

Gabelli Gold Fund, Inc. Shareholder Commentary – March 31, 2017



Caesar M. P. Bryan
Portfolio Manager

To Our Shareholders,

For the quarter ended March 31, 2017, the net asset value (“NAV”) per Class AAA Share of the Gabelli Gold Fund, Inc. increased 10.9% compared with an increase of 6.2% for the Philadelphia Gold & Silver (“XAU”) Index. See page 2 for additional performance information.

During the first quarter, the gold price and gold equities recovered some of the losses they sustained following the Presidential election held in early November 2016. After the election, equities led by financials and cyclical stocks, and the dollar gained on expectations that the new administration would enact, in short order, pro-growth economic policies. However, as investors began to understand that passing health care and tax reform takes time, the dollar and the equity market gave up some of their gains and the gold price rebounded.

For the first three months of the year the price of an ounce of gold added almost \$100 an ounce to close the quarter at \$1,249.35 per ounce. This represents a gain of 8.4%.

Our Approach

We invest in attractively valued gold equities with a focus on gold producing companies. We are fundamental, research driven investors and follow gold producing, as well as exploration and development companies on a global basis and across all market capitalizations. We pay particular attention to the quality of a company's operating mines and exploration and development properties. Valuation is an important part of our investment methodology and we apply a variety of valuation metrics in our stock selection process. We seek to maintain close contact with the managements of potential and current Fund investments. We are long term investors and generally the Fund is fully invested and does not hedge currencies or use derivatives.

Comparative Results

Average Annual Returns through March 31, 2017 (a)

	Quarter	1 Year	5 Year	10 Year	15 Year	Since Inception (7/11/94)
Class AAA (GOLDX)	10.89%	19.54%	(8.00)%	(0.17)%	7.52%	4.77%
XAU Index	6.23	20.52	(13.75)	(4.80)	1.12	(1.31)
NYSE Arca Gold Miners Index	8.56	14.69	(13.18)	(4.18)	N/A	N/A(b)
Lipper Precious Metals Fund Classification	9.85	19.57	(11.66)	(2.49)	5.98	2.86
Standard & Poor's ("S&P") 500 Index	6.07	17.17	13.30	7.51	7.09	9.70
Class A (GLDAX)	10.86	19.55	(8.00)	(0.14)	7.54	4.79
With sales charge (c)	4.49	12.68	(9.08)	(0.73)	7.11	4.51
Class C (GLDCX)	10.60	18.52	(8.69)	(0.92)	6.76	4.28
With contingent deferred sales charge (d)	9.60	17.52	(8.69)	(0.92)	6.76	4.28
Class I (GLDIX)	10.91	19.85	(7.77)	0.07	7.68	4.88

In the current prospectuses dated April 28, 2017, the expense ratios for Class AAA, A, C, and I Shares are 1.51%, 1.51%, 2.26%, and 1.26%, respectively. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A Shares and Class C Shares is 5.75% and 1.00%, respectively.

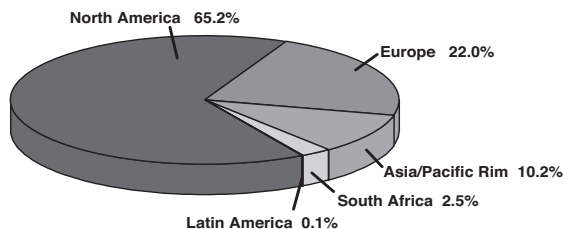
- (a) Returns represent past performance and do not guarantee future results. Total returns and average annual returns reflect changes in share price, reinvestment of distributions, and are net of expenses. Investment returns and the principal value of an investment will fluctuate. When shares are redeemed, they may be worth more or less than their original cost. 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. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at www.gabelli.com. 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 Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C Shares on December 23, 2002, and Class I Shares on January 11, 2008. The actual performance of the Class A Shares and Class C Shares would have been lower due to the additional fees and 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 XAU Index is an unmanaged indicator of stock market performance of large North American gold and silver companies. The NYSE Arca Gold Miners Index is a modified market capitalization weighted index comprised of publicly traded companies involved primarily in the mining for gold and silver. The Lipper Precious Metals Fund Classification reflects the average performance of mutual funds classified in this particular category. The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.
- (b) NYSE Arca Gold Miners Index inception is October 1, 2004.
- (c) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.
- (d) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

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. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

Global Allocation

The accompanying chart presents the Fund's holdings by geographic region as of March 31, 2017. The geographic allocation will change based on current global market conditions. Countries and/or regions represented in the chart may or may not be included in the Fund's future portfolio.

HOLDINGS BY GEOGRAPHIC REGION



Commentary

The gold price has just about regained all its losses following the U.S. general election. To recap, the gold price was trading at about \$1,275 per ounce in early November prior to the election. In the hours following Trump's victory, gold shot up to \$1,340 per ounce before sliding to about \$1,220 per ounce by mid December. Meanwhile the dollar rallied and bond yields rose. In the equity market, financials and cyclical sectors roared ahead on the expectation of stronger economic growth and higher interest rates. However, this enthusiasm has been tempered as the House of Representatives failed to enact health care reform, handing the new administration an unwelcome setback. Since mid December, the gold price has worked its way higher and by early April had moved above its price just prior to the election.

The Federal Reserve (Fed), as expected, raised short term interest rates at its March meeting. This was expected and therefore fully discounted by markets. Most Fed members now expect a series of rate rises throughout the year as the economy picks up steam after a sluggish performance towards the end of 2016. Such is the Fed's confidence in the performance of the economy, the conversation within the Fed is increasingly centered on the strategy and timing of reducing the Fed's balance sheet.

However, how ironic would it be if the Fed has started to normalize monetary policy just as the economy starts to weaken. Although confidence and sentiment numbers suggest future economic strength, there are plenty of indicators that indicate the economy continues to struggle. For example, the Atlanta Fed's GDP tracker suggests that first quarter GDP growth will come in at just 0.6%. Further, loan growth is steadily declining, personal income tax receipts are barely growing on a year on year basis and private non-residential fixed investment remains lackluster. Possibly the Fed is desperate to raise rates so they can be in a position to ease policy when the economy next weakens.

It is likely that the Fed is hoping for a pick up in the rate of inflation. A rising rate of inflation helps diminish the "real" impact of rising interest rates. Over the past decade inflation has, for the most part, been higher than short term interest rates resulting in negative "real" interest rates. We suggest that the era of financial repression will not end anytime soon. This is because there is simply too much debt outstanding for the economy to cope with positive "real" rates. It should be noted that gold tends to perform well in periods of negative "real" interest rates.

It is now apparent that the administration will face serious obstacles in getting meaningful reforms through Congress. Electing a President with little political experience was clearly an attractive proposition to the electorate but it comes at a cost. First, many Republicans in Congress may not strongly support some of the President's policy positions and initiatives. Second, issues such as healthcare reform and tax reform are rather complicated and require serious public policy decisions that, necessarily, take time and much effort. When it comes to health care and taxes, most would agree that there is no quick fix.

The inexorable rise in debt both here and overseas has not yet become an issue for investors or voters. The numbers are so enormous that they are hard to comprehend and as such become almost meaningless. For example, in the U.S. the Federal debt is now \$20 trillion having doubled since the third quarter of 2008. So the Federal government has added \$10 trillion of debt in the last eight years. Federal debt is now 105% of GDP, up from about 65% of GDP back in 2008. Of course, low interest rates have reduced the servicing costs of this debt. If the cost of servicing the debt were to rise to 5% the interest on the Federal debt would rise to about \$1 trillion. To put this in context, total federal government outlays are currently less than \$4 trillion. Nobody worries about debt until it is too late. But it is reasonable to assume that the Fed will go to great lengths to maintain negative "real" rates. A major consequence of this will be the continuation of the decline in the purchasing power of the dollar. Real assets such as gold will likely benefit.

Investment Scorecard

The Fund had four holdings that appreciated by more than 40% during the quarter. They are all small capitalization stocks whose share prices reacted to potential good news. Our top performer was Osisko Mining (0.7% of net assets as of March 31, 2017) which is a Canadian based exploration and development company with a number of exploration projects. Promising drill results from the company's Windfall deposit in Quebec resulted in the stock price doubling during the quarter. Wesdome Gold (2.8%), a long standing Fund holding, also announced encouraging drill results which could potentially dramatically add to its gold reserves. This small Canadian gold producer saw its share price appreciate by 93.4%.

Other notable performers were Canadian based Integra Gold (0.8%) and Australian based Westgold Resources (0.9%). They rose by 63.4% and 50.7%, respectively. Rounding out the top five performers was UK based Hummingbird Resources (0.3%) which rallied by 42.8%. Hummingbird is in the process of building a gold mine in West Africa. As the mine nears completion we expect the market to re rate the shares.

Among our larger holdings, Hochschild Mining (2.8%), Fresnillo (7.0%), and Torex (2.5%) performed well. Hochschild and Fresnillo mine silver and benefited from a strong silver price during the quarter. Silver closed the quarter at \$18.26 per ounce for a gain of \$2.34 per ounce, or 14.7%. Torex has recently commissioned a mine in Mexico and continues to find more gold.

Among the Fund's larger holdings that usefully outperformed the gold equity index were Alamos Gold (3.7%), Randgold Resources (8.0%), and Royal Gold (4.6%). They all appreciated by more than 10%. And our larger positions that underperformed included Agnico-Eagle Mines (6.1%), Newmont Mining (3.4%), and Detour Gold (2.7%). Our worst performer was Northern Dynasty (0.7%) which declined by 32%. However, this came after the shares doubled in the fourth quarter of last year. This volatility is largely due to speculation about the permitting process of a massive gold and copper project in Alaska. Investors in this company should probably expect more volatility in the coming months. Otherwise, Mandalay Resources (0.6%) and Redstar Gold (0.3%) also declined by more than 20%.

During the quarter the Fund initiated positions in Blackham Resources (0.3%), Condor Gold (0.3%), Contango Ore (0.3%), Endeavour Mining (0.2%), Kirkland Lake Gold (0.6%), and Seabridge Gold (0.2%). The Fund eliminated its holdings in Centerra Gold, Comstock Mining, and Orezone Gold.

Let's Talk Stocks

Agnico-Eagle (6.1% of net assets as of March 31, 2017) (AEM – \$42.43 – NYSE | AEM CN – \$56.42 CAD – Toronto Stock Exchange) is a mid-tier gold producer with operations in Canada, Mexico, and Finland. The company is the dominant operator in the Val d'Or region of Northern Quebec, and the only gold producer in the Canadian sub-Arctic region. The company is in the process of delineating a new discovery in the Arctic region which could serve to extend the life of its large Meadowbank mine. Agnico is also delineating a deposit in Mexico called El Barqueno which could be its third mine in the country. The company has a strong balance sheet and low unit cash costs which should allow it to comfortably complete these new projects while continuing to return cash to shareholders in the form of a dividend.

Alamos Gold (3.7%) (AGI – \$8.03 – NYSE | AGI CN – \$10.68 CAD – Toronto Stock Exchange) is a Canadian listed gold miner with two primary operating assets, the Young Davidson mine in northern Ontario and the Mulatos mine in the Mexican state of Sonora. Young Davidson is in the process of ramping up to a full productive capacity of 8,000 metric tons of ore processed per day. Once at full productive capacity, Young Davidson will be one of the lowest cost mines in Canada, producing 225,000 ounces of gold per year at a cash cost below \$600 per ounce. The Mulatos mine is an open-pit heap leach operation which has been in operation for eight years. The mine is currently processing lower grade material, causing production to be lower and costs to be higher than previous years. As higher grade material is processed, production should increase and unit costs should decline.

B2 Gold (2.0%) (BTG – \$2.85 – NYSE | BTO – \$3.79 CAD – Toronto Stock Exchange) is a Canadian listed gold miner with operations in the Philippines, Namibia, and Nicaragua. The company is now developing the Fekola project in Mali. Fekola has the potential to be a world class asset with production of approximately 300,000 ounces per year at unit operating costs in the lower half of the cost curve. The company is borrowing to build Fekola. If the construction of Fekola goes well, B2 will be able to repay its debt and generate significant free cash flow which it could use to build its next deposit or return to shareholders in the form of a dividend.

Fresnillo plc (7.0%) (FRES LN – \$19.50 | £15.56 – London Stock Exchange) headquartered in Mexico City, is one of the largest primary silver producing companies in the world. The majority of the company's production is generated from its namesake Fresnillo Mine complex in the central Mexican state of Zacatecas. The Fresnillo vein system is comprised of very high grade, low cost, mineral bearing deposits containing silver, gold, zinc, and lead. The company is currently undertaking a meaningful growth plan, aiming to almost double production within the next four years. Fresnillo is very conscious of not diluting the quality of its operations by building substandard mines for the sake of growth. Fresnillo's new production will come from high quality, low cost operations which will generate significant additional free cash flow to the firm. Once these projects are complete, we estimate Fresnillo's dividends will increase.

Gold Road Resources (0.9%) (GOR – \$0.42 | \$0.55 AUD – Australian Stock Exchange) is an Western Australian based development company which controls a large gold deposit in Western Australia. Gold Road recently entered into a joint venture agreement with Gold Fields, a multi-million ounce South African based gold producer through which Gold Fields paid \$350 million in exchange for 50% of the project. The project is now fully funded, and Gold Road will have access to cash flow from the mine once its built, plus cash available to explore along its 100% owned property package and potentially find another economic gold deposit.

Hochschild Mining (2.8%) (HOC LN – \$3.48 | £2.78 – London Stock Exchange), is a Peruvian based gold and silver miner. The company has one mine in Argentina and three mines in Peru. Hochschild are experts in mining high grade underground vein systems. The company's newest mine, Inmaculada in Peru will be its biggest and most cash flow generative asset. As Inmaculada begins to produce over the coming months, the company will be able to use cash flow from the mine to pay down debt and explore around its sites. We expect excess cash to be distributed to shareholders in the form of a dividend.

Integra Gold (0.8%) (ICG – \$0.68 | \$0.91 CAD – Toronto Stock Exchange) owns one of the best undeveloped gold deposits in Canada. The Lamaque project, located outside of the town of Val d'Or in northern Quebec is a high grade underground deposit located relatively near surface. Integra owns a mill near the site of the deposit which can be refurbished for a minimal amount of capital. The deposit should produce over 100,000 ounces of gold per year at low cash costs. The location of the deposit near the mining center of Val d'Or will allow the deposit to be mined using the expertise of the local work force.

MAG Silver (1.6%) (MVG – \$13.09 | \$17.41 CAD – Toronto Stock Exchange) owns 44% of one of the highest quality silver deposits in the world. The Juanicipio project in Zacatecas, Mexico is adjacent to Fresnillo plc's, namesake silver mine. Having Fresnillo as the 56% majority partner and operator of the mine limits development risk for the asset, and should allow for the project to be financed with little trouble. Once operations, Juanicipio should be highly cash flow positive. A new discovery on the Juanicipio property has the potential to either extend the mine's life or increase production at the project meaningfully.

Wesdome Gold Mines (2.8%) (WDO – \$3.02 | \$4.02 CAD – Toronto Stock Exchange) is a Toronto based gold mining company with a single operating mine in northern Ontario called Eagle River. The company is expected to produce 65,000 ounces of gold from the operation in 2017. Eagle River is expected to increase its production as the mine produces from a recently discovered higher grade region of the mine. Wesdome also made a significant new discovery at its Kiena operation in northern Quebec. Kiena is currently on care and maintenance. The operation could reopen if exploration continues to be successful at the site.

Conclusion

Increasingly it seems likely that the Fed will be challenged in its attempts to normalize monetary policy. On one hand, the economy may not behave as they expect and the baby steps they have already taken will have been enough to weaken growth. In this case they will be under tremendous pressure to abandon any further moves to tighten monetary policy. On the other side, overseas central banks are still very accommodative. So whether the Fed really does have a free rein to act independently of overseas central banks could be tested, especially if the dollar strengthens significantly.

The dollar has strengthened on the basis of decent U.S. economic growth supporting Fed tightening. If this turns out not to be the case the dollar could weaken, possibly significantly, as continued dollar strength seems the consensus opinion among investors.

In coming years the side effects of recent extraordinary monetary policy will become apparent. It is unlikely that the therapeutic effects of zero interest rates and a massive asset purchase program will have been without cost. It is too early to determine what these side effects will be. For example, the Fed has been content to manage asset prices higher but it will face new challenges when monetary policy normalizes. Any diminution in the market's confidence in central banks both here and overseas should benefit gold and gold equities.

April 28, 2017

Top Ten Holdings
March 31, 2017

Randgold Resources Ltd	8.0%	Royal Gold Inc.	4.6%
Fresnillo plc	7.0%	Alamos Gold Inc.	3.7%
Agnico Eagle Mines Ltd	6.1%	Newmont Mining Corp.	3.4%
Newcrest Mining Ltd	5.1%	Barrick Gold Corp.	3.1%
Franco-Nevada Corp.	4.9%	Wesdome Gold Mines Ltd	2.8%

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 or exchanged within seven days or less of a purchase. See the prospectuses 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.

The Fund's daily NAVs are available in the financial press and each evening after 7:00 PM (Eastern Time) by calling 800-GABELLI (800-422-3554). Please call us during the business day, between 8:00 AM – 7:00 PM (Eastern Time), for further information.

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.

e-delivery

We are pleased to offer electronic delivery of Gabelli fund documents. Direct shareholders of our mutual funds can elect to receive their Annual and Semiannual 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.

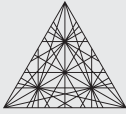
Multi-Class Shares

The Gabelli Gold Fund began offering additional classes of Fund shares in December 2002. Class AAA Shares are no-load shares offered directly through 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 directly through the Fund's distributor, or brokers that have entered into selling agreements specifically with respect to Class I Shares. 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.

GABELLI GOLD FUND, INC.
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Portfolio Manager Biography

Caesar M. P. Bryan joined GAMCO Asset Management in 1994. He is a member of the global investment team of Gabelli Funds, LLC and portfolio manager of several funds within the Gabelli/GAMCO Funds Complex. Prior to joining Gabelli, Mr. Bryan was a portfolio manager at Lexington Management. He began his investment career in 1979 at Samuel Montagu Company, the London based merchant bank. Mr. Bryan graduated from the University of Southampton in England with a Bachelor of Law and is a member of the English Bar.

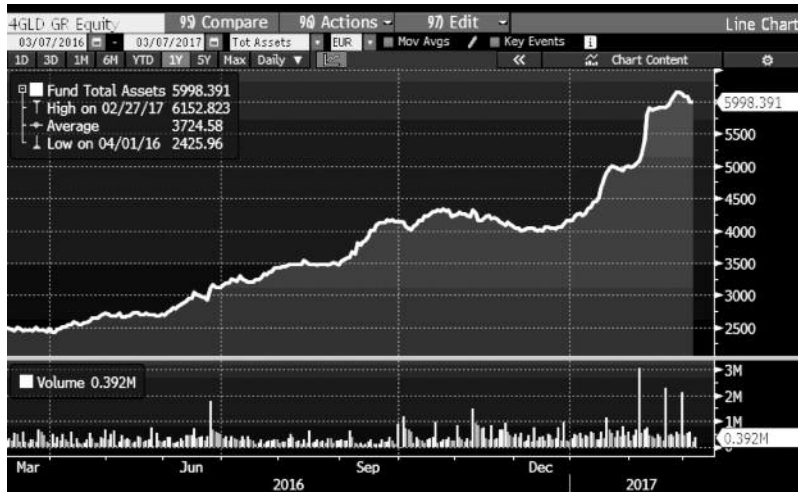


A GOLD Market Update from the Desk of Christopher Mancini, CFA

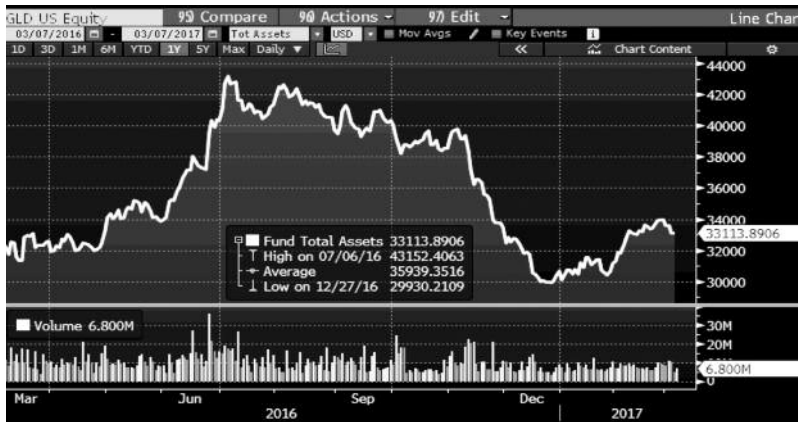
Gold is an asset which is no one's liability.

Germans might be buying more gold as fears increase that assets held in European banks might be at risk.

Assets held in German-listed physical gold backed exchange traded funds (ETFs) have increased substantially in the past year. Below is a graph of total assets held in the Deutsche Boerse Xetra Gold ETF.



This increase in German ETF gold holdings contrasts with the total assets held in the largest U.S.-listed physical gold ETF, the SPDR Gold Trust (graph seen below).



As Germans have bought more gold, they are also paying to have their cash held by the German government. The current yield on a German 2 year bund is negative 0.85%.

Over the past year, demand has increased for negative yielding German government bonds. This trend is evident in the spread between U.S. and German 2 year bonds, which has become more negative over the past twelve months.

This flight to safe assets in Germany is occurring in the context of distress in the European banking sector.

Italian banking system non-performing loans (NPLs) as a percentage of total banking assets is 17%, while other peripheral European country's banking systems have NPL ratios which are even higher than that of Italy.

Last week, Deutsche Bank announced its intention to sell assets, restructure, and issue 8 billion euros of new stock in order to strengthen its equity position. Deutsche Bank is the largest bank in Germany with assets of 1.6 trillion euros. This 1.6 trillion euro asset base is relative to a pro forma equity market capitalization of 35 billion euros, including the 8 billion euro equity issuance.

Deutsche Bank's equity raise is occurring in the context of a crisis in the Italian banking system. Unicredit, the largest bank in Italy announced its intention last month to raise 13 billion euros in a share issuance which would double the bank's equity market capitalization (and dilute current shareholders by 50%). This equity raise coincides with Unicredit's reported large write down of its investment in the Italian government sponsored bank rescue fund.

Perhaps Germans who are buying gold and negative-yielding government bonds sense cracks in the European banking system. If these cracks widen under a deluge of bad debts, perhaps more Europeans will run to the high ground of gold.

All charts are from Bloomberg unless otherwise noted.

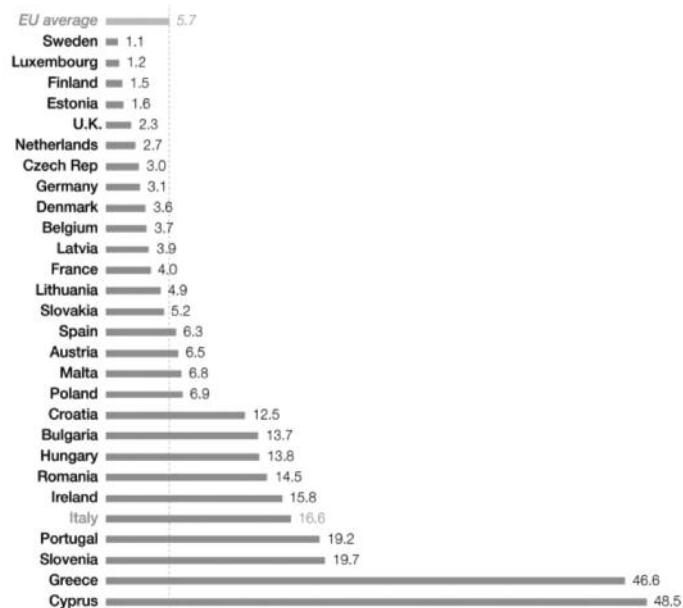
This report is not an offer to sell any security nor is it a solicitation of an offer to buy any security.



Spread of German to US two year bond yields.

Nonperforming Loans as a Percentage of Total Loans

A nonperforming loan (NPL) is one upon which the debtor has not made payments for at least 90 days. While Italy has neither the highest NPL ratio nor the highest ratio of debt-to-gross domestic product in the European Union, its relative size makes it one of the key countries for the stability of the bloc.



Source: Stratfor Enterprises, European Banking Association



A GOLD Market Update from the Desk of Christopher Mancini, CFA

I believe that gold mining companies which pay dividends to shareholders will benefit from enhanced market valuations.

An example of a dividend paying gold stock which has done well is Centamin Plc. (1.6% of net assets as of March 31, 2017). Centamin is a London listed, single mine company. I expect Centamin's Sukari mine in Egypt to produce 545,000 ounces of gold in 2017 at an all-in sustaining cost of approximately \$800 per ounce. At the end of 2016 Centamin had no debt and \$428 million of cash.

Centamin's strategy is to execute operationally, extend Sukari's life through near mine exploration, try to find and delineate a second mine in the Ivory Coast or Burkina Faso, and return unneeded cash to shareholders in the form of a dividend.

On February 1, Centamin announced its annual earnings results and declared a special dividend of 13.5 cents per share which, when included with the 2 cent per share regular dividend, equates to a total cash outlay of \$178 million and a 7.5% dividend yield.

I expect this dividend payment amount to decline in 2017 as the company generates less cash flow due to a pre-agreed profit sharing agreement with the Egyptian government. In a similar way, I expect that no dividend would be paid in a given year if the company delineates a new economic deposit and needs cash on its balance sheet to build a mine.

In an income starved world, I believe that dividends will pay as is for gold miners, as is demonstrated by Centamin's outperformance over the past two years.

I think that if others might want to catch up, perhaps they should look to Centamin as an example of how dividends pay in the gold mining sector.

All charts are from Bloomberg unless otherwise noted.

This report is not an offer to sell any security nor is it a solicitation of an offer to buy any security.

SHAREHOLDER RETURNS

US\$428m cash & liquid assets; no debt or hedging
Competitive dividend policy; US\$178m 2016 payout
Responsible custodians: excess cash will be returned



Centamin performance relative to the Gold Miners passive ETF

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

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



GABELLI
FUNDS

GABELLI GOLD FUND, INC.

Shareholder Commentary
March 31, 2017

Gabelli Gold Fund, Inc.

First Quarter Report — March 31, 2017



Caesar M. P. Bryan
Portfolio Manager

To Our Shareholders,

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Enclosed is the schedule of investments as of March 31, 2017.

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NYSE Arca Gold Miners Index	8.56	14.69	(13.18)	(4.18)	3.01	0.20(b)
Lipper Precious Metals Fund Classification	9.85	19.57	(11.66)	(2.49)	5.98	2.86
Standard & Poor’s (“S&P”) 500 Index	6.07	17.17	13.30	7.51	7.09	9.70
Class A (GLDAX)	10.86	19.55	(8.00)	(0.14)	7.54	4.79
With sales charge (c)	4.49	12.68	(9.08)	(0.73)	7.11	4.51
Class C (GLDCX)	10.60	18.52	(8.69)	(0.92)	6.76	4.28
With contingent deferred sales charge (d)	9.60	17.52	(8.69)	(0.92)	6.76	4.28
Class I (GLDIX)	10.91	19.85	(7.77)	0.07	7.68	4.88

In the current prospectuses dated April 28, 2017, the expense ratios for Class AAA, A, C, and I Shares are 1.51%, 1.51%, 2.26%, and 1.26%, respectively. Class AAA and Class I Shares do not have a sales charge. The maximum sales charge for Class A Shares and Class C Shares is 5.75% 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, 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. 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. The Fund imposes a 2% redemption fee on shares sold or exchanged within seven days of purchase. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The prospectuses contain information about these and other matters and should be read carefully before investing. To obtain a prospectus, please visit our website at www.gabelli.com. 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 Share NAVs are used to calculate performance for the periods prior to the issuance of Class A Shares and Class C Shares on December 23, 2002, and Class I Shares on January 11, 2008. The actual performance of the Class A Shares and Class C Shares would have been lower due to the additional fees and 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 XAU Index is an unmanaged indicator of stock market performance of large North American gold and silver companies. The NYSE Arca Gold Miners Index is a modified market capitalization weighted index comprised of publicly traded companies involved primarily in the mining for gold and silver. The Lipper Precious Metals Fund Classification reflects the average performance of mutual funds classified in this particular category. The S&P 500 Index is a market capitalization weighted index of 500 large capitalization stocks commonly used to represent the U.S. equity market. Dividends are considered reinvested. You cannot invest directly in an index.
- (b) NYSE Arca Gold Miners Index since inception performance results is as of June 30, 1994.
- (c) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.
- (d) Assuming payment of the 1 % maximum contingent deferred sales change imposed on redemptions made within one year of purchase.

Gabelli Gold Fund, Inc.

Schedule of Investments — March 31, 2017 (Unaudited)

Shares		Market Value	Shares		Market Value
	COMMON STOCKS — 99.5%				
	Metals and Mining — 99.5%				
	Africa — 2.5%				
366,200	AngloGold Ashanti Ltd., ADR	\$ 3,943,974	4,300,000	Mandalay Resources Corp.	\$ 1,907,734
1,200,000	Gold Fields Ltd., ADR	4,236,000	2,950,000	Midas Gold Corp.†	1,796,819
		<u>8,179,974</u>		Newmont Mining Corp.	11,136,228
	Australia — 10.2%		1,672,000	Northern Dynasty Minerals Ltd.†	2,351,122
1,350,000	Blackham Resources Ltd.†	556,956	2,395,850	OceanaGold Corp.	7,098,281
1,250,000	Blackham Resources Ltd.†	515,700	281,860	Osisko Gold Royalties Ltd.	3,132,602
7,000,000	Gold Road Resources Ltd.†	2,941,401	601,800	Osisko Mining Inc.†	2,194,781
947,079	Newcrest Mining Ltd.	16,393,937	100,000	Petaquilla Minerals Ltd., New York†	1,880
1,276,227	Northern Star Resources Ltd.	3,958,654	2,440,000	Petaquilla Minerals Ltd., Toronto†(a)(b)	45,870
4,450,000	Perseus Mining Ltd.†	1,070,797	200,000	Pretium Resources Inc.†	2,142,000
3,745,000	Perseus Mining Ltd.†	886,966	10,600,000	Redstar Gold Corp.†	876,791
4,827,272	Saracen Mineral Holdings Ltd.†	3,632,717	500,000	Richmont Mines Inc., New York†	3,545,796
1,656,756	Westgold Resources Ltd.†	2,987,199	40,000	Richmont Mines Inc., Toronto†(a)	283,358
		<u>32,944,327</u>	212,700	Royal Gold Inc.	14,899,635
	North America — 64.8%		50,000	Seabridge Gold Inc., Toronto†	550,000
140,246	Agnico Eagle Mines Ltd., New York	5,952,040	250,000	SEMAFO Inc., New York†	753,543
322,186	Agnico Eagle Mines Ltd., Toronto	13,669,011	600,000	SEMAFO Inc., Toronto†(a)	1,809,528
1,300,000	Alacer Gold Corp.†	2,629,620	215,000	Silver Wheaton Corp., New York	4,480,600
1,067,675	Alamos Gold Inc., New York, Cl. A	8,573,430	30,000	Silver Wheaton Corp., Toronto	625,108
425,000	Alamos Gold Inc., Toronto, Cl. A	3,413,167	50,000	Tahoe Resources Inc., New York	401,500
5,500,000	Alexandria Minerals Corp.†(a)	268,827	850,000	Tahoe Resources Inc., Toronto	6,826,334
850,000	Asanko Gold Inc.†	2,230,703	140,000	TMAC Resources Inc.†	1,719,141
2,624,232	AuRico Metals Inc.†	2,308,795	410,000	Torex Gold Resources Inc., New York†	8,083,769
120,000	B2Gold Corp., New York†	339,600	50,000	Torex Gold Resources Inc., Toronto†(a)	986,577
2,104,650	B2Gold Corp., Toronto†	5,998,138	3,200,000	Victoria Gold Corp.†	1,419,709
398,700	Barrick Gold Corp., New York	7,571,313	3,041,000	Wesdome Gold Mines Ltd.†	9,192,631
122,661	Barrick Gold Corp., Toronto	2,329,899			<u>210,000,250</u>
3,500,000	Belo Sun Mining Corp.†	2,237,094		United Kingdom — 22.0%	
350,000	Chesapeake Gold Corp.†	934,316	1,190,000	Acacia Mining plc.	6,701,810
51,576	Contango ORE Inc.†	889,686	2,349,000	Centamin plc	5,082,657
1,400,000	Continental Gold Inc.†	4,221,529	1,300,728	Condor Gold plc†(a)	1,042,994
750,000	Detour Gold Corp.†	8,594,954	1,160,500	Fresnillo plc	22,624,043
3,575,000	Eastmain Resources Inc.†	1,276,930	2,597,709	Hochschild Mining plc	9,044,708
190,000	Eldorado Gold Corp., New York	647,900	3,000,000	Hummingbird Resources plc†	967,863
705,833	Eldorado Gold Corp., Toronto	2,416,721	295,900	Randgold Resources Ltd., ADR	25,826,152
467,500	Eldorado Gold Corp., Toronto(a)	1,597,766			<u>71,290,227</u>
25,000	Endeavour Mining Corp.†	485,017		TOTAL COMMON STOCKS	322,414,778
400,000	Fortuna Silver Mines Inc.†	2,080,000		WARRANTS — 0.5%	
244,700	Franco-Nevada Corp.(a)	16,030,578		Metals and Mining — 0.5%	
20,000	Goldcorp Inc., New York	291,800		North America — 0.5%	
533,800	Goldcorp Inc., Toronto	7,787,134	650,364	Condor Gold plc,	
473,000	Golden Queen Mining Co. Ltd., New York†	316,555		expire 02/23/19†(a)(b)	37,008
2,477,000	Golden Queen Mining Co. Ltd., Toronto†	1,676,809	475,000	Golden Queen Mining Co. Ltd.,	
1,500,000	Golden Queen Mining Co. Ltd., Toronto†(a)	1,014,698		expire 08/03/19†	38,987
4,000,000	Integra Gold Corp.†	2,737,151	1,222,000	Northern Dynasty Minerals Ltd.,	
250,000	Kirkland Lake Gold Ltd., Toronto†	1,844,193		expire 06/15/21†	1,590,288
1,060,000	Klondex Mines Ltd.†	4,136,858			
400,000	MAG Silver Corp.†	5,236,681			

See accompanying notes to schedule of investments.

Gabelli Gold Fund, Inc.

Schedule of Investments (Continued) — March 31, 2017 (Unaudited)

Shares		Market Value		% of Market Value	Market Value
	WARRANTS (Continued)		Geographic Diversification		
	Metals and Mining (Continued)		Canada	56.9%	\$184,286,774
	North America (Continued)		Europe	22.0	71,327,236
2,175,000	Redstar Gold Corp.,		Asia/Pacific	10.2	32,944,328
	expire 05/03/19†	\$ 67,817	United States	8.3	26,925,549
	TOTAL WARRANTS	1,734,100	South Africa	2.5	8,179,974
			Latin America	0.1	485,017
	TOTAL INVESTMENTS — 100.0%			100%	<u>\$324,148,878</u>
	(Cost \$252,033,206)	<u>\$324,148,878</u>			
	Aggregate tax cost	<u>\$252,314,112</u>			
	Gross unrealized appreciation	\$ 94,154,742			
	Gross unrealized depreciation	(22,319,976)			
	Net unrealized appreciation/depreciation	<u>\$ 71,834,766</u>			

- (a) 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 March 31, 2017, the market value of Rule 144A securities amounted to \$23,117,204 or 7.13% of total investments.
- (b) At March 31, 2017, the Fund held investments in restricted and illiquid securities amounting to \$82,878 or 0.03% of total investments., which were valued under methods approved by the Board of Directors as follows:

Acquisition Shares	Issuer	Acquisition Date(s)	Acquisition Cost	03/31/17 Carrying Value Per Share
2,440,000	Petaquilla Minerals Ltd., Toronto	01/25/11-09/07/12	\$2,341,728	\$0.0188
650,364	Condor Gold plc	02/27/17	0	0.0569

† Non-income producing security.
ADR American Depositary Receipt

See accompanying notes to schedule of investments.

Gabelli Gold Fund, Inc.

Notes to Schedule of Investments (Unaudited)

As an investment company, the Fund follows the investment company accounting and reporting guidance, which is part of U.S. generally accepted accounting principles (“GAAP”) that may require the use of management estimates and assumptions in the preparation of its schedule of investments. 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 schedule of investments.

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 obligations 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. Such debt obligations are valued through prices provided by a Pricing Service approved by the Board. Certain securities are valued principally using dealer quotations.

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 American Depositary Receipt 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.

The Fund employs a fair value model to adjust prices to reflect events affecting the values of certain portfolio securities which occur between the close of trading on the principal market for such securities (foreign exchanges and over-the-counter markets) at the time when net asset value of the Fund is determined. If the Fund’s valuation committee believes that a particular event would materially affect net asset value, further adjustment is considered.

Gabelli Gold Fund, Inc.

Notes to Schedule of Investments (Unaudited) (Continued)

The inputs and valuation techniques used to measure fair value of the Fund's investments are summarized into three levels as described in the hierarchy 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
- Level 3 — significant unobservable inputs (including the Board's determinations as to the fair value of investments).

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input both individually and in the aggregate that is significant to the fair value measurement. 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 in securities by inputs used to value the Fund's investments as of March 31, 2017 is as follows:

	Valuation Inputs			Total Market Value at 3/31/17
	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	
INVESTMENTS IN SECURITIES:				
ASSETS (Market Value):				
Common Stocks:				
Metals and Mining				
Africa	\$ 8,179,974	—	—	\$ 8,179,974
Australia	15,477,734	\$17,466,593	—	32,944,327
North America	208,649,368	1,303,132	\$47,750	210,000,250
United Kingdom	71,290,227	—	—	71,290,227
Total Common Stocks	303,597,303	18,769,725	47,750	322,414,778
Warrants:				
Metals and Mining				
North America	—	1,734,100	—	1,734,100
TOTAL INVESTMENTS IN SECURITIES – ASSETS	\$303,597,303	\$20,503,825	\$47,750	\$324,148,878

Additional Information to Evaluate Qualitative Information.

General. The Fund uses recognized industry pricing services – approved by the Board and unaffiliated with the Adviser – to value most of its securities, and uses broker quotes provided by market makers of securities not valued by these and other recognized pricing sources. Several different pricing feeds are received to value domestic equity securities, international equity securities, preferred equity securities, and fixed income securities. The data within these feeds are ultimately sourced from major stock exchanges and trading systems where these securities trade. The prices supplied by external sources are checked by obtaining quotations or actual transaction prices from market participants. If a price obtained from the pricing source is deemed unreliable, prices will be sought from another pricing service or from a broker/dealer that trades that security or similar securities.

Fair Valuation. Fair valued securities may be common or preferred equities, warrants, options, rights, or fixed income obligations. Where appropriate, Level 3 securities are those for which market quotations are not available, such as securities not traded for several days, or for which current bids are not available, or which are restricted as to transfer. When fair valuing a security, factors to consider include recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models,

Gabelli Gold Fund, Inc.

Notes to Schedule of Investments (Unaudited) (Continued)

current analyst reports, valuing the income or cash flow of the issuer, or cost if the preceding factors do not apply. A significant change in the unobservable inputs could result in a lower or higher value in Level 3 securities. The circumstances of Level 3 securities are frequently monitored to determine if fair valuation measures continue to apply.

The Adviser reports quarterly to the Board the results of the application of fair valuation policies and procedures. These may include backtesting the prices realized in subsequent trades of these fair valued securities to fair values previously recognized.

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 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 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 purchase 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 inability 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 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 Securities. The Fund may invest up to 15% of its net assets in securities for which the markets are restricted. Restricted securities include securities whose disposition 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 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. At March 31, 2017 the Fund held no restricted securities.

Tax Information. The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.

GABELLI GOLD FUND, INC.
One Corporate Center
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Portfolio Manager Biography

Caesar M. P. Bryan joined GAMCO Asset Management in 1994. He is a member of the global investment team of Gabelli Funds, LLC and portfolio manager of several funds within the Gabelli/GAMCO Fund Complex. Prior to joining Gabelli, Mr. Bryan was a portfolio manager at Lexington Management. He began his investment career at Samuel Montagu Company, the London based merchant bank. Mr. Bryan graduated from the University of Southampton in England with a Bachelor of Law and is a member of the English Bar.

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. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

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

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Paul Hasting LLP

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



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GABELLI GOLD FUND, INC.

*First Quarter Report
March 31, 2017*

