



SHAREHOLDER UPDATE

July 4, 2008

On January 14, 2008 we provided you with a comprehensive Shareholder Update which discussed our four Mexican projects, San Jose de Gracia, El Porvenir, El Candelero, and Kenya. Since January two projects have exceeded our expectations, one has met them, and the fourth is yielding interesting early-stage results. Overall, we are pleased with our progress. Goldgroup today is stronger, more exciting, and, we believe, significantly more valuable than six months ago.

During the past six months we expanded our drill program at San Jose de Gracia from two drills to utilizing three drills. We received assay results from a number of those holes, some of which are very impressive. We conducted confirmatory drilling at the El Porvenir property which we have optioned from Goldcorp. The results correspond with Goldcorp's representations to us. We have been simultaneously advancing the metallurgy at El Porvenir, as discussed in our January 14 Update, with a view to putting this project into production. We have continued preliminary exploration of the El Candelero property, with encouraging results, and began preliminary exploration of Kenya, our large grassroots property.

You will recall that we are currently entirely focused on gold in Mexico, which we believe is one of the world's best mining jurisdictions. All of our projects are geared to expanding gold ore resources and bringing those resources to production so that our in-ground ounces will have a higher unit value.

Our professional staff on the ground in Mexico consists of 15 mining professionals. Keith Piggott, our CEO, and Kevin Sullivan, our Vice-President, Exploration, lead a team of eleven professional geologists, one mining engineer and one metallurgist.

At June 30, 2008 we had 36,732,637 common shares issued and outstanding and 2,510,000 incentive stock options outstanding with an exercise price of \$1.25 per share.

We are pleased to report that that we remain in a very strong financial position. As of June 30, 2008 we have US\$14.1 million in cash and short-term GIC deposits. Since the Company's inception in June 2005 through to June 30, 2008, our major expenditures have been US\$5.5 million in exploration costs on our San Jose de Gracia project, option payments of US\$1.6 million to Goldcorp on our El Porvenir project, other project expenditures of \$0.3 million and administration and general expenses of \$0.9 million, net of interest income.

Given our quality properties, professional staff and strong financial position, we remain confident that Goldgroup is on track to becoming a significant gold producer. Discussions with advisory and brokerage firms regarding an IPO are ongoing and interest appears to be strong. We have narrowed our discussions down to two of the most reputable mining brokerage houses in Canada. With a view to maximizing shareholder value, we are also concurrently exploring merger possibilities with listed Mexican and South American gold producers. In that connection we are finalizing our 43-101 technical reports on El Porvenir and San Jose de Gracia.



Properties

Our focus remains on our current properties but we are actively seeking additional strategic and prospective assets that match our strategy, particularly production or near-term gold production opportunities in Mexico. We continue to maintain interests in four properties:

1. *San Jose de Gracia*

You will recall that we have the right to earn up to a 50% interest in San Jose de Gracia, subject to us funding US\$18 million of phased exploration and development work on the project phased over four and a half years. To date Goldgroup has funded over US\$5.5 million in exploration and development. We estimate that prior to Goldgroup's involvement, but in the recent past, more than \$10 million was spent assembling and exploring the project. Also, in the more distant past, British companies mined over one million ounces at grades of between 30 g/t and 60 g/t, or between one and two ounces per ton.

There are currently six geologists, ten support staff, and three contracted drill rigs working on the property.

We are considerably expanding our rock chip geochemistry adding additional drill targets along the 20 km-long mineralized trend.

Since January 2008 we have completed an additional 40 diamond drill holes. See the *Table of Selected San Jose de Gracia Exploration Results (Goldgroup)* below. Drilling has concentrated on two areas, San Pablo and Purisima.

Table of Selected San Jose de Gracia Exploration Results (Goldgroup)

Description	Width	Au (g/t)
SJG-07	5.00m	9.25
SJG-08	3.80m	4.77
SJG-09	2.10m	7.20
SJG-09	3.15m	8.33
SJG-12	4.20m	10.33
SJG-17	4.35m	3.09
SJG-21	6.10m	26.89
SJG-23	1.40m	9.56
SJG-26	4.10m	16.82
SJG-27	6.05m	13.59
SJG-31	7.50m	53.98
SJG-39	3.25m	10.89
SJG-48	11.05m	3.84
SJG-51	10.80m	19.32
SJG-60	5.30m	12.23



In the late 1990's the previous owner Golden Hemlock completed a number of drill holes in the Tres Amigos area with some very good results. See the *Table of Selected San Jose de Gracia Exploration Results (Golden Hemlock)* below.

Table of Selected San Jose de Gracia Exploration Results (Golden Hemlock)

Description	Interval	Au (g/t)
SJG-97-01	7.00m	3.66
SJG-97-02	16.50m	3.85
SJG-97-07	10.00m	3.40
SJG-97-09	2.10m	13.53
SJG-97-12	3.50m	10.01
SJG-97-13	21.50m	14.09
SJG-97-35	16.50m	3.91
INC.	6.00m	8.84
SJG-97-39	3.00m	29.50
SJG-97-40	2.00m	14.88
SJG-97-45	2.00m	31.35
SJG-97-45	2.00m	12.32
SJG-97-47	7.06m	7.51

2. El Porvenir

On February 27, 2007 we entered into an agreement with Desarrollos, a subsidiary of Goldcorp, to acquire 100% of its El Porvenir mine for payments of \$3m over two years. We believe El Porvenir has the potential to produce 45,000 - 50,000 oz gold equivalent per year. It is located in the state of Aguascalientes, Mexico.

Our 43-101 technical report on the project is nearly complete and is expected in September, 2008. As discussed in the January Shareholder Update, prior metallurgical studies by Goldcorp and Hecla indicate that heap leaching at minus 1/2 inch crush size will give recoveries of 65% of the Au and 20% of the Ag. While this is economic at current gold prices, it does not maximize the deposit's potential. Therefore we have completed some initial bottle roll testing which has shown recoveries in excess of 90% of Au and 70% of the Ag. This suggests that the higher grade core of the deposit should be treated through a small plant with the lower grade peripheral ore being treated by heap leach. Consultant metallurgists have been retained to further this work and to design the recovery circuit. Exploration work in the area has indicated the potential to increase resources.

To date 16 drill holes have been completed for a total of 1702m. These holes were drilled to better define the resource. A composite drill hole sample has been blended with a head grade of 1.12 g/t Au to conduct a series of column leach tests. These tests are in progress. There are 3 geologists, a metallurgist, and five support staff currently working on the project along with a drilling crew utilizing our own drill rig.



Table of Selected El Porvenir Exploration Results

Description	INTERVAL (m)	Au (g/t)	Ag (g/t)
EP-01	88.5	0.97	16.0
EP-02	48.0	0.73	16.0
EP-03	7.5	0.52	8.8
	15.0	0.41	10.9
EP-04	58.5	0.42	14.0
EP-06	28.5	0.61	*
EP-07	46.5	1.07	*
EP-08	60.0	0.91	*
EP-09	70.0	0.5	*
EP-10	30.0	1.06	*
EP-11	18.0	0.71	*
EP-12	22.0	2.22	*
	18.0	1.4	*
EP-13	44.0	0.6	*

* silver assay pending

3. El Candelero

On May 31, 2007 we acquired the option to earn up to a 70% interest in the El Candelero project from Luismin, also a subsidiary of Goldcorp, by spending an aggregate of \$1.5 million over five years. Luismin can then earn back 30% by spending \$3 million over three years. If Luismin exercises its back-in it will own 60% and we will own 40%.

El Candelero remains a very exciting exploration project as it has the potential for Tayoltita-like mineralization. El Candelero has old workings and vein-style mineralization which resembles Tayoltita's geology. El Candelero is only 7 kilometers west of the nearest workings of the Tayoltita mine and the cross structural trend of higher grade mineralization from Tayoltita is believed to intersect the El Candelero concession area. Goldcorp is currently mining approximately 350,000oz. Au Eq per year at Tayoltita at approximate grades in excess of 6g Au/t and 450g Ag/t. Historic production there is reported to be 23 million ounces of Au equivalent with the potential to produce an equal amount in the future.

Gold and silver mineralization at El Candelero is hosted in low sulphidation epithermal quartz veins in the andesites and locally within the granite. These veins trend E/W and NE/SW as do the veins at Tayoltita. The veins are up to 35m wide and 1km long and are located in 3 main zones at La Soledad, Santa Cruz and El Pino. Chip sampling of the veins has encountered grades up to 32.7g/t Au equivalent over 8m and 17g/t Au equivalent over 10m. The sampling is designed to outline the higher grade shoots within the quartz veining for eventual drill testing. There is one geologist and there are two support staff working on the project and to date they have collected 275 samples of which 136 have been assayed and 35 contain grades in excess of 1g/t Au equivalent.

Table of Selected El Candelero Exploration Results

Sample No.	Area	Description	Width (m)	Au (g/t)	Ag (g/t)	Au Eq. (g/t)
19010	Santa Cruz	Quartz vein	15.00	1.40	142.0	3.8
19011	Santa Cruz	Quartz vein	15.00	0.95	70.0	2.1
19012	Santa Cruz	Quartz vein	10.00	12.48	268.8	17.0
19013	Santa Cruz	Quartz vein	20.00	0.99	11.3	1.2
19023	Pino	Quartz vein	4.00	1.08	63.0	2.1
19024	Pino	Quartz vein	4.00	1.62	157.0	4.2
19025	Pino	Quartz vein	5.00	1.58	129.0	3.7
19031	Pino	Quartz vein	5.00	1.28	101.0	3.0
19032	Pino	Quartz vein	5.00	2.97	207.0	6.4
19047	Pino	Quartz vein	8.00	1.40	21.2	1.8
19048	Pino	Quartz vein	8.00	3.33	20.2	3.7
19050	Pino	Quartz vein	8.00	1.75	35.0	2.3
19053	Pino	Quartz vein	8.00	12.21	1231.0	32.7
19054	Pino	Quartz vein	10.00	1.70	57.0	2.7
19056	Pino	Quartz vein	12.00	1.79	42.0	2.5
19058	Pino	Quartz vein	12.00	1.81	43.0	2.5
19062	Pino	Quartz vein	2.00	1.95	125.0	4.0
19072	Pino	Quartz vein	8.00	0.82	483.0	8.9
19074	Pino	Quartz vein	10.00	2.92	407.0	9.7
10001	Soledad	Breccia and Qtz	4.00	0.79	204.1	4.2
10002	Soledad	Breccia and Qtz	0.70	2.56	328.9	8.0
10003	Soledad	Bx and Stockwk	2.00	2.11	199.8	5.4
10004	Soledad	Breccia and Qtz	3.50	3.09	277.2	7.7
10008	Soledad	Veins and Breccia	2.00	3.26	256.1	7.5
10009	Soledad	Breccia and Qtz	3.00	4.16	263.4	8.6
10016	Soledad	Veins and Breccia	4.10	1.79	216.4	5.4
10017	Soledad	Bx and Stockwk	3.50	1.09	41.0	1.8
10023	Soledad	Bx and Stockwk	5.00	0.93	109.6	2.8
10031	Santa Cruz	Bx and Stockwk	5.00	4.07	21.7	4.4
10032	Santa Cruz	Bx and Stockwk	5.00	4.12	22.0	4.5
10036	Santa Cruz	Bx and Stockwk	5.00	1.40	9.9	1.6
10038	Santa Cruz	Bx and Stockwk	5.00	6.36	13.4	6.6
10039	Santa Cruz	Bx and Stockwk	5.00	4.92	14.9	5.2
10040	Santa Cruz	Bx and Stockwk	5.00	1.06	5.8	1.2
10045	Santa Cruz	Bx and Stockwk	5.00	1.37	6.4	1.5

4. Kenya

Our 90%-owned subsidiary, Goldopmin SA de CV, holds a 100% interest in approximately 150,000 hectares of prospective land in the Sierra Madre gold belt in the state of Chihuahua. We refer to these claims, collectively, as "Kenya". Kenya is 50 km from our San Jose de Gracia project.

Rocks in the area are mainly Tertiary volcanics consisting of andesites of the Lower Volcanic Series and rhyolitic tuffs of the Upper Volcanic Series with the LVS exposed in most of the drainage systems. The rocks are traversed by a series of NW and NE trending structures which host gold and silver rich, low sulphidation epithermal quartz veining.

Irak Area

Exploration to date has been concentrated on locating and systematically sampling these quartz veins in order to define the higher grade shoots within the veins. Mapping in the Irak area has defined six mineralized structures up to 1km in length with a NE/SW strike. These zones contain quartz veining and stockworking up to 20m wide with gold equivalent grades up to 14.6g/t over 2m in the vein material. The team of 1 geologist and 2 assistants at Irak has taken a total of 328 samples of which 274 have been assayed and 29 show grades in excess of 1g/t Au equivalent. See the *Table of Significant Kenya Exploration Results (Irak Area)* below.

Dolores Area

At Dolores in the southern part of the concessions a team of 1 geologist, a mining engineer and 2 assistants has collected 209 samples of which 134 have been assayed and 13 contain grades in excess of 1g/t Au equivalent.

Table of Significant Kenya Exploration Results (Irak Area)

Sample #	Description	Width (m)	Au (g/t)	Ag (g/t)	Au Eq. (g/t) (60:1 Ag/Au)
PIK-3807	Quartz vein	1.4	0.14	229.0	4.0
PIK-3809	Quartz vein	2.6	0.19	284.0	4.9
PIK-3811	Quartz vein	grab	0.44	274.0	5.0
PIK-3812	Quartz vein	5.0	1.37	285.0	6.1
PIK-3814	Quartz vein	grab	1.85	277.0	6.5
PIK-3832	Quartz vein	2.0	1.19	2.7	1.2
PIK-3839	Quartz vein	2.5	1.58	3.0	1.6
PIK-3864	Quartz vein	4.5	1.16	2.3	1.2
PIK-3881	Quartz vein	1.95	1.28	0.9	1.3
PIK-3910	Quartz vein	2.5	0.32	258.0	4.6
PIK-3915	Quartz vein	9.0	0.30	101.0	2.0
PIK-3916	Quartz vein	1.0	0.36	233.0	4.2
PIK-3918	Breccia	grab	0.61	289.0	5.4



PIK-3943	Mine dump	grab	0.38	1076.5	18.3
PIK-3944	Quartz vein	1.0	8.42	6.1	8.5
PIK-3945	Quartz vein	grab	14.35	13.8	14.6
PIK-3957	Quartz vein	5.0	3.40	0.5	3.4
PIK-3969	Quartz vein	3.0	3.12	1.7	3.2
PIK-3990	Quartz vein	2.0	10.84	228.0	14.6
PIK-3995	Rhyolite	1.1	3.88	5.0	4.0
PIK-3996	Mine dump	grab	22.20	25.8	22.6
PIK-3997	Quartz vein	1.0	2.91	158.0	5.5
PIK-3998	Quartz vein	1.0	9.94	65.0	11.0
PIK-4000	Quartz vein	3.1	8.30	6.0	8.4
PIK-4002	Quartz vein	grab	3.53	1.9	3.6
PIK-4005	Breccia	9.0	1.39	3.3	1.4
PIK-4038	Quartz vein	grab	0.20	310.0	5.4
PIK-4050	Quartz vein	0.7	2.19	10.4	2.4
PIK-4061	Quartz vein	1.0	1.85	63.0	2.9

We look forward to an exciting second half of 2008 and the fast approaching 2009 year, during which we expect continued growth and development of your company.

Please do not hesitate to contact us with any questions or comments. You can reach our office by telephone at 604-682-1943 or by email at info@goldgroupresources.com.

Sincerely,

GOLDGROUP RESOURCES INC.

Keith Piggott, President & CEO

Gregg Sedun, Chairman

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