

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Gold Resource Corporation		84-1473173	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Kim Perry		Kim.Perry@GRC-USA.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
2000 South Colorado Blvd; Suite 10200		Denver, CO 80222	
8 Date of action		9 Classification and description	
12/31/2020		Common Stock Spin-Off	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
38068T105		GORO	C0000103845

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On December 31, 2020, Gold Resource Corporation (GRC) distributed 100% of the common stock of Fortitude Gold Corporation (FGC) to Shareholders of GRC common stock. Under terms of the distribution, each GRC shareholder that held GRC common stock on December 28, 2020, the record date for the distribution, received 1 share of FGC common stock for every 3.5 shares of GRC common stock held by such shareholder. Fractional shares of common stock will be distributed in connection with the Spin-Off except for shareholders who held stock in "street name" at Depository Trust Company (since Depository Trust Company does not accept fractional shares). Shareholders holding their shares at Depository Trust Company received cash in lieu of fractional shares.

Shareholders are urged to consult their own tax advisor regarding the particular consequences of the Spin-off, including the applicability and effect of all U.S. federal, state and local, and foreign tax laws.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ GRC shareholders' aggregate tax basis in their shares of GRC common stock held immediately prior to the distribution would be allocated between the shares of FGC common stock received in the distribution and their shares of GRC common stock held immediately after the distribution based on their respective fair market values on December 31, 2020. Using the fair market value described in #16 below, 69.48% of a shareholders tax basis would be allocated to the shares of GRC common stock and 30.52% of a shareholder's tax basis would be allocated to the shares of FGC common stock.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Fair market value is generally the price at which property would change hands between a willing buyer and a willing seller. Neither the buyer or seller are under any compulsion to buy or to sell and both have reasonable knowledge of the facts. Tax law does not specifically prescribe how you determine the fair market value for allocating tax basis between GRC common stock and FGC common stock. One approach is based on discounted cash flow (DCF) analysis performed by a third party.

The discounted future cash flows calculated by a third party for the FGC assets at 12/31/2020 is \$65,938,411. The analysis was based on proven and probable reserves at an average gold price of \$1,655 over four years (2021 to 2024). The analysis was then discounted at 1) 12%, and 2) 5% at a 65% probability; an average of the two DCF's was taken. Further, GRC shares (GORO) closed at \$2.91 per share and 74,239,434 shares outstanding on 12/31/2020 (\$216,036,752.94 market capitalization). The FGC value of \$65,938,411 is 30.52% of the \$216,036,752.94 market capitalization at 12/31/2020. GRC allocated fair market value is \$150,098,342 (\$216,036,752 less \$65,938,411) or 69.48%.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ _____
 Sections 355, 358 and 1001. The distribution will qualify for nonrecognition of gain or loss under section 355 and related provision of the code. The tax basis calculations resulting from the distribution will be governed by section 358 and treasury regulations 1.358-1 and 1.358-2. GRC shareholders receiving cash in lieu of fractional shares of FGC common stock will recognize gain or loss measured by the difference between the amount of cash received and the basis of the fractional shares pursuant to sections 1001.

18 Can any resulting loss be recognized? ▶ The treatment of cash received in lieu of fractional shares could result in a loss. Generally, gain or loss will be recognized by the GRC shareholders with respect to any cash received in lieu of fractional shares of FGC common stock.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ _____
 The tax basis allocation adjustments resulting from the distribution are effective as of the date of the distribution, December 31, 2020. The information contained herein does not constitute tax advice. Additionally, this does not purport to be complete or to describe the tax consequences that may apply to categories of shareholders. Each shareholder is urged to consult their own tax advisor as to the tax consequences of the distribution under U.S. federal, state and local tax law and non-U.S. tax laws.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
 Signature ▶ Kimberly C Perry Date ▶ January 21, 2021
 Print your name ▶ Kim Perry Title ▶ Chief Financial Officer

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.