



FOR IMMEDIATE RELEASE

San José de Gracia Drilling Yields Grades of Up to 53.98 g/t Au Over 7.5 Metres

June 1, 2010

TSX:GGA

Vancouver, British Columbia (June 1, 2010) – Goldgroup Mining Inc. (“Goldgroup” or the “Company”) is providing the following drilling results from its San José de Gracia project in Sinaloa, Mexico (“San José de Gracia”) as reflected in the National Instrument 43-101 (“NI 43-101”) technical report dated March 22, 2010 prepared for the Company with respect to the San José de Gracia property.

Goldgroup currently has a fully-earned 25% interest in DynaResource de Mexico, S.A. de C.V. (“DynaMexico”), which owns 100% of the San José de Gracia District (covering 99,500 Hectares) with the right to earn an additional 25% (total of 50%) by spending approximately US\$7.0 million by March 15, 2011. The remaining interest in DynaMexico is owned by DynaResource, Inc. located in Irving, Texas (“DynaUSA” – “DYNR-OTCBB”). San José de Gracia is a high-grade advanced exploration project hosting a NI 43-101 compliant mineral resource estimate (see table). The estimated mineral resource is hosted in four separate veins: Tres Amigos, San Pablo, La Union area and the La Purisima trend. Historically, in excess of one million ounces of gold has been produced from the property from high-grade veins grading between 30.0 g/t Au to 60.0 g/t Au. The NI 43-101 technical report evaluated 126 diamond drill holes that were completed at an average depth of 235m. The Company intends to expand and upgrade the current mineral resource estimate through the remaining earn-in phase with DynaMexico and DynaUSA. Goldgroup is targeting annual production of 100,000 ounces of gold from San José de Gracia.

Historical Drilling Results Highlights

Drill Hole	Interval (m)	Gold Grade (g/t)
97-02	16.5	3.85
97-13	21.5	14.09
97-35	16.5	3.91
97-39	3.0	29.50
21	6.1	26.89
26	4.1	16.82
27	6.05	13.59
31	7.5	53.98
51	10.8	19.32
60	5.3	10.90
76	2.8	27.29
104	1.35	26.58
115	5.70	8.67
116	8.15	9.37

Drilling at San José de Gracia has continued and an additional 55 diamond drill holes have been completed, the results of which will be released in the near future.

Mineral Resource Summary

	Cut-off Grade (g/t Au)	Tonnes (000's)	Gold (Au)			Silver (Ag)		
			Grade (g/t Au)	100%	Goldgroup Share* (At completion of Earn-In)	Grade (g/t Ag)	100%	Goldgroup Share* (At completion of Earn-In)
				Ounces (Au)	Ounces (Au)		Ounces (Ag)	Ounces (Ag)
Inferred Resource	2.00	3,441	5.59	618,000	309,000	10.02	1,109,000	554,500

*Goldgroup will own 50% of DynaMexico at the completion to the Earn-in Agreement, and therefore will beneficially own 50% of all resources at San José de Gracia. The Company expects to accomplish its obligations to complete the Earn-in Agreement at March 15, 2011 so it currently shows ownership of 50% of the Mineral Resource Summary.

- Notes:
1. The resource category used here and the preparation of these resource estimates are in accordance with the requirements of the Canadian Institute of Mining, Metallurgy, and Petroleum's "CIM Definition Standards on Mineral Resources and Mineral Reserves" as per NI 43-101.
 2. Mineral resource estimates for the San José de Gracia de Gracia property were prepared as part of a NI 43-101-compliant Technical Report dated March 22, 2010, by Jim F. Cuttle, B.Sc., P.Geo. and Gary Giroux, M.A.Sc., P.Eng. of Giroux Consultants Ltd., both of whom are independent qualified persons under NI 43-101 standards, and whom were retained by the Company to prepare the report. The mineral resource estimate also contains approximately 15.2 million pounds of copper and approximately 13.7 million pounds of Zinc at average grades of 0.20% Cu and 0.18% Zn, respectively, in the inferred resource category.
 3. Mineral resources that are not mineral reserves, do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues.
 4. Mineral Resources on undeveloped properties assumes successful permitting allowing mining operations to be conducted.
 5. Ounces calculated using the following conversion rate: 1 troy ounce = 31.103 grams.

About Goldgroup Mining

Goldgroup is a Canadian-based gold production and exploration company focused exclusively on Mexico, targeting growth in gold production, mineral resources, profitability and cash flow from a portfolio of production, development and exploration stage projects. The Company owns and operates the Cerro Colorado Gold Mine in Sonora, Mexico. All gold production is un-hedged and the Company expects to produce approximately 25,000 to 30,000 ounces of gold in 2010. The Company's portfolio of properties includes the Caballo Blanco project in Veracruz, the San José de Gracia high-grade underground project in Sinaloa and the El Porvenir project in Aguascalientes. See news release dated May 17, 2010 and the joint information circular of the Company and Goldgroup Resources Inc. dated March 25, 2010, available on www.sedar.com, for more detailed information on the Company's mineral resource properties.

Technical information in this news release regarding the San José de Gracia de Gracia property has been reviewed and approved by Jim Cuttle, B.Sc., P.Geo., an independent qualified person as defined under NI 43-101. Mr. Cuttle has reviewed the pertinent geological information in sufficient detail to support the applicable data incorporated in the mineral resource estimates.

For further information on **Goldgroup** please visit Goldgroup's website at www.goldgroupmining.com or contact:

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain information contained in this news release, including any information relating to future financial or operating performance may be deemed "forward-looking". All statements in this news release, other than statements of historical fact, that address events or developments that Goldgroup expects to occur, are "forward-looking information". These statements relate to future events or future performance and reflect Goldgroup's expectations regarding the future growth, results of operations, business prospects and opportunities of Goldgroup. These forward-looking statements reflect Goldgroup's current internal projections, expectations or beliefs and are based on information currently available to Goldgroup. In some cases forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "intend", "plan", "anticipate", "believe", "estimate", "projects", "potential", "scheduled", "forecast", "budget" or the negative of those terms or other comparable terminology. Certain assumptions have been made regarding the Company's plans at the San José de Gracia de Gracia property. Many of these assumptions are based on factors and events that are not within the control of Goldgroup and there is no assurance they will prove to be correct. Such factors include, without limitation: capital requirements, fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, the United States and Mexico; price volatility in the spot and forward markets for commodities; discrepancies between actual and estimated production, between actual and estimated

reserves and resources and between actual and estimated metallurgical recoveries; changes in national and local governments in any country Goldgroup currently or may in the future carry on business; taxation; controls; regulations and political or economic developments in the countries in which Goldgroup does or may carry on business; the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses and permits, diminishing quantities or grades of reserves; competition; loss of key employees; additional funding requirements; actual results of current exploration or reclamation activities; changes in project parameters as plans continue to be refined; accidents; labour disputes; defective title to mineral claims or property or contests over claims to mineral properties. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance or inability to obtain insurance, to cover these risks) as well as "Risks and Uncertainties" included in the Annual Information Form and MD&A for Goldgroup available at www.sedar.com. Forward-looking information is not a guarantee of future performance and actual results and future events could differ materially from those discussed in the forward-looking information. All of the forward-looking information contained in this news release is qualified by these cautionary statements. Although Goldgroup believes that the forward-looking information contained in this news release are based on reasonable assumptions, readers cannot be assured that actual results will be consistent with such statements. Accordingly, readers are cautioned against placing undue reliance on forward-looking information. Goldgroup expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, events or otherwise, except in accordance with applicable securities laws.

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