



GOLD RESOURCE CORPORATION

NYSE MKT: GORO

FOR IMMEDIATE RELEASE
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NEWS
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GOLD RESOURCE CORPORATION RECEIVES FINAL PERMIT TO BEGIN MINING ALTA GRACIA

COLORADO SPRINGS – October 12, 2016 – Gold Resource Corporation (NYSE MKT: GORO) (the “Company”) today announced it has received the final mine permit (blasting permit) to begin development and production from its Oaxaca Mining Unit’s Alta Gracia Project. Gold Resource Corporation is a gold and silver producer 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.

The Alta Gracia Project is located approximately 15 kilometers northwest of the producing Arista mine and Aguila Mill complex, all of which are located along a larger 55 kilometer north 70 west mineralized structural fault corridor the Company controls. With the final Alta Gracia mine permit now in hand, the Company is rapidly moving forward with a goal of drawing first mineral by year-end 2016 or the first quarter of 2017. The Company expects development time at Alta Gracia to be rapid, as the existing historic mine infrastructure can be leveraged and improved.

Oxide mineralization from Alta Gracia is expected to be trucked to and processed in the Aguila Mill’s currently idle agitated leach circuit. Initial mining rates target 100 to 200 tonnes per day and an initial mill processing rate of 150 tonnes per day. The Alta Gracia mine has the potential to increase the Company’s future annual silver production by approximately 500,000 silver ounces and 1,000 gold ounces. At year-end 2015, the Company estimated 185,000 tonnes in the mineralized material category grading 321 grams per tonne (g/t) silver and 0.55 g/t gold.

“We are pleased that the Company’s Oaxaca Mining Unit business plan of having multiple mines feed a strategically located mill is well underway with the development of our now fully permitted Alta Gracia mine,” stated Mr. Jason Reid, CEO and President of Gold Resource Corporation. “We were able to advance Alta Gracia forward much faster with this business plan, as we only have to justify the mining and trucking costs to haul mineral to our Aguila mill for processing. This shared mill approach eliminates the need and capital required to build a mill at each of our six properties. Furthermore, it targets moving a property into production sooner, at less cost and may add to our production profile and longevity of operations. We are very excited to soon have Alta Gracia as our second producing mine within our Oaxaca Mining Unit.”

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 exploration, development and production from multiple potential high-grade gold and silver properties at its Oaxaca, Mexico Mining Unit and its

Nevada, USA, Mining Unit. 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.

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