



GOLDGROUP COMPLETES NON-BROKERED PRIVATE PLACEMENT

Vancouver, British Columbia (August 31, 2020). Goldgroup Mining Inc. ("**Goldgroup**" or the "**Company**") (TSX:GGA, OTC:GGAZF, BMV SIX:GGAN.MX) is pleased to announce the closing of its non-brokered private placement of units ("**Units**"), as previously announced on July 31, 2020 (the "**Offering**").

Pursuant to the Offering, the Company issued 26,666,667 Units at a price of \$0.03 per Unit, for aggregate gross proceeds of approximately \$800,000. Each Unit consists of one common share of the Company (a "**Share**") and one-half of one common share purchase warrant (a "**Warrant**"), with each full Warrant exercisable to purchase one Share at a price of \$0.06 per Share until August 31, 2022.

All securities issued in connection with the Offering are subject to a statutory four month hold period expiring January 1, 2021. The Offering is subject to final Toronto Stock Exchange approval.

Directors of the Company subscribed for an aggregate of 11,273,300 Units under the Offering for aggregate proceeds of \$338,199. As a result, the Private Placement is a related party transaction (as defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**")). The Company relied upon the exemptions from security holder approval and formal valuation requirements in sections 5.5(a) and 5.7(1)(a) of MI 61-101 [*Fair Market Value Not More Than 25 Per Cent of Market Capitalization*], as neither the fair market value of the Units nor the consideration paid for the Units exceeds 25% of the Company's market capitalization, as calculated in accordance with MI 61-101.

No commissions or finder fees were payable in connection with the Offering. The proceeds from the Offering will be used to maintain the Company's existing operations and general working capital requirements.

About Goldgroup

Goldgroup is a Canadian-based gold production, development, and exploration Company with a significant upside in a portfolio of projects in Mexico, including an 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. In addition, the Company operates its 100%-owned Cerro Prieto heap-leach gold mine, in the State of Sonora, Mexico.

Goldgroup 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, with a view to building a leading gold producer.

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

On behalf of the Board of Directors

Investor Relations

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 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 Offering and the Company, including the receipt of Toronto Stock Exchange approval, the proposed use of proceeds raised pursuant to the Offering and the Company’s plans at the Cerro Prieto 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: receipt of all required stock exchange and regulatory approvals; the scope, duration and impact of the COVID-19 pandemic; the scope, duration and impact of regulatory responses to the pandemic on the employees, business and operations; 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; 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 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.