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NEWS

NYSE Amex: GORO

GOLD RESOURCE CORPORATION ADVANCES OAXACA MINING UNIT

COLORADO SPRINGS – June 21, 2011 – Gold Resource Corporation (NYSE Amex: GORO) today announced advancing its Oaxaca Mining Unit with two new underground exploration programs at its El Rey and Alta Gracia properties. Gold Resource Corporation is a low-cost gold producer with operations in the southern state of Oaxaca, Mexico.

Gold Resource Corporation discovered a high-grade vein system at its El Rey property during its 2008 drill program. The veins are predominantly gold with some silver (no base metals).

Highlights from previous drilling include:

- Mineralization within 100 meters of the surface
- Vein drill intercepts include (5 holes):

1.0 m of 132.5 g/t Au

1.4 m of 55.3 g/t Au

9.0 m of 19.4 g/t Au including

1 m of 66.4 g/t Au

1 m of 31.8 g/t Au

1 m of 30.3 g/t Au

1 m of 29.1 g/t Au

1 m of 23.7 g/t Au

To better evaluate the potential of the EI Rey property the following program has been initiated:

- Refurbish and extend existing shaft to the 70 meter level below the surface
- Drive two development drifts each 150 meters along the two gold veins encountered from the previous 2008 drill program
- Establish underground drill stations for advanced exploratory drill program
- Use crosscuts to explore for additional veins

We believe this program will allow development and exploration of EI Rey to proceed simultaneously, leading to accelerated production if and when a positive decision is made to establish high-grade gold production at EI Rey.

The explosives permit for EI Rey was approved June 1, 2011 and the powder magazine construction is underway. Physical work has begun to prepare the shaft site and pump out existing water, and a hoist and headframe are being sourced and purchased along with additional equipment. In addition to exploration, this approach will allow the Company to view the character of the veins, the competency of the wallrock, and gain bulk samples for additional metallurgical testing. Previous metallurgical EI Rey test work resulted in 94% gold and 75% silver recoveries.

Gold Resource Corporation's President, Mr. Jason Reid, stated, "El Rey's high-grade gold ore would be processed in the agitated leach circuit at the El Aguila mill adding to our production profile. It would also be an ideal source of gold and silver for producing Gold Resource Corporation's Double Eagle coins, which could potentially be used for future in-kind dividend distributions."

A similar program at the Company's Alta Gracia property is underway. Three high-grade polymetallic veins that outcrop on the surface have been discovered near historic workings. With site preparation underway, the Company plans to drift on these parallel veins by constructing three new adits. The purpose is to develop the veins 40-50 meters below the surface to test for mineral continuity, and to crosscut below the historic workings to test for continuation of mineralization laterally and at depth. These small scale exploration drifts could generate ore for batch scale metallurgical testing, as well as host underground drill stations for deeper exploratory drilling. This underground drilling will be in addition to the surface drilling currently underway.

Mr. Reid continued, "The district was mined historically on a small scale as recently as the 1970's and we recognize many similarities between Alta Gracia and our La Arista deposit located at the El Aguila Project. The Alta Gracia veins previously mined by others may be located higher up in the mineralized horizon. With exploration at depth we could find a situation similar to La Arista where the mineralization begins 100 meters below the surface as a function of boiling point."

"We have been very impressed with Alta Gracia's surface samples, some in excess of 4.7 grams per tonne gold and 2.5 kilograms per tonne silver, and this underground exploration program will allow us to more rapidly quantify the mineral potential of these veins. Any potential Alta Gracia ore would be trucked 16 kilometers to the Company's El Aguila Mill. This is in-line with the Company's long term objective to have multiple projects feeding ore to our strategically located mill."

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 six 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.

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

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