



**FOR IMMEDIATE RELEASE**  
**July 19, 2012**

**NEWS**  
**NYSE MKT: GORO**

**GOLD RESOURCE CORPORATION REPORTS SECOND QUARTER PRODUCTION;  
REVISES PRODUCTION OUTLOOK**

**COLORADO SPRINGS – July 19, 2012** – Gold Resource Corporation (NYSE MKT: GORO) reported its preliminary production results for the second quarter ended June 30, 2012 of approximately 14,500 ounces precious metal gold equivalent (AuEq) at a 60:1 price ratio. Gold Resource Corporation is a low-cost gold producer with operations in the southern state of Oaxaca, Mexico. The Company has returned over \$53 million to shareholders in monthly dividends since declaring commercial production July 1, 2010 and may be the only Company offering shareholders the option to convert their cash dividends into physical gold or silver.

The Company's second quarter production was lower than expected. Several factors contributed to the decrease including Arista underground mine infrastructure needs coupled with mining of lower grade zones of the deposit. The necessity for expanded development included upgrading electric power throughout the mine, expanding ventilation requirements and the handling of increased ground water with depth. These development activities limited the Company's preparation and mining of higher grade stopes. Decreases in long-hole stoping resulted in both processing more diluted development ore and required mining from areas of the deposit with lower metal grades. Tonnes from stoping as a percentage of milled ore decreased from an estimated year-to-date high of 55% during the first quarter of 2012 to an estimated year-to-date low of 15% during the second quarter. In addition to addressing the infrastructure needs of the Arista mine during the quarter, the Company also focused on preparing ore blocks from levels 7 through 10 in preparation for stoping higher grade ore.

As a result of the decrease in second quarter production, the Company revises its 2012 Outlook by ~15% to a targeted annual production range of 100,000 to 120,000 ounces AuEq, at an estimated 53:1 price ratio. This represents a decrease from its previous 2012 target of 120,000 to 140,000 AuEq. In addition, the Company said the ongoing development of the Arista mine will determine whether the Company's target of 200,000 ounce AuEq, at an estimated 53:1 price ratio, will be achieved in 2013 or 2014.

Gold Resource Corporation's President, Mr. Jason Reid stated, "Early development of the Arista mine, in which we drove straight to and developed directly on the veins, was a means to rapidly feed ore to the mill and generate cash on an accelerated basis. The rapid development on the veins, which enabled record first quarter production, pushed back overall mine development into the second quarter including preparations for stoping from levels 7 to 10. Doing so resulted in less second quarter production but has put the Company in a more sustainable production position for the second half of 2012."

Mr. Reid continued, "It is estimated that we now not only have high-grade ore in blocks ready for immediate stoping but are well positioned to fulfill our production needs into the first quarter of 2013. With the next three quarters of production prepared and ready to be stoped we believe

we have created the lead time needed to continue Arista mine production and development on a more sustainable long term basis.”

Full financial results for the second quarter will be available at the time the Company files its quarterly report on Form 10-Q with the Securities and Exchange Commission.

**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 52,911,516 shares outstanding, no warrants and no debt. Gold Resource Corporation is the only Company to offer its shareholders a dividend option to obtain physical gold or silver in addition to cash. 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.

**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.

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