



## Goldgroup Acquires Option to Earn 80% Interest in El Mozo Gold Project in Ecuador

**Vancouver, British Columbia (July 20, 2015)** – Goldgroup Mining Inc. (“Goldgroup” or the “Company”) (TSX:GGA, OTC:GGAZF, BMV SIX:GGAN.MX) is pleased to announce that it has acquired all of the issued and outstanding shares of 0990718 B.C. Ltd. (“0990718”), a private company which holds the option to acquire an undivided 80% right, title and interest in the El Mozo gold project (the “El Mozo Project”) in Ecuador.

The 1,776 hectare El Mozo Project is located approximately 60km south of the city of Cuenca in southern Ecuador. A total of 120 core holes (18,722 metres) have been drilled on the property by previous workers, focused primarily on three zones with near surface oxide gold mineralization. Preliminary metallurgical test work indicates these oxide zones are amenable to low cost heap leaching.

0990718 holds its right to acquire an 80% interest in the El Mozo Project pursuant to an option agreement dated June 6, 2014 (the “Option Agreement”), as amended, between 0990718 and the owner of the El Mozo Project (the “Optionor”). Under the Option Agreement, 0990718 may earn an 80% interest in the El Mozo Project by fulfilling the following requirements:

Earn in % of El Mozo Project	Obligation
15%	<ul style="list-style-type: none"> <li>• Paying the Optionor US\$50,000 on or before June 13, 2016</li> </ul>
35%	<ul style="list-style-type: none"> <li>• Fulfilled obligation to earn in 15%</li> <li>• Paying the Optionor US\$60,000 on or before June 13, 2017</li> </ul>
55%	<ul style="list-style-type: none"> <li>• Fulfilled obligation to earn in 35%</li> <li>• Paying the Optionor US\$100,000 on or before June 13, 2018</li> <li>• Incurred at least US\$1,000,000 in exploration expenditures on or before June 6, 2018</li> </ul>
80%	<ul style="list-style-type: none"> <li>• Fulfilled obligation to earn in 55%</li> <li>• Paying the Optionor US\$150,000 on or before June 12, 2019</li> <li>• Incurred at least US\$1,000,000 (total US\$2,000,000 accumulated) in exploration expenditures on or before June 12, 2019</li> <li>• Issuing US\$500,000 of common shares of Goldgroup to Optionor on or before June 6, 2019.</li> </ul>

These earn-in obligations must be fulfilled on or before June 12, 2019. Upon successful earn-in on the El Mozo Project by 0990718, the Optionor has the right to convert its 20% interest in the El Mozo Project into a 2% net smelter returns royalty (“NSR1”). If the Optionor converts its interest into a 2% NSR1, 0990718 will have the right to purchase 1% of this NSR1 royalty by paying:

- US\$1,000,000 (if estimated mineral resources are less than 500,000 gold equivalent ounces), or
- US\$1,500,000 (if estimated mineral resources are equal to or greater than 500,000 but less than 1,000,000 gold equivalent ounces), or
- US\$2,000,000 (if estimated mineral resources are equal to or greater than 1,000,000 gold equivalent ounces).

Goldgroup acquired all of the issued and outstanding shares of 0990718 in exchange for the issuance of an aggregate of 5,500,000 common shares of Goldgroup to the shareholders of 0990718 (the “Vendors”) pursuant to a share exchange agreement with the Vendors (the “Share Exchange Agreement”). None of the common shares of Goldgroup issued pursuant to the Share Exchange Agreement have been or will be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

In addition, Goldgroup granted to the Vendors an aggregate 1% net smelter returns royalty (“NSR2”) on Goldgroup’s ownership portion in the El Mozo Project pursuant to a net smelter returns royalty agreement (the “Royalty Agreement”). Under the Royalty Agreement Goldgroup has the right to repurchase the Vendors’ NSR2 for consideration of:

- US\$1,000,000 paid on or before the date (the “Repurchase Date”) which is the later of January 17, 2017 and the date permits for commercial production on the El Mozo Project are granted; or
- US\$1,500,000 paid on or before the date which is 30 months following the Repurchase Date; or
- US\$2,500,000 paid on or before the date which is 42 months following the Repurchase Date.

The consideration for the NSR2 royalty repurchase can be paid in cash or in Goldgroup common shares, at Goldgroup’s option.

Keith Piggott, Chairman and President of Goldgroup commented: “Our Company continues to minimize the business risk by diversifying our mining assets portfolio geographically. We continue to strategically operate in mining friendly jurisdictions in the Americas”.

### **About Goldgroup**

Goldgroup is a Canadian-based gold production, development, and exploration Company with a portfolio of projects in Mexico, including 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 Prieto heap-leach gold mine, in the State of Sonora.

Goldgroup is led by a team of highly successful and seasoned individuals with extensive expertise in mine development, corporate finance, and exploration. Goldgroup's mission is to increase gold production, mineral resources, profitability and cash flow, with a view to becoming a leading gold producer.

For further information on Goldgroup, please visit [www.goldgroupmining.com](http://www.goldgroupmining.com)

**On behalf of the Board of Directors,**

**Mr. Keith Piggott, Chairman and President**

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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 may have been made regarding 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: 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.*