



Goldgroup Appoints Chester Millar to the Board of Directors

Vancouver, British Columbia – (May 2, 2012) – Goldgroup Mining Inc. (“Goldgroup” or the “Company”) (TSX:GGA) is pleased to announce the appointment of Mr. Chester F. Millar to the Board of Directors. Mr. Millar is considered a pioneer of heap leach gold production and large-scale bulk mining methods and techniques used for mining low-grade gold deposits worldwide. Considered one of the mining industry’s most successful company builders, Mr. Millar was inducted to the Canadian Mining Hall of Fame in 2008, with a career that includes being a founder and former Chairman of such notable large and successful gold companies as Glamis Gold Ltd., Eldorado Gold Corporation and Alamos Gold Inc. Under his strategic direction, these companies were able to grow from junior exploration and early production companies to world class gold producers.

Mr. Millar’s illustrious career in the mining industry commenced in the 1960’s when he discovered and developed the highly successful Afton Mines Ltd. open-pit copper-gold mine near Kamloops, Canada. Afton Mines Ltd. was ultimately acquired by Teck Cominco Ltd. (now Teck Resources Limited). Mr. Millar was also Chairman of Castle Gold Corporation (acquired by Argonaut Gold Inc.) from August 2004 to September 2008, and Chairman of Pediment Gold Corp. (acquired by Argonaut Gold Inc.) from April 2008 to January 2011. Mr. Millar is a graduate from the University of British Columbia with a degree in geological engineering.

Keith Piggott, President and CEO of Goldgroup, stated, “We are looking forward to the addition of Mr. Millar, a world renowned heap leach gold production expert, to Goldgroup’s Board of Directors. Mr. Millar’s experience, judgment and vast knowledge, particularly in heap leach gold production and mining methods, will be a strong asset to Goldgroup’s flagship development project, Caballo Blanco. His background in the mining industry, including extensive experience in Mexico, will assist in maximizing value of all Company assets and ultimately create value for the Company’s shareholders.”

Goldgroup also announces that Dr. Paul Zweng has resigned from the Board of Directors of Goldgroup and has taken a strategic advisory role as part of Goldgroup’s Advisory Board. Dr. Zweng’s contribution to Goldgroup over the course of 16 months as a Board Director has significantly contributed to the Company’s progress and development. The Company is pleased to continue working with Dr. Zweng in his new advisory role, which will further support Goldgroup’s growth objectives.

Goldgroup’s Advisory Board now comprises of Dr. Allen Born, Mr. Harry Burgess, and Dr. Paul Zweng. Dr. Born has extensive mining experience as a former senior mining executive, including as former Chairman and CEO of Placer Dome Inc., which was later acquired by Barrick Gold Corporation. Dr. Born is also a three-time winner of the Mining Industry CEO of the Year awarded by Financial World

Magazine. He was previously Co-Chairman of Cyprus Amax Minerals Company and Chairman and CEO of Alumax Inc., once the third largest American aluminum company, until it was acquired by Alcoa Inc. in 1998. Mr. Burgess is a mining engineer and founding partner of Micon International Limited, one of Canada's largest independent mineral industry consultants.

About Goldgroup

Goldgroup is a well-funded Canadian-based gold production, development, and exploration Company with significant upside in a portfolio of projects in Mexico, including its flagship 100%-owned advanced stage gold development project Caballo Blanco in the state of Veracruz, and a 50% interest in DynaResource de Mexico, S.A. de C.V., which owns 100% of the high-grade gold exploration project, San José de Gracia located in the state of Sinaloa. The Company also operates its 100%-owned Cerro Colorado gold mine in the state of Sonora.

Goldgroup remains in a flexible financial position with a strong cash balance, no debt and no gold hedging. The Company is led by a team of highly successful and seasoned individuals with extensive expertise in mine development, corporate finance, and exploration in Mexico. Goldgroup's mission is to increase gold production, mineral resources, profitability and cash flow, building a leading gold producer in Mexico.

For further information on Goldgroup, please visit www.goldgroupmining.com

On behalf of the Board of Directors,

Keith Piggott, President & CEO

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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 considered “forward-looking information” (within the meaning of applicable Canadian securities law) and “forward-looking statements” (within the meaning of the United States Private Securities Litigation Reform Act of 1995). These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Actual results could differ materially from the conclusions, forecasts and projections contained in such forward-looking information. 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 Caballo Blanco project. 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 information is 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 information, and are developed based on assumptions about such risks, uncertainties and other factors including, without limitation: uncertainties related to actual capital costs, operating costs and expenditures, production schedules and economic returns from Goldgroup’s projects; uncertainties associated with development activities; uncertainties inherent in the estimation of mineral resources and precious metal recoveries; risks related to the continued operation of the Cerro Colorado mine without a current economic analysis; risks related to the planned expansion of the Cerro Colorado mine; uncertainties related to current global economic conditions; fluctuations in precious and base metal prices; uncertainties related to the availability of future financing; potential difficulties with joint venture partners; risks that Goldgroup’s title to its property could be challenged; political and country risk; risks associated with Goldgroup being subject to government regulation; risks associated with surface rights; environmental risks; Goldgroup’s need to attract and retain qualified personnel; risks associated with operating hazards at the Cerro Colorado mine; risks associated with potential conflicts of interest; Goldgroup’s lack of experience in overseeing the construction of a mining project; risks related to the integration of businesses and assets acquired by Goldgroup; uncertainties related to the competitiveness of the mining industry; risk associated with theft; risk of water shortages and risks associated with competition for water; uninsured risks and inadequate insurance coverage; risks associated with potential legal proceedings; risks associated with community relations; outside contractor risks; risks related to archaeological sites; foreign currency risks; risks associated with security and human rights; and risks related to the need for reclamation activities on Goldgroup’s properties, as well as the risk factors disclosed in Goldgroup’s Annual Information Form and MD&A. Any and 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 is 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 as may be required by, and in accordance with, applicable securities laws.