



GOLD RESOURCE CORPORATION

NYSE American: GORO

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NEWS
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GOLD RESOURCE CORPORATION DECLARES COMMERCIAL PRODUCTION AT ISABELLA PEARL GOLD MINE, MINERAL COUNTY, NEVADA

Colorado Springs – October 7, 2019 – Gold Resource Corporation (NYSE American: GORO) (the “Company”) today announced its Isabella Pearl gold mine, located in Mineral County, Nevada, has reached commercial production levels. This commercial production announcement is based on mining rates, ore placement on the heap leach pad, mining and process costs, production ramp-up and reaching positive operational cash flow during the month of September. The Company produced first gold dore from the project in late April 2019 and expects additional improvements as the project continues through the ramp up phase. Gold Resource Corporation is a gold and silver producer, developer and explorer with operations in Oaxaca, Mexico and Nevada, USA. The Company has returned \$112 million to its shareholders in consecutive monthly dividends since July 2010 and offers its shareholders the option to convert their cash dividends into physical gold and silver and take delivery.

Gold production levels at the Isabella Pearl mine have been ramping up since the first dore bar was produced in late April 2019. Preliminary September production of gold loaded to carbon and dore produced totaled in excess of 2,000 ounces. The Company plans to update its 2019 global gold production outlook in the upcoming third quarter preliminary production announcement to include estimated gold ounces targeted from its Isabella Pearl project for the fourth quarter. While it is still early in the project ramp up phase, 2,000 ounces of monthly gold production at Isabella Pearl is expected to continue generating positive cash flow by covering operational costs at the project assuming a gold price of \$1,450 per ounce. The Company’s 2020 annual production outlook for both Oaxaca, Mexico and Nevada, U.S.A. will be released in early 2020.

Construction of the Isabella Pearl project’s ADR process facility is complete with final commissioning occurring over the next several weeks to enable on-site dore production. Off-site processing of the gold infused carbon into dore will continue until the on-site dore facility is fully optimized.

Mr. Jason Reid, CEO and President of Gold Resource Corporation, stated, “I am very pleased to report the Isabella Pearl mine, which broke ground and produced first dore in just ten months, has reached commercial production levels just sixteen months after breaking ground on the project in June 2018. Our team has worked extremely hard these past few months navigating the challenges of mine commissioning, managing construction contractor difficulties and the typical production ramp up of a new mine. I am very excited that during the month of September the Isabella Pearl mine moved into a phase where mining and processing rates and ore placement are now expected to generate positive cash flow on a consistent basis. This is a milestone for any mining project and should have a significant impact on the Company’s overall revenues and net income moving forward.”

The Isabella Pearl ramp up phase will continue over the next year as the deposit is made up of two primary ore bearing areas, the Isabella and the Pearl with the former mineralization outcropping at the surface and the latter higher-grade mineralization located deeper within the deposit. Approximately eighty percent of the ore in this deposit is in the Pearl structure and the Company continues removing overburden to reach this high-grade area targeted in 2020.

Mr. Reid stated, "There will most likely be unforeseen additional challenges as there always are in the mining industry, but given where we were sixteen months ago putting the first shovel in the ground to where we are today, loading the pad with Isabella ore and having reached positive cash flow in September, I am very pleased and excited at our progress at the Isabella Pearl mine. With this positive cash flow development, I believe we are very close to reaching the inflection point of a near-term shareholder dividend increase."

Mr. Reid continued, "The "at-the-market" ATM facility used to help finance the project's completion is still in place and is expected to remain in place going forward as optionality for the Company if and when needed. I am pleased to report the Company has not used the ATM since July 30, 2019. While the Company reserves the right to further utilize the ATM, we currently do not foresee the need to do so."

About GRC:

Gold Resource Corporation is a gold and silver producer, developer and explorer with operations in Oaxaca, Mexico and Nevada, USA. The Company targets low capital expenditure projects with potential for generating high returns on capital. The Company has returned \$112 million back to its shareholders in consecutive monthly dividends since July 2010 and offers its 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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