



**FOR IMMEDIATE RELEASE**  
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**NEWS**  
**NYSE Amex: GORO**

**GOLD RESOURCE CORPORATION RESPONDS TO BARRON'S  
ARTICLE "THE GLITTERING PRIZE"**

**COLORADO SPRINGS – July 3, 2011** – The management of Gold Resource Corporation (the "Company") is taking an opportunity to respond to a recent article published in Barron's written by Mr. Michael Santoli. We would like to correct some of the author's incorrect factual assertions and perhaps put this article in perspective.

By way of background, Mr. Santoli contacted the Company on May 18, 2011 which was just after the short interest in the Company's common stock jumped by 1,585,906 shares to its largest short position of 2,235,554, an increase of 41%, according to the Amex May 2011 short interest report. As Mr. Santoli pointed out in his article, the short position has continued to increase substantially since that time to approximately 3.4 million shares, according to the latest NYSE report. However, one thing Mr. Santoli failed to mention in his article is that he was in direct contact with investors holding short positions during the time he was preparing his article. While we can only speculate about his motivations while creating this article and the reason why the short position increased significantly during this time period, we are going to focus our energy on correcting a few of Mr. Santoli's incorrect factual assertions.

First and foremost, the Company stands behind its core values as a low-cost gold producer that believes in achieving a return on the capital invested by shareholders as quickly and efficiently as possible. The Company has not wavered from this belief since inception and does not intend to have a different philosophical approach now that commercial production is underway at the El Aguila Project. All mining operations take time to ramp up and we operate in a capital intensive industry where hundreds of millions of dollars can be spent before a production decision is even made. The Company is proud to be a gold producer with some of the lowest cash costs in the world. As we continue to optimize our operations and foresee increased production, our ability to produce low-cost ounces makes our production far more valuable than the average mining company's production. We will also evaluate any potential future projects using the same return on investment philosophy.

Because of our longstanding stated belief in shareholders receiving a return on investment, we were determined to pay cash dividends to shareholders as soon and as often as possible. Dividends, initiated after our first month of commercial production, were not implemented as a means to promote the Company's stock or to provide tax-advantaged income to any officer or director of the Company and we take issue with that assertion. We are pleased to have returned in excess of \$20 million to our shareholders in the Company's first 12 months of commercial production. The money used to pay all dividends came from newly generated cash (our Mine Gross Profit) from mining operations. We continue to look forward to sharing future cash generated from mining operations with our shareholders as our projects evolve.

The Company also disagrees with the article's characterization of Hochschild Mining plc as a "small Peruvian producer." Hochschild is a well-respected world-class silver producer and a mid-tier gold producer listed on the London Exchange. We stand behind the fact that Hochschild completed its third-party due diligence testing and was willing to strategically align with us by becoming the Company's largest shareholder and providing the necessary capital investment to complete the El Aguila mill, commence production and develop the underground mine at our Arista deposit. Few juniors could have withstood the scrutiny of a major producer and not only survive their due diligence, but have that major invest a total of \$65 million in their company. We feel this is validation of our property, its operations and potential. As the Company continues to progress we have publically stated we are conducting a more formal resource report. In addition to industry validation, specialists in the mining space including gold funds, an independent gold analyst and Jefferies investment bank have all conducted mine site level due diligence and support the Company.

The Company further disagrees with the assertion that Mr. Conrad was responsible for approving his compensation last year since he chairs the compensation committee. The entire board approved Mr. Conrad's compensation, as each member must abstain from any vote regarding their own compensation. As for management's sales of shares, the article is quick to point out that sales generated \$13.7 million in the past year. However, the article fails to put these sales into context by mentioning that these sales represent a small percentage of management's total holdings and that these individuals remain as the largest individual shareholders in Gold Resource Corporation. The assertion that I sold shares in response to the article is negated by SEC public filings dated prior to contact from Barron's that indicate I was preparing to sell a pre-determined amount of shares.

The Company does not shy away from the fact that we have chosen an unconventional approach in which we have not pursued an SEC-compliant reserve report prior to moving forward with mineral production. This aggressive approach enabled us to reach production and cash flow at the earliest possible point in time, and we are proud of that fact which translated into our Company having one of the tightest capital structures for a gold producer with only 52.9 million shares outstanding. The Company will let its production results and corresponding financial results speak for it, and your management team looks forward to bringing its shareholders continued success.

Jason Reid  
President

#### **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](http://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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