



FOR IMMEDIATE RELEASE
March 15, 2011

NEWS
NYSE Amex: GORO

**GOLD RESOURCE CORPORATION REPORTS FOURTH QUARTER
AND YEAR END 2010 RESULTS**

CONFERENCE CALL MARCH 16, 2011

DENVER – Tuesday March 15, 2011 – Gold Resource Corporation (GORO) (NYSE Amex: GORO) today announced financial results for the fourth quarter and year ended December 31, 2010. CEO conference call scheduled March 16, 2011. Gold Resource Corporation is a low-cost gold producer with operations in the southern state of Oaxaca, Mexico.

Overview of Full Year 2010 Results from El Aguila Project

Gold Resource Corporation declared commercial production July 1, 2010. In the first six months of commercial production, Q3 and Q4 of 2010, the El Aguila Project produced 10,493 ounces of gold at a cash cost of \$217 per ounce, net of by-product credits, and sold its gold at an average price of \$1,201/ounce. The mine generated a gross profit of \$9.8 million.

For the year 2010 the Company had a net comprehensive loss of \$23 million or (\$0.46/share) due primarily to expensing continued Project construction and development costs and to non-cash items.

The Company's 2010 mill production throughput rate averaged 755 tonnes/day and mill head grade averaged 3.7 grams per tonne gold. Extensive and unusually heavy rains during the third quarter and first half of the fourth quarter of 2010 complicated production as lower grade stockpiles with less clay materials were better suited to run during that time. Mill recoveries were 81% in the third quarter and 74% in the fourth quarter, primarily because of the lower head grade run during the fourth quarter. Mill recoveries averaged 77% for the year ended December 31, 2010.

In November, 2010 the Company commenced underground mining and stockpiling of the La Arista high-grade, polymetallic mineralization at the El Aguila Project. The Company announced March 14, 2011 making the transition from processing open pit ore to processing Arista underground ore, in the mill's flotation circuit, ahead of the Company's mid-2011 target. Ore stockpiles remaining from the open pit mine will eventually be processed in the mill's agitated leach circuit. Mill optimization and ramp-up of the Arista polymetallic ore continues.

Gold Resource Corporation's President, Mr. Jason Reid, stated, "2010 was an important year for Gold Resource Corporation as we emerged as a low cost gold producer, an accomplishment achieved by few. We commenced commercial production from our open pit in Q3, continued to optimize operations in Q4 and are developing the Arista underground mine. Even with the

challenges of early production and inclement weather we are pleased as the Project continued to demonstrate its low production costs of less than \$800,000 per month for the six months of commercial production and produced a mine gross profit of \$9.8 million dollars.”

“We expect continued reduction of unit cash cost per ounce of gold by using industry standard base metal by-product credits from the Arista deposit which, in addition to gold and silver mineralization, also contains base metal mineralization of copper, lead and zinc. As we continue mill optimization, ramp up and production from the Company’s largest deposit discovered to date, La Arista, we look forward to 2011 as a transformational year for Gold Resource Corporation as we target processing higher average grade ore, lower cash costs and greater production levels in 2011.” stated Mr. Jason Reid.

Mr. Jason Reid continued, “We remain consistent in our long term objective to return money back to the owners of the Company, its shareholders. Using cash flow generated from mine operations, the Company declared and paid its shareholders a \$0.03 per share dividend each month since commencing commercial production July 1, 2010.”

2010 Q3 & Q4 HIGHLIGHTS

- Achieved commercial production July 1, 2010
- Produced 10,493 ounces of gold at a cash cost of \$217 per ounce
- Generated \$9.8 million mine gross profit
- Dividend distributions of \$0.18 per share for the six months of commercial production
- Cash and cash equivalents of \$47.5 million on hand at December 31, 2010
- Mining, stockpiling ore and continued Arista underground mine development

Conference Call

Gold Resource Corporation’s CEO, Mr. William W. Reid, will host a 45 minute conference call Wednesday, March 16, 2011 at 11:00 a.m. EST. Mr. William Reid will update shareholders on year end results followed by a Question & Answer period. The conference call will be recorded and posted to the Company’s website in 3 to 5 business days from recording.

Date: Wednesday, March 16, 2011

Time: 11:00AM EST (9:00 AM Mountain)

Attendee Access Information:

Title: Gold Resource Corporation 2010 Year End Conference Call

Host Name: William W. Reid

Company Name: Gold Resource Corporation

US/CAN Toll free: 1-877-681-3373

Int’l Toll: 1-719-325-4811

Passcode: 1720397

Please dial-in to the meeting at least 5 minutes prior to the start time using the attendee phone number and passcode.

About GRC:

Gold Resource Corporation is a mining company focused on production and pursuing development of gold and silver projects that feature low operating costs and produce high returns on capital. The Company has 100% interest in five potential high-grade gold and silver properties in Mexico's southern state of Oaxaca. The Company has 52,998,303 shares outstanding, no warrants and no debt. For more information, please visit GRC's website, located at www.Goldresourcecorp.com and read the Company's 10-K for an understanding of the risk factors involved.

Cautionary Statements

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 production will continue at any specific rate. 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

Contacts:

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See Accompanying Tables

The following information summarizes the results of operation for Gold Resource Corporation for the 3 months and years ended December 31, 2010 and 2009, its financial condition at December 31, 2010 and 2009 and its cash flows for the years ended December 31, 2010 and 2009. The summary data for the 3 months ended December 31, 2010 and 2009 is unaudited; the summary data for the years ended December 31, 2010 and 2009 is taken from our audited financial statements contained in our annual report on Form 10-K for the year ended December 31, 2010, but do not include the footnotes and other information that is included in the complete financial statements. Readers are urged to review the Form 10-K in its entirety, which can be found on the SEC's website at www.sec.gov.

The calculation of our cash cost per ounce contained in this press release is a non-GAAP financial measure. Please see "Management's Discussion and Analysis and Results of Operation" contained in the Form 10-K.

Gold Resource Corporation and Subsidiaries
(An Exploration Stage Company)
Consolidated Statements of Operations
(amounts in thousands, except per share amounts)

	Three Months Ended December 31,		Year Ended, December 31,	
	2010	2009	2010	2009
Sales of metals concentrate	\$ <u>4,779</u>	\$ <u>-</u>	\$ <u>14,754</u>	\$ <u>-</u>
Production costs applicable to sales	1,884	-	4,721	-
Depreciation, depletion and amortization	103	-	166	-
Accretion	<u>17</u>	<u>-</u>	<u>68</u>	<u>-</u>
Total mine cost of sales	2,004	-	4,955	-
Mine gross profit	2,775	-	9,799	-
Costs and Expenses				
General and administrative	4,624	1,051	9,302	5,378
Exploration expenses	726	3,939	4,692	7,811
Construction and development	6,323	2,106	18,435	20,995
Production start-up expense, net	<u>-</u>	<u>-</u>	<u>209</u>	<u>-</u>
Total costs and expenses	<u>11,673</u>	<u>7,096</u>	<u>32,638</u>	<u>34,184</u>
Operating (loss)	(8,898)	(7,096)	(22,839)	(34,184)
Other income (expense)				
Currency exchange (loss)	(242)	-	(330)	-
Loss on sale of assets	(4)	-	(4)	-
Interest income	<u>23</u>	<u>30</u>	<u>99</u>	<u>55</u>
Total other income (expense)	(223)	30	(235)	55
(Loss) before income taxes	(9,121)	(7,066)	(23,074)	(34,129)
Provision for income taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net (loss)	\$ <u>(9,121)</u>	\$ <u>(7,066)</u>	\$ <u>(23,074)</u>	\$ <u>(34,129)</u>
Other comprehensive income:				
Currency translation gain	<u>(468)</u>	<u>(1,383)</u>	<u>215</u>	<u>(968)</u>
Net comprehensive (loss)	\$ <u>(9,589)</u>	\$ <u>(8,449)</u>	\$ <u>(22,859)</u>	\$ <u>(35,097)</u>
Net (loss) per common share:				
Basic and Diluted	\$ <u>(0.19)</u>	\$ <u>(0.16)</u>	\$ <u>(0.46)</u>	\$ <u>(0.78)</u>
Weighted average shares outstanding:				
Basic and Diluted	<u>49,060,466</u>	<u>43,764,703</u>	<u>50,042,471</u>	<u>43,764,703</u>

Gold Resource Corporation and Subsidiaries
(An Exploration Stage Company)
Consolidated Balance Sheets
(amounts in thousands, except share amounts)

	December 31,	
	2010	2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 47,582	\$ 6,752
Restricted Cash	-	11,436
Accounts receivable	1,185	-
Inventories	3,063	225
Prepaid and refundable taxes	5,848	2,132
Other current assets	9	156
Total current assets	57,687	20,701
Land and mineral rights	227	227
Property and equipment, net	4,849	1,726
Other assets	34	11
Total assets	\$ 62,797	\$ 22,665
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	\$ 4,866	\$ 725
Dividends payable	1,590	-
Total current liabilities	6,456	725
Asset retirement obligation	2,495	1,992
SHAREHOLDERS' EQUITY		
Preferred stock	-	-
Common stock	53	48
Additional paid-in capital	152,444	95,692
(Deficit) accumulated during exploration stage	(97,891)	(74,818)
Other comprehensive income		
Currency Translation Adjustment	(760)	(974)
Total shareholders' equity	53,846	19,948
Total liabilities and shareholders' equity	\$ 62,797	\$ 22,665

Gold Resource Corporation and Subsidiaries
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
(amounts in thousands, except per share amounts)

	December 31	
	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)	\$ <u>(23,074)</u>	\$ <u>(34,129)</u>
Adjustments to reconcile net (loss) to net cash (used in) operating activities:		
Depreciation	324	167
Accretion expense	68	-
Stock compensation	2,694	2,844
Asset retirement costs	315	1,992
Foreign currency translation adjustment	215	(968)
Loss on sale of assets	4	-
Change in operating assets and liabilities:		
Accounts receivable	(1,185)	-
Prepaid and refundable taxes	(3,716)	(2,132)
Other current assets	146	47
Inventories	(2,838)	(225)
Accounts payable and accrued liabilities	4,142	(1,029)
Other	(24)	(6)
Total adjustments	<u>145</u>	<u>(690)</u>
Net cash (used in) operating activities	\$ <u>(22,929)</u>	\$ <u>(33,439)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(3,560)	(1,204)
Restricted cash	11,436	(11,436)
Net cash provided (used in) by investing activities	\$ <u>7,876</u>	\$ <u>(12,640)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sale of stock	63,393	48,990
Proceeds from exercise of options	-	184
Dividends paid	(7,740)	-
Net cash provided by financing activities	\$ <u>55,653</u>	\$ <u>49,174</u>
Effect of exchange rate on cash and equivalents	230	123
Net increase in cash and equivalents	40,830	3,218
Cash and equivalents at beginning of period	<u>6,752</u>	<u>3,534</u>
Cash and equivalents at end of period	\$ <u>47,582</u>	\$ <u>6,752</u>

