group ("Expense Peer Group"). The Board Members also considered comparative non-management fee expenses and comparative total fund expenses of the Fund and the Expense Peer Group. The Board Members considered this information as useful in assessing whether the Adviser was providing services at a cost that was competitive with other similar funds. In assessing this information, the Board Members considered both the comparative contract rates as well as the level of advisory fees after waivers and/or reimbursements. The Board Members noted that the Fund's advisory fee and expense ratio were higher than average when compared with those of the Expense Peer Group.

The Board Members also reviewed the fees charged by the Adviser to provide similar advisory services to other registered investment companies or accounts with similar investment objectives, noting that in some cases the fees charged by the Adviser were higher and in other cases the same or lower, than the fees charged to the Fund.

The Board Members also considered an analysis prepared by the Adviser of the estimated profitability to the Adviser of its relationship with the Fund and reviewed with the Adviser its cost allocation methodology in connection with its profitability. In this regard, the Board Members reviewed Pro-forma Income Statements of the Adviser for the year ended December 31, 2008. The Board Members considered one analysis for the Adviser as a whole, and a second analysis for the Adviser with respect to the Fund. With respect to the Fund analysis, the Board Members received an analysis based on the Fund's average net assets during the period as well as a pro-forma analysis of profitability at higher and lower asset levels. The Board Members concluded that the profitability of the Fund to the Adviser under either analysis was not excessive.

4) The extent to which economies of scale will be realized as the Fund grows and whether fee levels reflect those economies of scale.

With respect to the Board Members' consideration of economies of scale, the Board Members discussed whether economies of scale would be realized by the Fund at higher asset levels. The Board Members also reviewed data from the Expense Peer Group to assess whether the Expense Peer Group funds had advisory fee breakpoints and, if so, at what asset levels. The Board Members also assessed whether certain of the Adviser's costs would increase if asset levels rise. The Board Members noted the Fund's current size and concluded that under foreseeable conditions, they were unable to assess at this time whether economies of scale would be realized if the Fund were to experience significant asset growth. In the event there were to be significant asset growth in the Fund, the Board Members determined to reassess whether the advisory fee appropriately took into account any economies of scale that had been realized as a result of that growth.

5) Other Factors

In addition to the above factors, the Board Members also discussed other benefits received by the Adviser from its management of the Fund. The Board Members considered that the Adviser did not use soft dollars in connection with its management of the Fund.

Based on a consideration of all these factors in their totality, the Board Members, including all of the Independent Board Members, determined that the Fund's advisory fee was fair and reasonable with respect to the quality of services provided and in light of the other factors described above that the Board deemed relevant. Accordingly, the Board Members determined to approve the continuation of the Fund's Advisory Agreement. The Board Members based its decision on evaluations of all these factors as a whole and did not consider any one factor as all important or controlling.

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GAMCO

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Custodian, Transfer Agent, and Dividend Agent

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GAMCO Gold Fund, Inc.

This report is submitted for the general information of the shareholders of GAMCO Gold Fund, Inc. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.

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**SEMI ANNUAL REPORT
JUNE 30, 2009**