



DATE: DECEMBER 22, 2020

**SUBJECT: GOLD RESOURCE CORPORATION – ANTICIPATED
DISTRIBUTION
OPTION SYMBOL: GORO
NEW SYMBOL: GORO1
DATE: ???**

CONTRACT ADJUSTMENT

EFFECTIVE DATE: Anticipated to occur on or about December 24, 2020

OPTION SYMBOL: GORO changes to GORO1

STRIKE PRICES: No Change

**NUMBER OF
CONTRACTS:** No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 2.50 yields \$250)

**NEW DELIVERABLE
PER CONTRACT:**

- 1) 100 Gold Resource Corporation (GORO) Common Shares
- 2) 28 Fortitude Gold Corporation (“SpinCo”) Common Shares (subject to delayed settlement until the trading status can be determined)
- 3) Cash in lieu of approximately 0.5714 fractional SpinCo Common Shares

**SETTLEMENT
ALLOCATION:**

- GORO: 95%
- SpinCo: 5%

CUSIPS:

- GORO: 38068T105
- SpinCo: TBD

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

PRICING

Until the cash in lieu amount is determined, the underlying price for GORO1 will be determined as follows:

GORO1 = GORO + 0.285714 (SpinCo)

DELAYED SETTLEMENT

The GORO component of the GORO1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the SpinCo component and cash component, of the GORO1 deliverable until the trading status of the SpinCo shares, and cash in lieu amount, if any, are determined. Upon determination of the SpinCo shares' trading status, and cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate number of SpinCo shares and cash amount, if any.

BACKGROUND

Gold Resource Corporation (GORO) has announced a distribution of Fortitude Gold Corporation ("SpinCo") Common Shares, which is subject to the SEC effectiveness of the Registration Statement for SpinCo. The distribution ratio is expected to be approximately 0.285714 of a SpinCo share for each GORO share held. The anticipated record date is December 28, 2020; the anticipated payable date is December 31, 2020. The anticipated ex-date for the distribution is December 24, 2020. All dates are subject to change.

SpinCo shares are anticipated to trade on an over-the-counter market under a trading symbol that is to be determined.

POSSIBLE SETTLEMENT PROCEDURES

An OTC or OTCBB (Bulletin Board) market may develop in the U.S. for the SpinCo shares, although there is no assurance this will happen. OCC anticipates that if an OTC or OTCBB market develops, NSCC will accept transactions in the SpinCo shares which arise as a result of option exercise and assignment activity. In that event, GORO1 option exercise and assignment activity will settle in the normal fashion through NSCC. However, if a market does not develop or NSCC does not accept transactions in the SpinCo shares, OCC anticipates requiring broker to broker settlement for GORO1 options after the final distributions are determined. Pursuant to customary OCC broker to broker settlement procedures, inability to effect delivery may subsequently occasion cash settlement as determined by OCC.

DISCLAIMER

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.