



GOLD RESOURCE CORPORATION

NYSE MKT: GORO

FOR IMMEDIATE RELEASE
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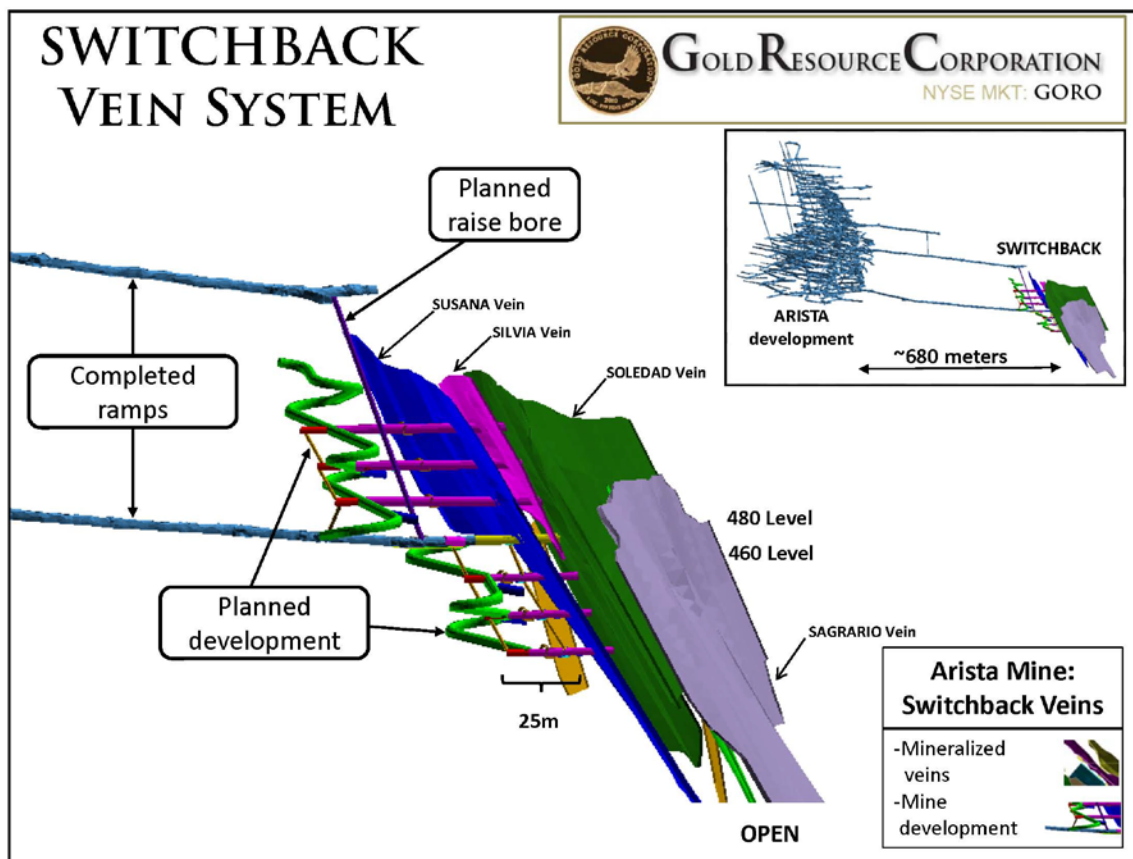
NEWS
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GOLD RESOURCE CORPORATION ARISTA MINE DEVELOPMENT CROSSCUTS SWITCHBACK VEIN SYSTEM

COLORADO SPRINGS – October 18, 2016 – Gold Resource Corporation (NYSE MKT: GORO) (the “Company”) today announced level 460 ramp development has reached the Switchback vein system at the Aguila Project’s Arista mine. Gold Resource Corporation is a gold and silver producer, developer and explorer with operations in Oaxaca, Mexico and Nevada, USA. The Company has returned \$108 million to shareholders in monthly dividends since commercial production commenced July 1, 2010, and offers shareholders the option to convert their cash dividends into physical gold and silver and take delivery.

Arista Mine ramp development has advanced over 680 meters to reach the Switchback vein system’s Susana vein on the 460 level (see map). The Susana vein is the first of at least six veins the Company expects to crosscut with continued development. This primary 460 level Switchback ramp bifurcated approximately 100 meters from the Switchback vein system with an inclining secondary ramp to access the veins on the 480 level, 20 meters higher in elevation. This secondary ramp is targeted to reach additional mineralization on the 480 level in November 2016. A 3.1-meter diameter raise bore is being drilled to connect the 460 level ramp with the previously constructed 600 level ramp, ~140 meters higher up in the deposit for mine safety and ventilation. The Company expects to pull development ore from Switchback during the fourth quarter 2016 and will either process or stockpile the mineralization for 2017. The Company targets long term production from Switchback by developing and preparing multiple levels and ore blocks over the next year for future bulk tonnage mining.

The Switchback vein system adds to the Arista Mine’s longevity with high-grade, polymetallic mineralization. 2016 exploration drilling has expanded the overall size of the Switchback vein system, including expansions to the strike length of the Soledad vein by ~170 meters from 200 to 370 meters and the Sagrario vein by ~100 meters from 180 to 280 meters in length. The additional exploration drilling conducted at Switchback in 2016, as announced in numerous previous Switchback drill result press releases, is targeted to be included in future reserve reports. Reserve additions are dependent in large part on achieving tight enough drill hole spacing together with channel sampling in development headings adequate to classify the mineralized material as Proven and Probable reserves. The Switchback vein system remains open in all directions.



“With well over a year of allocating Company resources to extend decline ramps to the Arista Mine’s Switchback vein system, we are pleased and excited to now be developing the Switchback veins,” stated Mr. Jason Reid, CEO and President of Gold Resource Corporation. “Using cash flow from operations, we have gained access to this exciting new area of the mine and can begin to see the much awaited return on our invested capital. I am optimistic the Arista Mine’s Switchback vein system could one day be as large as, or perhaps larger than, the Arista Mine’s Arista vein system, and that we may in the future find additional parallel vein systems like Arista and Switchback. It will require time and additional capital to fully determine the size of Switchback, but now cash flow from Switchback production can be leveraged in our endeavor to continue to expand this large epithermal system.”

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. Gold Resource Corporation is a gold and silver producer, developer and explorer with operations in Oaxaca, Mexico and Nevada, USA. The Company has 56,556,874 shares outstanding, zero warrants, zero debt and has returned \$108 million back to shareholders since commercial production commenced July 1, 2010. Gold Resource Corporation offers shareholders the option to convert their cash dividends into physical gold and silver and take delivery. 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 SEC.

Contacts:

Corporate Development
Greg Patterson
303-320-7708
www.Goldresourcecorp.com