



**FOR IMMEDIATE RELEASE**  
**December 1, 2009**

**NEWS**  
**OTCBB: GORO**  
**FRANKFURT: GIH**

**GOLD RESOURCE CORPORATION UPDATES MINERALIZED MATERIAL ESTIMATE FOR EL AGUILA PROJECT**

**DENVER – December 1, 2009** – Gold Resource Corporation (GRC) (OTCBB: GORO, FRANKFURT: GIH) is pleased to announce results from an internal analysis of step-out drilling at its Arista deposit. The Arista deposit’s vein system is part of GRC’s 100% owned El Aguila Project in Oaxaca, Mexico. Estimates of in-place mineralized material at the Arista deposit, based on the Company’s modeling of the Arista and Baja veins, equals 2,962,000 tonnes grading 6.50 g/t gold (Au), 506 g/t silver (Ag), 0.60% copper (Cu), 2.24% Lead (Pb), 6.75% zinc (Zn) over a nominal 3.6 meters true width. Total metal values yield a 23.02 g/t gold equivalent (AuEq\*) (0.74 oz/t AuEq\*) using the metal prices given in the Mineralized Material Estimate table below. This AuEq\* per tonne value multiplied by the estimated 2,962,000 tonnes equates to an estimated 2,192,000 AuEq\* ounces. This Mineralized Material Estimate does not meet the United States SEC definitions of Proven and Probable Reserves. GRC targets production at its El Aguila Project in 2009.

El Aguila Project’s Arista Vein System Internal Mineralized Material Estimate							
Updated: Dec. 1, 2009							
Specific Gravity: 2.6							
Mineralized Envelope Limit Projected: 50 meters							
Mineralized Material	True Width Meter	Gold Au g/t	Silver Ag g/t	Copper Cu %	Lead Pb %	Zinc Zn %	Tonnes
La Arista Vein System	3.64	6.50	506	0.60	2.24	6.75	2,962,000
Metal Values Used in AuEq*		\$950 /oz	\$17.00 /oz	\$2.70 /lb	\$1.00 /lb	\$0.95 /lb	
Internal Estimate: Not SEC Proven & Probable Reserves; see Risk Factors in Company’s 10K							

The Arista deposit’s estimated 2,192,000 AuEq\* ounces is an internal estimate of in-place metal values using a simple polygonal method of calculation, uncut assay values

and with a 0.30 oz/t AuEq\* cutoff grade\* (see Longitudinal Sections of Baja and Arista veins below). The Arista vein system remains open laterally as well as with depth. The Aguila Project's open pit deposit, from which the first 12 months of production is targeted, and the El Aire vein system deposit add an additional 200,000 gold equivalent ounces, resulting in a total internal estimate for the Aguila Project of approximately 2,392,000 AuEq\* ounces.

Gold Resource Corporation's president William W. Reid stated, "We made our production decision in 2007 with just a mineralized material estimate of 300,000 AuEq ounces. We could do that because we followed our financial performance criteria of being able to pay back the project capital in one year or less. By October of 2008 we announced our mineralized material estimate of 1.6 million AuEq ounces (metal prices used at that time were different from those used in the present calculation). This allowed for an expanded production profile with mine life of 4.7 years. We are pleased that drilling over the past year, with only one drill, has allowed that estimate to now increase to approximately 2.4 million AuEq\* ounces and an estimated 9 year mine life. Based on our increased understanding of this exciting, high-grade geologic system, which we believe we have only just begun to test with drilling, we have no hesitation increasing our near term mineralized material target to 3.5 million gold equivalent ounces".

Mr. Reid continued, "Our first year production target of 70,000 ounces of gold comes from the El Aguila open pit's gold and silver deposit which contains no base metals. Our second year through year nine production targets come from our Arista deposit's polymetallic veins with a breakdown of values of approximately 68% precious metals (gold and silver) and 32% base metals (copper, lead and zinc). We are fortunate that these base metal revenues, when used as byproduct credits, are anticipated to pay for the project's total cash operating costs so we are targeting our gold and silver cash costs to be "zero" from the second year of operations. Production targets are 110,000 oz/AuEq\*\* in the second year with a target of 180,000 to 200,000 oz/AuEq\*\* in the third through ninth year".

The estimated mineralized material number is an in-place number without regard to recoveries, mining dilution or mining economics. These internal estimates are dependent on many assumptions that may differ from actuality when mined. This mineralized material estimate is not equivalent to U.S. SEC Proven and Probable Reserves and should not be considered as such. The geologic interpretation and modeling by the Company has suggested two veins but may actually be several en echelon veins or could be interpreted differently by different modelers.

AuEq\* is a gold equivalent for aggregate in situ value of all metals. Gold Resource, like many in the industry, subscribe to the use of gold equivalent (AuEq\*) as a means to present the aggregate value of polymetallic (gold, silver, copper, lead, zinc) mineralization in the ground. Gold equivalent valuation quantifies the precious metal ounces and base metal percentages of the mineralization into one gold equivalent (AuEq\*) value. This calculation converts the metals quantity into its dollar value and converts that dollar value back into an equivalent gold value. Gold equivalent is a valuation calculation that places the emphasis on the total dollar value per tonne of the mineralization. The company believes this AuEq\* calculation best conveys the aggregate, in-place estimate of the deposit's hypothetical value. The following mineral values were used in this gold equivalent conversion: gold at \$950/ounce, silver at \$17/ounce, copper at \$2.70/pound, lead at \$1.00/pound, and zinc at \$0.95/pound. Different metal prices will result in different gold equivalent values.

AuEq\*\* is a gold equivalent for production targets. AuEq\*\* gold equivalent production targets are calculated using only precious metals (gold and silver) as the AuEq\*\*gold equivalent.



gold and silver properties in Mexico's southern state of Oaxaca. The company has 46,095,489 shares outstanding and no warrants. For more information, please visit GRC's website, located at [www.Goldresourcecorp.com](http://www.Goldresourcecorp.com) and read the Company's 10-K for an understanding of the risk factors involved.

This press release contains forward-looking statements that involve risks and uncertainties. The statements contained in this press release that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. When used in this press release, the words "plan", "target", "anticipate," "believe," "estimate," "intend" and "expect" and similar expressions are intended to identify such forward-looking statements. Such forward-looking statements include, without limitation, the statements regarding Gold Resource Corporation's strategy, future plans for production, future expenses and costs, future liquidity and capital resources, and estimates of mineralized material. All forward-looking statements in this press release are based upon information available to Gold Resource Corporation on the date of this press release, and the company assumes no obligation to update any such forward-looking statements. Forward looking statements involve a number of risks and uncertainties, and there can be no assurance that such statements will prove to be accurate. The Company's actual results could differ materially from those discussed in this press release. In particular, there can be no assurance that commercial production at the El Aguila Project will be achieved in the time frames estimated, at the rates and costs estimated, or even at all. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the company's 10-K filed with the Securities and Exchange Commission

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