



FOR IMMEDIATE RELEASE
August 21, 2012

NEWS
NYSE MKT: GORO

GOLD RESOURCE CORPORATION TO OFFER ELIGIBLE EMPLOYEES OPPORTUNITY TO RECEIVE NEW STOCK OPTIONS

COLORADO SPRINGS – August 21, 2012 – Gold Resource Corporation (NYSE MKT: GORO) (the “Company”) announced that it is extending to certain of its employees an opportunity to cancel the employee’s outstanding unexercised stock options and receive an equal number of replacement options to purchase the Company’s common stock at a lower exercise price and subject to a new three-year vesting period. Gold Resource Corporation is a low-cost gold producer with operations in the southern state of Oaxaca, Mexico. The Company has declared over \$56 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.

On August 14, 2012, the Board of Directors voted in favor of extending an offer to Company employees that are presently holding options to purchase common stock at exercise prices higher than the closing price on August 14, 2012 the opportunity to terminate his or her option agreement and receive a new option award. Employees accepting the offer to terminate their existing option agreement will receive a new award of stock options, equal in number to the amount of unexercised options remaining under the existing option agreement, with an exercise price of \$17.64, the closing price of the stock on August 14, 2012, and subject to a new three-year vesting period. Typical option awards granted to employees are vested in equal tranches over three years with one-third of the option vesting at the anniversary of each year of full employment. Participation is voluntary and eligible employees may decline the offer and keep their existing option agreement at the exercise price vesting period as originally agreed. Employees are being notified of the offer beginning on August 21, 2012 and have one week from notification to accept or reject the offer. All members of the Board of Directors and Bill Reid, Jason Reid and David Reid are excluded from the offer.

“It is important to motivate and reward key employees by allowing them to participate in the financial reward of our Company’s long term success,” stated Gold Resource Corporation’s President, Mr. Jason Reid. “Many of our employees who have received stock option awards were granted options at high strike prices compared to current trading levels, and due to the volatility of the stock price, they have had a very limited opportunity to exercise those options while they are ‘in-the-money’. The recent market pullback has created an opportunity to further incentivize our employees and take advantage of a lower strike price. The potential offerees include approximately 16 management level employees in both Mexico and the United States. These individuals will have the opportunity to capture a much better strike price; however, in doing so they will relinquish their old options and start a new three-year vesting period for the award at the lower strike price. We believe this is beneficial both to our employees to take advantage of the opportunity for share ownership and to the Company on a long-term basis with employee retention. As a Company, we believe that those who make the success happen should also benefit from that success.”

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 52,828,776 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 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.

Contacts:

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