



## 13.93 g/t Gold Intercepted Over 4.75 Metres at San José de Gracia, Mexico

June 14, 2011

TSX: GGA

**Vancouver, British Columbia (June 14, 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 recent drilling program at the San José de Gracia gold project in Sinaloa, Mexico (“San José de Gracia”) has encountered many intercepts of high-grade gold mineralization, including 13.93 g/t Au over 4.75 metres (Hole SJG-11-271 at Tres Amigos). Further, all other intercepts reported below are above the 2.0 g/t Au cut-off grade.

Keith Piggott, President and CEO of Goldgroup, stated: “These assay results show good correlation with prior drilling and enhance the mineralized shoots at San Pablo, Tres Amigos, Purisima, and La Union, the latter three of which are still open in various directions. A total of 21,000 metres of drilling have been completed in this latest program at San Jose de Gracia, 2,500 metres more than originally planned as the drilling has advanced more rapidly and at lower unit cost than budgeted. The drill data are being modeled and an updated NI 43-101 compliant resource estimate is expected to be completed on schedule in the third quarter of 2011.”

<b>TRES AMIGOS VEIN</b>				
<b>Drill Hole</b>	<b>Mineralization</b>			<b>Au grade (g/t)</b>
	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	
SJG-11-262	41.97	44.42	2.45	3.17
SJG-11-265	47.95	52.17	4.22	3.07
SJG-11-267	86.76	87.16	0.40	5.52
<b>SJG-11-271</b>	108.45	108.85	0.40	5.49
and	<b>115.40</b>	<b>120.15</b>	<b>4.75</b>	<b>13.93</b>
SJG-11-278	66.75	67.40	0.65	16.34
and	117.35	117.85	0.50	3.55
SJG-11-280	3.05	4.57	1.52	10.67
and	123.40	124.00	0.60	10.26

<b>LA UNION VEIN</b>				
<b>Drill Hole</b>	<b>Mineralization</b>			<b>Au grade (g/t)</b>
	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	
SJG-11-292	203.11	204.65	1.54	2.27
SJG-11-298	49.15	49.85	0.70	49.39
and	52.67	53.95	1.28	3.02

<b>SAN PABLO VEIN</b>				
<b>Drill Hole</b>	<b>Mineralization</b>			<b>Au grade (g/t)</b>
	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	
SJG-11-263	119.88	121.13	1.25	9.47
and	131.39	131.79	0.40	3.87
and	134.35	134.75	0.40	2.73
and	144.23	145.02	0.79	5.06
SJG-11-264	145.21	146.45	1.24	21.24
SJG-11-268	92.65	94.25	1.60	11.74
and	153.00	153.92	0.92	3.18
SJG-11-272	86.80	87.30	0.50	2.73
SJG-11-279	126.49	129.00	2.51	3.48

<b>LA PURISIMA VEIN</b>				
<b>Drill Hole</b>	<b>Mineralization</b>			<b>Au grade (g/t)</b>
	<b>From (m)</b>	<b>To (m)</b>	<b>Interval (m)</b>	
SJG-11-281	87.60	88.39	0.79	4.78
SJG-11-282	27.43	30.48	3.05	6.21
and	74.45	75.36	0.91	18.87
and	89.92	91.44	1.52	6.03
and	108.00	109.67	1.67	2.86
and	152.40	153.92	1.52	7.79
SJG-11-285	57.45	59.15	1.70	3.85
and	85.06	87.92	2.86	3.93
and	98.50	102.15	3.65	6.70
SJG-11-287	137.35	138.71	1.36	4.15
SJG-11-289	109.73	112.78	3.05	9.50
SJG-11-293	38.11	39.27	1.16	10.06
and	158.75	160.55	1.80	12.65

The holes presented above all 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 based on prior drilling of 126 holes by Goldgroup to the end of 2009 together with a further 75 holes drilled prior to Goldgroup's involvement. Assay results from these latest holes represent new drilling comprised of 172 additional holes since the previous mineral resource calculation and will be used in the calculation of an anticipated updated mineral resource estimate.

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 establishing the current NI 43-101 mineral resource estimate and this latest drill program will be posted on the Company's website under "Projects – San José de Gracia" at [www.goldgroupmining.com](http://www.goldgroupmining.com). Note that in the normal course of drilling high-grade vein deposits, many drill holes are required to de-mark the boundaries of the mineralized shoots, with a certain number containing significant grade and others not.

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 current NI 43-101 technical report on San José de Gracia 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](http://www.goldgroupmining.com)  
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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 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](http://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 widths of these intercepts in the above tables are unknown at this time.*