

MONTREAL, QUEBEC--(Marketwired - March 22, 2016) - [Dynacor Gold Mines Inc.](http://www.dynacorgold.com) (TSX: DNG) (OTC: DNGDF) (Dynacor or the Corporation) is pleased to release a 3rd progress report on the construction of its new 300-tonne per day ore processing plant located in Chala in Southern Peru. As of the 22nd of March, construction is 90% complete. The Corporation expects to finish the construction of the Veta Dorada plant in April.

Advancement

The core plant area is 100% complete, including ore chutes, ore crusher circuits, ball mills, cyanidation tanks and all the civil engineering, access roads, perimeter security and worker accommodation and rest areas. The ore reception area including the ore weighing station and ore storage area are operational.

Installation of the seven (7) cyanidation tanks on their bases has been completed and installation of the two (2) primary ore crushers and the three (3) conical ore crushers is 95% complete. Ore transport conveyor belts for Circuits I, II and III and the two 7'x8' ball mills have been installed.

Construction of the tailing pond is 90% complete, construction of the desorption plant is 75% complete and the laboratory and foundry buildings are 50% complete and should be finished and fully equipped during the month of April.

Construction of the plant is moving forward quickly. Table 1 below, summarizes the progress to date. Photos of the construction are posted every month on the website (www.dynacorgold.com).

Table 1. Construction Status of the Veta Dorada Ore Processing Plant

CONSTRUCTION PHASE	% COMPLETE (March 22, 2016)	COMMENTS
Engineering	100	% Core plant area 100% complete
Installation of two 7'x8' ball mills and 25, 40 and 150-ton ore hoppers	100	% Completed
Electrical power from national grid	100	% At present 250 KW from generator
Construction and installation of the 7 cyanidation tanks	95	% QC/QA of the welding and installation underway
Installation of 2 primary ore crushers and 3 conical ore crushers	95	% Electrical hook-up is pending
Desorption plant building	75	% Including civil engineering
Laboratory and sample preparation building	50	% Building and equipment to be installed
Foundry building	50	% Building and equipment to be installed
Water supply, distribution and waste water treatment plant	90	% Construction of 2 wells, pump and distribution includes biodigesters and treatment
Tailing pond	90	% Phase 1 completed: initial construction systems are currently being installed
Plant electrical systems & power distribution	50	% This is the last step and should be completed by April

Looking Forward

Once the plant begins operations, the ore processing capacity of the Veta Dorada plant can be increased from 300 tpd to 360 tpd without any further permitting and with a small capital investment. Furthermore, the entire plant has been designed and engineered to allow further step by step increases to 450 tpd and 600 tpd in the future.

Finally, considerable operational cost savings are expected as compared to Dynacor's current Metalex-Huanca plant including: energy costs, transportation costs, tailing pond cost per ton, lower use of chemical reagents through recycling and lower overall operational costs due a higher ore throughput. Overall these cost savings will lead to an increase in the gross operating margin per ounce of gold produced as compared to the current Metalex-Huanca plant.

Pictures below from top to bottom showing the ball mills and the cyanidation circuit, the weighing station and the pressurized desorption tower.

Ball mills and the cyanidation circuit:
<http://www.marketwire.com/library/MwGo/2016/3/22/11G088485/Images/picture03-e8fda4825fdc948786f0fe1eaedab76a.jpg>
Weighing station:
<http://www.marketwire.com/library/MwGo/2016/3/22/11G088485/Images/picture02-048595b9a20990c0a62d7779128ea142.jpg>
Pressurized desorption tower:
<http://www.marketwire.com/library/MwGo/2016/3/22/11G088485/Images/picture01-8da8f8a9ce5e828894e64452d0bca4d9.jpg>

Dynacor is a gold ore-processing and exploration corporation active in Peru since 1996. The Corporation differentiates itself from pure exploration companies as it generates income from its wholly owned ore-processing plant. Dynacor's basic share count at 37.4 million outstanding is in the lowest quartile of the resource sector. The Corporation's assets include three exploration properties, including the advanced high-grade gold Tumipampa property and an operating 85.000 TPA gold and silver ore processing mill at Metalex-Huanca. The Corporation is currently building a new 300 tpd ore processing plant in Chala (Southern Peru) and expects to begin operations in mid-2016. This new plant represents an important milestone for the Corporation's future growth. The Corporation's strength and competitive advantage comes with the experience and knowledge it has developed while working in Peru. Its pride remains in maintaining respect and positive work ethics toward its employees, partners and local communities.

FORWARD LOOKING INFORMATION

Certain statements in the foregoing may constitute forward-looking statements, which involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Dynacor, or industry results, to be materially different from any future result, performance or achievement expressed or implied by such forward-looking statements. These statements reflect management's current expectations regarding future events and operating performance as of the date of this news release.

[Dynacor Gold Mines Inc.](#) (TSX: DNG)

Website:<http://www.dynacorgold.com>

Twitter:<http://twitter.com/DynacorGold>

Facebook:<http://www.facebook.com/pages/Dynacor-Gold-Mines-Inc/222350787793085>

For more information, please contact: Dynacor Gold Mines Inc.

Image Available:

<http://www.marketwire.com/library/MwGo/2016/3/22/11G088485/Images/picture01-8da8f8a9ce5e828894e64452d0bca4d9.jpg>

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<http://www.marketwire.com/library/MwGo/2016/3/22/11G088485/Images/picture03-e8fda4825fdc948786f0fe1eaedab76a.jpg>

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