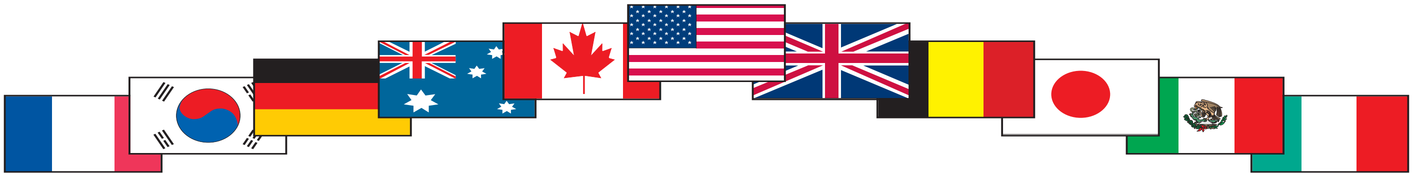


Gabelli Gold Fund, Inc.

Shareholder Commentary – September 30, 2014

Caesar M. P. Bryan
Portfolio Manager

To Our Shareholders,

For the quarter ended September 30, 2014, the net asset value ("NAV") per Class AAA Share of the Gabelli Gold Fund, Inc. decreased 19.7% compared with a decrease of 19.6% for the Philadelphia Gold & Silver ("XAU") Index. See page 2 for additional performance information.

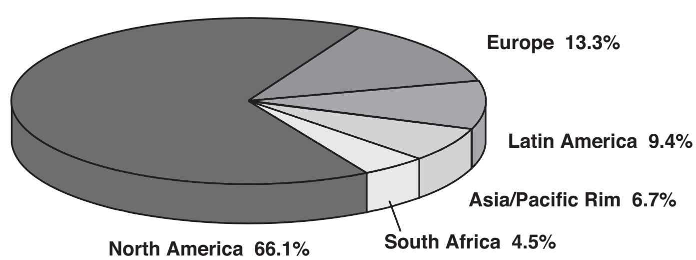
During September, gold and gold equities gave up just about all their gains from the first eight months of the year. This was largely in response to a materially stronger dollar and weaker commodity prices. Meanwhile, sovereign bond yields declined sharply reducing real interest rates. If it turns out that these market moves are harbingers of a weakening global economy it is likely that financial stresses will surface leading to an increase in demand for physical gold.

In the nine months to the end of September, the price of gold rose by three dollars per ounce to end the third quarter at $1,208.50 per ounce but for the third quarter gold fell by almost $120 per ounce which is a decline of 8.9%. Although the gold price is up marginally for the year, gold equities, as measured by the XAU index, is down by 3.6% for the first nine months of the year. For the first three quarters of 2014 the Gabelli Gold Fund has returned 8.8%.

Global Allocation

The accompanying chart presents the Fund's holdings by geographic region as of September 30, 2014. 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



Comparative Results

Average Annual Returns through September 30, 2014 (a)

	Quarter	1 Year	5 Year	10 Year	Since Inception (7/11/94)
Class AAA (GOLDX)	(19.71)%	(7.76)%	(9.76)%	2.94%	4.14%
XAU Index	(19.58)	(13.18)	(13.28)	(2.26)	(1.62)
Lipper Precious Metals Fund Classification	(19.03)	(11.54)	(10.54)	1.99	2.48
Standard & Poor's ("S&P") 500 Index	1.13	19.73	15.70	8.11	9.72(d)
Class A (GLDAX)	(19.67)	(7.74)	(9.72)	2.97	4.16
With sales charge (b)	(24.29)	(13.05)	(10.78)	2.36	3.86
Class C (GLDCX)	(19.81)	(8.46)	(10.43)	2.17	3.70
With contingent deferred sales charge (c)	(20.61)	(9.37)	(10.43)	2.17	3.70
Class I (GLDIX)	(19.63)	(7.58)	(9.54)	3.11	4.23

In the current prospectuses dated April 30, 2014, the expense ratios for Class AAA, A, C, and I Shares are 1.57%, 1.57%, 2.32%, and 1.32%, 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 after the date 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 the class 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, while 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) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.

(c) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

(d) The S&P 500 Index since inception performance is as of June 30, 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. Both the commentary and the financial statements, including the portfolio of investments, are available on our website at www.gabelli.com.

Commentary

Making financial forecasts is an undertaking that is generally not recommended. At the start of our last shareholder letter we opined that it was possible that the bear market in gold and gold equities is over. And then in our concluding remarks in the same letter got carried away and said the bear market is probably over. So no such language in this letter. Gold did not make a new low and neither did the NAV of the Fund. But gold equities, as measured by the XAU Index, did register a new low during the quarter. This has been very disappointing. While we make no claim that gold and gold equities have seen their lows we do believe that conditions are in place which will result in much higher prices.

The grand monetary experiment is not over. There will likely be unforeseen consequences of the current unprecedented monetary interference which will prove disruptive at best and disastrous at worst for the financial and real economy. This will probably result in increased demand for gold as a financial insurance policy.

The most widely touted narrative in respect of the U.S. economy is that the Federal Reserve ("Fed") will end its asset purchases about now and look to raise short term interest rates in the middle of 2015 as economic growth reaches so called "escape velocity." Seldom do things turn out as the majority have planned. In the past, the cessation of asset purchases which is, in effect, a tightening move has caused the markets some discomfort. This appears to be happening now and, of course, the central plank of recent Fed policy has been to elevate asset prices. Any decline in the equity market and in house prices will ring the alarm bells at the Fed.

Further, the recent decline in bond yields and commodity prices suggest that the next move from the Fed will actually be an easing move not a tightening one. Further, a stronger dollar is not welcome news to policymakers. This is deflationary and makes U.S. exports less competitive. A key will be how the economy performs in the next few quarters. Consensus expectations call for GDP growth in the 2 to 3 percent range. However, do weaker commodity prices give the consumer a boost or do lower prices reflect softer demand? Time will tell but the lack of income growth is troublesome. The authorities remain very fearful of deflation because debt levels have not declined over the past six years. The deleveraging never occurred.

As government bond yields have declined yield spreads between different non-government issuers and government paper have widened. There are many ways to measure this but one that we follow is the U.S. corporate high yield and ten year U.S. government bond yield spread calculated by Barclays. This bottomed in late June at 2.2% and since then has risen to over 4.0%. The move is significant but not unprecedented. In 2011, spreads moved from about 3% to 8% before declining to the low in June this year. Remember back in 2011 when spreads widened the gold price moved up by about $400 per ounce. Importantly, the June low was the ten year low and what we may be witnessing is a major turn in spreads. This means that financial stress is rising which will likely be accompanied by higher volatility. After six years of zero interest rates and the Fed increasing its balance sheet by $3.6 trillion we have buoyant asset prices but still weak economic performance.

Outside the United States, with a few exceptions such as the United Kingdom, growth remains anemic. In Europe, Germany, up to now, the standout performer and largest economy has started to falter. Some of this recent weakness can probably be attributed to the imposition of targeted economic sanctions on Russia in retaliation for their activities in the Ukraine. There is some speculation that this weakness will result in Germany softening its opposition against the European Central Bank (ECB) undertaking quantitative easing.

The Eurozone economy is barely growing. Meanwhile sovereign debt levels have risen in many of the peripheral countries. It may be that Mr. Draghi's famous words, uttered in the summer of 2012, that he would do whatever it takes to save the Euro will finally be tested. German ten year government bond yields have fallen to well below 1% possibly on their way to Japan levels. Meanwhile countries like Spain and Italy can borrow for ten years at a similar rate as the United States Treasury even as their debt ratios deteriorate. The ECB has announced plans to buy some asset backed securities but this is a small market in Europe. It appears highly likely that the market will test Mr. Draghi's resolve and if Germany does not back down we can expect another Euro crisis. And to avoid it the ECB will probably need to undertake a huge asset buying program. Mr. Draghi has said he would like the ECB to expand its balance sheet by $1.3 trillion. Either outcome should be positive for gold.

Investment Scorecard

Even the most defensive gold stocks which are the gold royalty companies performed poorly during the quarter. Both Franco–Nevada (12.1% of net assets as of September 30, 2014) and Royal Gold (5.3%) declined by a little over 14%. Two portfolio positions, Goldfields (0.5%) and G-Resources (0.7%) actually managed to register a small gain due to company specific reasons. As expected those companies that had performed best earlier in the year suffered most in the down turn. Also the operationally and financially leveraged gold companies were hit hard. So in the gold equity sector few were spared.

Gold company managements are adjusting their plans to a lower gold price. They now realize that capital is limited and demands a return. This exercise which includes reducing costs and cutting unnecessary capital expenditures will, in our estimation, serve shareholders well in that returns should be that much better in a higher gold price environment. Further, the market appears to have ignored the recent decline in energy prices and the stronger dollar which will have a positive impact on most gold mines profitability especially those located outside the United States. Please see the attached report called “Five Golden Answers.”

Let’s Talk Stocks

Detour Gold (1.0% of net assets as of September 30, 2014) (DGC - $7.84 - Toronto Stock Exchange) is a single asset company based in Toronto. The company’s Detour Lake mine is located in northern Ontario. Detour Lake has the potential to be the largest gold mine in Canada. The mine reached commercial production last year and is currently in the process of ramping up its operations to their full productive capacity. Once at full production, Detour Lake should produce over 600,000 ounces of gold per year over a 20 year mine life. A largely fixed cost base provides the company with significant operating leverage.

Eldorado Gold (3.9%) (ELD - $6.74 - Toronto Stock Exchange, EGO - $6.74 - NYSE) is a mid-tier gold producer with operating properties in China and Turkey. The company completed the acquisition of the London based development company European Goldfields in 2012. The acquisition brings near stage production from two fully permitted projects in Greece. These projects’ relatively low required capital expenditures and operating cash costs should generate high returns on capital and eventually lead to increased dividend payments as the mines become fully operational.

Franco-Nevada (11.8%, 0.3%) (FNV - $49.08 - Toronto Stock Exchange, FNV-WA - $5.85 - Toronto Stock Exchange) is a gold royalty company based in Toronto. A royalty agreement is typically structured whereby the owner of the royalty has a right to a certain amount of revenue generated at a mine site. In owning a gold royalty, a shareholder benefits from movements in the gold price without having to endure the operating risks associated with mining. Franco is generating meaningful free cash flow at the current gold price and we expect the company to use this cash flow to fund growth and pay increased dividends.

G-Resources (0.7%) (1051 - $0.20 - Hong Kong Stock Exchange) is a Hong Kong based company with a producing gold and silver mine in Indonesia. The company’s Martabe gold mine is expected to produce over 200,000 ounces of gold and 2 million ounces of silver per year at unit operating costs far below the industry average. G-Resources has a large cash balance and no debt. We are hopeful that the company will begin to pay meaningful dividends to shareholders as its mine continues to generate profits and the company's cash balance continues to grow.

Golden Queen (1.9%) (GQM - $1.10 - Toronto Stock Exchange) is a Vancouver based gold development company with a development asset located in California's Mojave Desert. The company's Soledad Mountain project is expected to produce 70,000 ounces of gold and 900,000 ounces of silver on average per year during the mine's 12 year life. Easy access to infrastructure should allow for lower than average capital and operating expenses. Golden Queen recently sold fifty percent of Soledad Mountain to investment firm Leucadia National. Leucadia's $110 million investment in the project will help fund the project to full production.

Fresnillo, Plc (7.2%) (FRES LN - $12.32 - 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 should 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.

MAG Silver (1.3%) (MVG - $7.44 - 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 in operation, Juanicipio should be highly cash flow positive. This cash flow can be used to develop new projects or pay dividends.

Osisko Gold Royalties (1.0%) (OR - $12.66 - Toronto Stock Exchange) is a newly formed Canadian based company which owns a 5% royalty on the Malartic gold mine located in the Abitibi geological trend in northern Quebec. The company was recently spun out of Osisko Mining upon the completion of its acquisition by Agnico Eagle and Yamana Gold. The Canadian Malartic mine (the mine on which Osisko Royalties owns its 5% royalty) should produce approximately 600,000 ounces of gold per year once operating at nameplate capacity. The mine has a defined life of 14 years with exploration upside on the land package. A significant royalty on one of the world's best gold mines, in one of the world's best mining jurisdictions makes Osisko Gold Royalties' primary asset a coveted commodity.

Randgold Resources (11.8%) (GOLD - $67.59 - Nasdaq) is an African based gold mining company. The company's production is expected to ramp up over the next few years from 400,000 ounces in 2009 to over 1.2 million ounces in 2016. Randgold owns 45% of a project in the Democratic Republic of the Congo named Kibali. The Kibali project adds to the Randgold resource base while providing for growth opportunities far into the future. Randgold's currently producing properties are lower cost, which should allow the company to be cash flow positive in most gold price environments. The company has no debt and carries a net cash position on its balance sheet which should provide for a cash buffer as Kibali begins to reach its full productive capacity.

Conclusion

When the price of money and the quantity of money have been manipulated for years evidenced by zero interest rates and central bank money printing various financial and economic distortions will likely have occurred. Only time will tell in which markets these distortions took place and which sectors were subject to malinvestment. Meanwhile deflationary forces constantly threaten to overwhelm the efforts of central banks to promote inflation and ever rising asset prices. This is particularly evident in the Eurozone. We believe gold has a useful role to play in a diversified portfolio as a non-correlated asset.

Looking ahead we suggest that a widening of credit spreads and increased volatility will be supportive of a rising gold price. Of course, the opposite will dampen demand for gold. Recently there has been some redemptions of gold from gold bullion ETFs after a period when ounces of gold held in gold ETFs have been fairly constant. Gold should appreciate if this turns around as there has been fairly close correlation between gold held by the ETFs and the gold price.

Top Ten Holdings
September 30, 2014

Franco-Nevada Corp. 12.1%	Royal Gold Inc. 5.3%
Randgold Resources Ltd. 11.8%	Newmont Mining Corp. 4.2%
Agnico Eagle Mines Ltd. 7.4%	Eldorado Gold Corp. 3.9%
Fresnillo plc 7.2%	Newcrest Mining Ltd. 3.4%
Goldcorp Inc. 6.1%	Barrick Gold Corp. 3.3%

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 NAV is available in the financial press and each evening after 7:00 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, 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.

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

Last week I attended the twenty-fifth annual Denver Gold Forum, followed by a site visit to Barrick Gold's (3.3%) Nevada operations.

During the conference I met with over twenty managements of current and prospective holdings in the Gabelli Gold Fund and attended company presentations.

Prior to my attending the conference I compiled five questions which I felt would improve my understanding of the current state of the gold mining industry. I have attempted to answer these questions below.

Five Golden Questions (and Answers)

1. Let's make a deal?

Q: *Will Newmont Mining (4.2%) and Barrick Gold take advantage of potential operational synergies through a merger of their Nevada operations?*

A: It Takes Two to Tango.

After having just visited Barrick's Nevada operations last week, and Newmont's Nevada operations in August, it is apparent to me that operational synergies could be achieved through a combination of the two companies' assets in the region.

The key to operational improvements would come from the processing of various types of ores in various processing facilities owned by the two companies. The complexity of the mineralization in Nevada necessitates various ore processing facilities to efficiently and economically extract the gold from the rock. Over the decades of operations in the region, both Barrick and Newmont have mined and stockpiled various types of ore, and have built specialty processing plants for these various types of ore feed. A merger of the two companies' operations would most likely result in ore processing optimization, reduced haul times for the various types of ore to specific processing facilities, and the reduction of administrative staff in the region.

Despite the potential to realize meaningful operational synergies for shareholders, I believe that a merger of the two companies' Nevada operations is unlikely at this time. It is apparent to me that some "hard feelings" over the failed merger discussions persist between the senior managements of the two companies. "It takes two to tango," and I sense a general unwillingness to engage.

1b. Will Barrick go hostile?

Q: *On April 28 Barrick and Newmont released "dueling press statements" after the breakdown of friendly merger discussions. Barrick stated that "shareholders (would be) best served through the completion of (a) business combination," while Newmont claimed that it felt it would be best to "pursue its course as an independent business." Will Barrick force the issue by making an unsolicited offer to acquire Newmont shares?*

A: A Hostile Force Needs Superior Firepower.

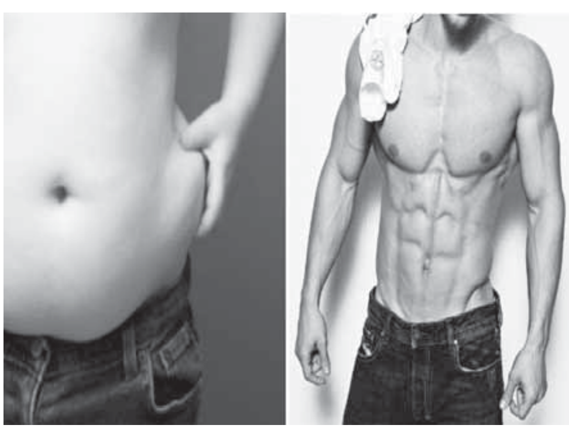
During the gold bull market of the late 2000s large gold mining companies (including Barrick and Newmont) borrowed money to fund growth projects and acquisitions. As the gold price has corrected from $1,900 per ounce in 2011 to $1,200 per ounce today, many large gold mining companies (including Barrick and Newmont) now find themselves with over levered balance sheets.

This financial leverage has resulted in the equity of these companies trading at discounted valuations relative to their unlevered peers. Barrick's current level of indebtedness makes an all cash offer for Newmont an impossibility, while an all share offer for Newmont with discounted paper would risk severe dilution to Barrick shareholders.

A logical defense for Newmont to an unsolicited acquisition offer by Barrick would be to demand that its shareholders receive more of the combined companies' synergies in exchange for giving up control of the company. Barrick would face the risk that if it raises its bid for Newmont with paper after an initial deal is proposed, its stock would "de-rate" as any offer would become more dilutive to Barrick shareholders.

Although I believe that the willingness to make an unsolicited offer exists, and synergies between the two companies would be meaningful, Barrick's high debt level would make it difficult for a bid to be successful. I place the odds of a successful Barrick unsolicited offer for Newmont at slightly less than fifty percent.

2. Fat or Muscle?



Q: *For the past twelve months gold mining companies have been cutting costs. Most cost reductions are being made in sustaining capital, administrative expenses, and exploration. Are these cuts ancillary to gold miner's businesses, and can they be maintained indefinitely, or are the companies sacrificing future growth in exchange for present cash flow?*

A: Sweating the assets to cut fat. Not yet on a crash diet.

From speaking directly with company managements last week, I get the sense that the current cuts being made are largely in the "fat" category. Companies are attempting to "sweat" their assets by engaging in strict asset management and preventative maintenance programs to avoid equipment downtime and costly breakdowns. General and administrative expenses are also being cut as responsibilities are being decentralized and pushed down to the mine sites and away from the home office. Greenfield exploration expenses are being reduced as companies focus on maximizing cash flow from currently producing assets.

My take is that fat is being cut operationally, and that the knife has not quite hit the muscle. Companies would rather sell an operating mine for cash than risk the permanent impairment of other assets by underinvesting in capital projects. Companies I met with were by and large "leaner and meaner," and able to survive at current gold prices.

Gold production might decline in the out years given a reduction in greenfield exploration and the long lead time needed to bring a gold project online. This could be positive for the gold price as current mines deplete and production is not replaced.

3. Will they "show us the money?"

Q: *Companies have been talking of new found capital discipline, a mantra of value over volume, and eventual return of capital to shareholders in the form of dividends. Will companies "walk the walk" and show us the money?*

A. Feeding the Beast

Despite gold investors' chorus of grief leveling blame and disgust at gold mining companies for having pursued a strategy of growth, much of this blame should be targeted at the investors. The strategy pursued by many gold mining companies was the result of investors demand for growth. Gold mining managements were to some degree simply "feeding the beast."

Today gold mining investors are demanding a return of capital in the form of dividend payments. I believe that companies are listening, and that there is a firm intention to pay a portion of free cash flow to shareholders in the form of a dividend once free cash flow is realized and company balance sheets are repaired. Many companies that I met with have firm dividend policies in place whereby a certain percentage of earnings or revenue will be paid to investors in the form of a dividend. The real question becomes what will happen if and when the gold price rises. Will the new found capital discipline persist, or will companies return to their profligate ways of the past?

4. Will the royalty companies cash hoards “burn a hole in their pockets?”

Q: *The stocks of royalty companies have been the darlings of the gold mining investment universe over the past eighteen months, vastly outperforming the broad gold stock universe. Including borrowing capacity on lines of credit, royalty companies now have over $4 billion of liquidity to deploy in new deals. Will this cash “burn a hole in their pockets,” as development companies benefit from cheap money, or will the royalty companies maintain investment discipline as they deploy their cash hoards?*

A. Waiting for the “Fat Pitch”

From speaking with royalty companies’ managements in Denver, I believe that capital discipline will prevail. Royalty companies seem to be focusing on doing what they are good at. Industry leader Franco-Nevada has a cash hoard which it might be able to deploy into big deals which would help finance large projects into production (similar to its $1 billion commitment to the large copper/gold Cobre Panama project). Meanwhile, the newly formed Osisko Gold Royalties (1.0%) recently completed a smaller deal right in its backyard. Osisko recently made an investment in a junior exploration company with a land package near the Canadian Malartic mine on which Osisko has a 5% net smelter royalty.

The royalty companies have the luxury of waiting for the right deal in which to deploy their cash. The industry is still starved of capital, and I believe that each company will maximize its skillset and adeptly deploy its capital to the appropriate projects which will generate good risk adjusted returns.

5. Will gold stocks ever be cheap?

Q: *The stocks of royalty companies have been the darlings of the gold mining investment universe over the past eighteen months, vastly outperforming the broad gold stock universe. Including borrowing capacity on lines of credit, royalty companies now have over $4 billion of liquidity to deploy in new deals. Will this cash “burn a hole in their pockets,” as development companies benefit from cheap money, or will the royalty companies maintain investment discipline as they deploy their cash hoards?*

A. Paying for Potential

There are many ways to value a gold mining company. These include valuing the company as a multiple of mineral reserves and resources in the ground, and calculating the expected net present value of future cash flows from mining operations. As a means of providing an “apples to apples” comparison of gold mining companies’ valuations to those of general equities, I use a price to earnings ratio as a standard of valuation in my brief analysis below.

I believe that gold stocks will always price in some degree of optionality that the gold price will increase. Given the fixed cost nature of mining operations, any short-term movement in the gold price will directly flow to a mine’s bottom line profitability.

Using Newmont Mining as an example, I estimate that at $1200 per ounce gold, the company will generate just $0.90 per share in earnings in 2015. Considering Newmont's current stock price of $24 per share, this would imply a valuation multiple of 27x earnings. This 27x earnings would not be considered cheap compared to the S&P 500 Index. If however, the gold price were to reach $1900 per ounce (the bull market high reached in 2011) I estimate that Newmont would earn $5.60 per share in 2015, putting its valuation at 4x earnings.

If you buy Newmont when gold is $1200 per ounce, you have to pay for the potential that gold will at some point be $2000 per ounce. This optionality is worth something, and I feel that in buying gold stocks, one must always be willing to pay for potential.

Conclusion:

Gold miners seem to have come to terms with their lot in life at $1200 per ounce gold. Levered companies have been reducing costs and selling assets for cash so that current operations can be well operated and maintained, while companies with cash flow and cash are trying to take advantage of the downturn in price.

There are still deals to be done in the industry, either from royalty companies deploying cash to help finance project development, or through the realization of corporate synergies.

Gold stocks are not cheap at $1200 per ounce gold, but leverage to movements in the gold price is very meaningful.

I'm hopeful that the industry is now setting a solid base on which to establish profitable production and greater returns to shareholders.

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

This is not intended to be a research report.

Gabelli/GAMCO Funds and Your Personal Privacy

Who are we?

The Gabelli/GAMCO Funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940. We are managed by Gabelli Funds, LLC and GAMCO Asset Management Inc., which are affiliated with GAMCO Investors, Inc. GAMCO Investors, Inc. is a publicly held company that has subsidiaries that provide investment advisory or brokerage services for a variety of clients.

What kind of non-public information do we collect about you if you become a fund shareholder?

If you apply to open an account directly with us, you will be giving us some non-public information about yourself. The non-public information we collect about you is:

- *Information you give us on your application form.* This could include your name, address, telephone number, social security number, bank account number, and other information.
- *Information about your transactions with us, any transactions with our affiliates, and transactions with the entities we hire to provide services to you.* This would include information about the shares that you buy or redeem. If we hire someone else to provide services—like a transfer agent—we will also have information about the transactions that you conduct through them.

What information do we disclose and to whom do we disclose it?

We do not disclose any non-public personal information about our customers or former customers to anyone other than our affiliates, our service providers who need to know such information, and as otherwise permitted by law. If you want to find out what the law permits, you can read the privacy rules adopted by the Securities and Exchange Commission. They are in volume 17 of the Code of Federal Regulations, Part 248. The Commission often posts information about its regulations on its website, www.sec.gov.

What do we do to protect your personal information?

We restrict access to non-public personal information about you to the people who need to know that information in order to provide services to you or the fund and to ensure that we are complying with the laws governing the securities business. We maintain physical, electronic, and procedural safeguards to keep your personal information confidential.

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GABELLI GOLD FUND, INC.
One Corporate Center
Rye, NY 10580-1422

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.

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

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.

GAB008Q314SC

GABELLI FUNDS

GABELLI GOLD FUND, INC.

Shareholder Commentary
September 30, 2014

Gabelli Gold Fund, Inc.

Third Quarter Report — September 30, 2014

Caesar M. P. Bryan
Portfolio Manager

To Our Shareholders,

For the quarter ended September 30, 2014, the net asset value ("NAV") per Class AAA Share of the Gabelli Gold Fund, Inc. decreased 19.7% compared with a decrease of 19.6% for the Philadelphia Gold & Silver ("XAU") Index. See below for additional performance information.

Enclosed is the schedule of investments as of September 30, 2014.

Comparative Results

Average Annual Returns through September 30, 2014 (a) (Unaudited)

	Quarter	1 Year	5 Year	10 Year	Since Inception (7/11/94)
Class AAA (GOLDX)	(19.71)%	(7.76)%	(9.76)%	2.94%	4.14%
XAU Index	(19.58)	(13.18)	(13.28)	(2.26)	(1.62)
Lipper Precious Metals Fund Classification	(19.03)	(11.54)	(10.54)	1.99	2.48
Standard & Poor's ("S&P") 500 Index	1.13	19.73	15.70	8.11	9.72(d)
Class A (GLDAX)	(19.67)	(7.74)	(9.72)	2.97	4.16
With sales charge (b)	(24.29)	(13.05)	(10.78)	2.36	3.86
Class C (GLDCX)	(19.81)	(8.46)	(10.43)	2.17	3.70
With contingent deferred sales charge (c)	(20.61)	(9.37)	(10.43)	2.17	3.70
Class I (GLDIX)	(19.63)	(7.58)	(9.54)	3.11	4.23

In the current prospectuses dated April 30, 2014, the expense ratios for Class AAA, A, C, and I Shares are 1.57%, 1.57%, 2.32%, and 1.32%, 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 after the date 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, while 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) Performance results include the effect of the maximum 5.75% sales charge at the beginning of the period.

(c) Assuming payment of the 1% maximum contingent deferred sales charge imposed on redemptions made within one year of purchase.

(d) The S&P 500 Index since inception performance is as of June 30, 1994.

Gabelli Gold Fund, Inc.
Schedule of Investments — September 30, 2014 (Unaudited)

Shares		Market Value
	COMMON STOCKS — 99.8%	
	Metals and Mining — 99.8%	
	Africa — 4.5%	
426,200	AngloGold Ashanti Ltd., ADR†	$ 5,114,400
250,000	Gold Fields Ltd., ADR	975,000
360,362	Sibanye Gold Ltd., ADR	3,055,870
		9,145,270
	Australia — 6.0%	
762,079	Newcrest Mining Ltd.†	6,885,384
350,000	Northern Star Resources Ltd.	381,520
650,000	Papillon Resources Ltd.†	876,424
4,150,000	Perseus Mining Ltd.†	1,167,240
1,000,000	Regis Resources Ltd.	1,361,479
5,077,272	Saracen Mineral Holdings Ltd.†	1,600,344
		12,272,391
	North America — 65.9%	
182,800	Agnico Eagle Mines Ltd., New York	5,306,684
345,632	Agnico Eagle Mines Ltd., Toronto	9,996,000
300,000	Alamos Gold Inc.	2,392,071
5,500,000	Alexandria Minerals Corp.†(a)	270,101
1,050,000	AuRico Gold Inc.	3,664,500
1,500,000	B2Gold Corp.†	3,053,708
288,700	Barrick Gold Corp., New York	4,232,342
172,661	Barrick Gold Corp., Toronto	2,539,155
600,000	Centerra Gold Inc.	2,689,406
500,000	Comstock Mining Inc.†	605,000
500,000	Dalradian Resources Inc.†	308,049
250,000	Detour Gold Corp.†	1,959,909
1,500,000	Eastmain Resources Inc.†	328,140
754,900	Eldorado Gold Corp., New York	5,088,026
443,433	Eldorado Gold Corp., Toronto	2,989,347
196,700	Franco-Nevada Corp.	9,654,537
298,000	Franco-Nevada Corp.(a)	14,626,600
543,800	Goldcorp Inc.	12,537,092
3,000,000	Golden Queen Mining Co. Ltd.†	3,294,790
500,000	Golden Queen Mining Co. Ltd.†	580,383
350,000	MAG Silver Corp.†	2,603,241
800,000	Mandalay Resources Corp.	714,318
1,400,000	Merrex Gold Inc.†	175,008
800,000	Midas Gold Corp.†	421,447
370,871	Newmont Mining Corp.	8,548,577
168,660	Osisko Gold Royalties Ltd.†	2,135,451
100,000	Petaquilla Minerals Ltd.†	4,018
2,440,000	Petaquilla Minerals Ltd.†(a)	98,040
400,000	Premier Gold Mines Ltd.†	942,899
336,750	Primero Mining Corp.†	1,638,723
2,200,000	Romarco Minerals Inc.†	1,433,993
167,000	Royal Gold Inc.	10,844,980
600,000	SEMAFO Inc.†	2,110,808
130,000	Silver Wheaton Corp., New York	$ 2,590,900
30,000	Silver Wheaton Corp., Toronto	598,420
215,000	Tahoe Resources Inc.†	4,375,061
2,000,000	Torex Gold Resources Inc.†	2,625,117
500,000	Torex Gold Resources Inc.†(a)(b)	656,279
85,000	Virginia Mines Inc.†	967,677
3,041,000	Wesdome Gold Mines Ltd.†	2,117,934
622,525	Yamana Gold Inc.	3,735,150
		135,453,881
	United Kingdom — 23.4%	
3,019,000	Centamin plc	2,992,816
1,195,500	Fresnillo plc	14,729,354
55,000,000	G-Resources Group Ltd.†	1,395,391
2,130,152	Hochschild Mining plc†	4,672,280
358,400	Randgold Resources Ltd., ADR	24,224,256
		48,014,097
	TOTAL COMMON STOCKS	204,885,639
	WARRANTS — 0.2%	
	Metals and Mining — 0.2%	
	North America — 0.2%	
87,500	Franco-Nevada Corp., expire 06/16/17†	511,742
	TOTAL INVESTMENTS — 100.0% (Cost $214,400,346)	$205,397,381

Aggregate tax cost	$214,667,771
Gross unrealized appreciation	$ 64,443,063
Gross unrealized depreciation	(73,713,453)
Net unrealized appreciation/depreciation	$ (9,270,390)

(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 September 30, 2014, the market value of Rule 144A securities amounted to $15,651,020 or 7.62% of total investments.
(b) Illiquid security.
† Non-income producing security.
ADR American Depositary Receipt

See accompanying notes to schedule of investments.

Geographic Diversification	% of Market Value	Market Value
North America	66.1%	$135,965,623
United Kingdom	23.4	48,014,097
Australia	6.0	12,272,391
Africa	4.5	9,145,270
	100.0%	$205,397,381

See accompanying notes to schedule of investments.

Notes to Schedule of Investments (Unaudited)

The Fund's schedule of investments is prepared in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), which may require the use of management estimates and assumptions. 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 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. U.S. government obligations with maturities greater than sixty days are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. 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.

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 September 30, 2014 is as follows:

	Valuation Inputs		
	Level 1 Quoted Prices	**Level 2 Other Significant Observable Inputs**	**Total Market Value at 9/30/14**
INVESTMENTS IN SECURITIES:			
ASSETS (Market Value):			
Common Stocks:			
Metals and Mining			
Africa	$ 9,145,270	—	$ 9,145,270
Australia	4,510,583	$7,761,808	12,272,391
North America	135,453,881	—	135,453,881
United Kingdom	48,014,097	—	48,014,097
Total Common Stocks	197,123,831	7,761,808	204,885,639
Warrants:			
Metals and Mining			
North America	511,742	—	511,742
TOTAL INVESTMENTS IN SECURITIES – ASSETS	$197,635,573	$7,761,808	$205,397,381

During the period ended September 30, 2014, certain foreign securities were transferred from Level 2 to Level 1 due to the application of fair value procedures resulting from volatility in U.S. markets after the close of the foreign markets. The beginning of period value of the securities that transferred from Level 2 to Level 1 during the period amounted to $2,238,558, or 1.32% of net assets as of December 31, 2013. The Fund's policy is to recognize transfers among Levels as of the beginning of the reporting period.

There were no Level 3 investments held at December 31, 2013.

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 is 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 and preferred equities, warrants, options, rights, and 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. Among the factors to be considered to fair value a security are recent prices of comparable securities that are publicly traded, reliable prices of securities not publicly traded, the use of valuation models, 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 include back testing 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 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. For the restricted securities the Fund held as of September 30, 2014, refer to the Schedule of Investments.

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.

At December 31, 2013, the Fund had net capital loss carryforwards for federal income tax purposes which are available to reduce future required distributions of net capital gains to shareholders. Under the Regulated Investment Company Modernization Act of 2010, the Fund is permitted to carry forward for an unlimited period capital losses incurred in years beginning after December 22, 2010. As a result of the rule, post enactment capital losses that are carried forward will retain their character as either short term or long term capital losses.

Short term capital loss carryforward with no expiration	$1,454,498
Long term capital loss carryforward with no expiration	6,153,287
Total capital loss carryforwards	$7,607,785

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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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GABELLI FUNDS

GABELLI GOLD FUND, INC.

Third Quarter Report
September 30, 2014