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FOR IMMEDIATE RELEASE

883.91 g/t Gold Intercepted Over 0.4 Metres at San José de Gracia

March 29, 2011

TSX: GGA

Vancouver, British Columbia (March 29, 2011) – Goldgroup Mining Inc. (“Goldgroup” or the “Company”), in coordination with DynaResource, Inc. (“DynaUSA”–“DYNR-OTCBB”), is pleased to announce that diamond drilling from the current 18,500 meter diamond drilling program at the San José de Gracia gold project in Sinaloa, Mexico (“San José de Gracia”) has encountered high grade gold mineralization yielding 883.91 g/t Au over 0.40 metres (Hole SJG-10-237 at Tres Amigos) as well as 144.08 g/t Au over 1.24 metres (Hole SJG-11-256 at La Union) plus many intercepts above the 2.0 g/t Au cut-off grade.

Keith Piggott, President and CEO of Goldgroup, stated: "Exploration at San José de Gracia continues to deliver high grade gold results. This is significant as a number of these recent drill results have expanded the known areas of mineralization. We are very excited by our work at San José de Gracia to date and look forward to advancing the project."

TRES AMIGOS VEIN				
Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
SJG-10-233	177.00	179.40	2.40	5.42
SJG-10-234	96.48	98.46	1.98	3.09
and	214.61	217.97	3.36	15.05
SJG-10-235	147.65	151.15	3.50	2.95
SJG-10-237	92.44	92.84	0.40	883.91
SJG-10-239	145.90	147.75	1.85	5.02
SJG-11-242	229.15	230.95	1.80	3.13
and	258.37	262.30	3.93	2.38
SJG-11-246	107.30	108.20	0.90	63.85
SJG-11-251	16.76	18.50	1.74	2.35
SJG-11-257	60.84	63.33	2.49	5.37
and	92.00	94.66	2.66	5.00
and	104.56	106.33	1.77	2.81

LA UNION VEIN				
Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
SJG-11-244	73.82	74.86	1.04	9.79
SJG-11-252	55.25	59.70	4.45	4.26
and	78.10	80.15	2.05	4.55
including	78.10	79.20	1.10	7.16
SJG-11-256	51.61	52.85	1.24	144.08
and	99.93	101.29	1.36	9.04
SJG-11-259	77.25	79.25	2.00	2.57

SAN PABLO VEIN				
Drill Hole	Mineralization			
	From (m)	To (m)	Interval (m)	Au grade (g/t)
SJG-10-236	112.96	117.03	4.07	11.38
and	140.50	140.95	0.45	5.85
SJG-10-238	257.00	258.30	1.30	2.40
SJG-11-245	104.40	105.16	0.76	3.16
SJG-11-247	63.60	65.45	1.85	10.49
and	70.70	72.23	1.53	2.73
including	71.77	72.23	0.46	5.70
and	80.00	83.47	3.47	5.00
including	81.37	83.47	2.10	7.38
SJG-11-249	97.60	98.60	1.00	2.28
and	108.20	109.93	1.73	8.21
and	130.50	131.08	0.58	8.61
SJG-11-250	101.72	104.81	3.09	20.15
SJG-11-253	149.45	151.21	1.76	4.89
SJG-11-255	154.55	155.05	0.50	3.19
SJG-11-258	102.27	102.90	0.63	2.51
and	111.50	111.90	0.40	15.62
SJG-11-261	52.72	53.12	0.40	7.07
and	109.03	109.43	0.40	4.42
and	114.00	114.68	0.68	8.97

The holes presented above intersected mineralization in excess of the 2.0 g/t Au cut-off grade used in estimating the inferred mineral resource presented in the San José de Gracia NI 43-101 Technical Report dated February 28, 2011. Assay results from these latest holes represent new drilling completed since the calculation of the current mineral resource estimate and are intended to be used in the estimation of an

updated mineral resource.

A complete summary of these assay results and a map of the San José de Gracia property detailing the relative locations of the drill holes used in estimating the current NI 43-101 mineral resource, this latest drill program and future proposed drilling, will be posted on the Company's website under "Projects – San José de Gracia" at www.goldgroupmining.com.

The San José de Gracia District is 100%-owned by DynaResource de Mexico S.A. de C.V ("DynaMexico"). Goldgroup currently owns 50% of DynaMexico. The remaining interest in DynaMexico is owned by DynaUSA. San José de Gracia is a high-grade advanced exploration gold project hosting a NI 43-101 compliant mineral resource estimate contained in four separate veins: Tres Amigos, San Pablo, La Union area and the La Purisima trend. Please refer to the NI 43-101 technical report on San José de Gracia dated February 28, 2011 which is available on SEDAR.

Assaying and Qualified Person

After project geologists logged and marked the core, technicians cut the individual lengths with a diamond saw, then tagged the bags and secured them with security clips. The samples were then trucked to Hermosillo, Mexico where Inspectorate America Corp. ("Inspectorate") crushed each sample to -150 mesh. The rejects remained with Inspectorate while the pulps were air couriered to Inspectorate's Richmond, BC, Canada facility and analyzed for gold by fire assay with Atomic Absorption ("AA") finish. Samples over 1.0 grams per tonne gold were re-run using fire assay with gravity finish. In addition, a 30 element Inductively Coupled Plasma ("ICP") analysis (aqua regia digest) was conducted on all samples. A QA/QC program was implemented as part of the sampling procedure for the drill program. One standard, one blank or one duplicate was inserted per group of 20 samples sent the laboratory. These standards were purchased commercially from Rocklabs Ltd. of Auckland, New Zealand. The San José de Gracia drill program is under the direct supervision of Kevin Sullivan, B.Sc., MAusIMM, contracted by Mineras de DynaResource S.A. de C.V., the operating entity at San José de Gracia. Mr. Sullivan is Goldgroup's Vice President, Exploration and a qualified person, as defined by NI 43-101. Mr. Sullivan has reviewed the technical information contained in this news release and reviewed the release.

About Goldgroup

Goldgroup is a well-funded 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. Goldgroup's property portfolio includes its interests in its flagship project, Caballo Blanco in Veracruz and the San José de Gracia project in Sinaloa.

Goldgroup is lead by a team of highly successful and seasoned individuals with extensive expertise in exploration, corporate finance and mine development in Mexico.

For further information on **Goldgroup**, please visit www.goldgroupmining.com
or contact:

Keith Piggott, President & CEO
T: 604-682-1943

David Fry, Corporate Development
Toll Free: **1-877-655-ozAu** (6928)

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 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. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to materially differ from those reflected in the forward-looking statements, and are developed based on assumptions about such risks, uncertainties and other factors including, without limitation: fluctuations in precious and base metal prices; inherent hazards and risks associated with mining operations; inherent uncertainties associated with mineral exploration and development activities; uncertainties inherent in the estimation of mineral reserves and/or resources and precious metal recoveries; uncertainties related to actual capital costs, operating costs and expenditures, production schedules and economic returns from Goldgroup’s projects; uncertainties related to current global financial conditions; uncertainties related to the availability of future financing necessary to undertake exploration, development, mining and processing activities on Goldgroup’s properties; Goldgroup’s substantial reliance on its Cerro Colorado Mine for revenues; risks related to the planned expansion of the Cerro Colorado Mine; risks related to the continued operation and planned expansion of the Cerro Colorado Mine without a current economic analysis; risks related to the integration of businesses and assets acquired by Goldgroup; uncertainties related to the competitiveness of the mining industry; risks associated with Goldgroup being subject to government regulation, including changes in law and regulation and risks associated with Goldgroup’s need for governmental licenses and permits; risks associated with Goldgroup being subject to extensive environmental laws and regulations, including a change in regulation; risks that Goldgroup’s title to its property could be challenged; political and country risk; risk of water shortages and risks associated with competition for water; Goldgroup’s need to attract and retain qualified personnel; increases in off-site transportation and concentrate processing costs; risks related to the need for reclamation activities on Goldgroup’s properties, including the nature of reclamation required and uncertainty of costs estimates related thereto; risks associated with potential conflicts of interest; risks associated with potential labour disputes; and risks associated with potential blockades of mining operations 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.

The potential quantities and grades disclosed herein are conceptual in nature and there has been insufficient drilling and exploration to define a mineral resource. It is uncertain if further drilling and exploration will result in the target being delineated as a mineral resource. The true width of these intercepts in the above tables are unknown at this time.

This news release and the information contained herein does not constitute an offer of securities for sale in the United States and securities may not be offered or sold in the United States absent registration or exemption from registration.