MONTREAL, QUEBEC--(Marketwired - Feb 22, 2017) - Dynacor Gold Mines Inc. (TSX:DNG)(OTC:DNGDF) (Dynacor or the Corporation) is pleased to announce that SUNARP (Superintendencia Nacional de los Registros Públicos) has officially registered in the Peruvian National Registry all of the permits for the Veta Dorada plant located in Chala, Peru.

The Resolución Directoral No 0235-2016-MEM/DGM clearly specifies the following:

1. Minera Veta Dorada has been awarded, free of any encumbrances, a land concession of 94.3852 ha. located in the District of Chala, Province of Caraveli and Department of Arequipa;
2. The land concession is specifically destined for the construction and operation of a 300 tpd ore processing facility;
3. The above mentioned Resolución also recognises:
    1. the validity of the Environmental Impact study that was approved on the 21st of December 2012;
    2. the validity of land use permit for the concession for an ore processing facility (beneficio) approved on the 18th of September 2014;
    3. the construction permit issued to Minera Veta Dorada on the 17 of March, 2015;
    4. the validity of the final post-construction inspection of the plant;

Consequently, the Resolución Directoral No 0235-2016-MEM/DGM dated September 1st, 2016 has definitively awarded Minera Veta Dorada the concession of 94.3853 ha. named "Planta de Beneficio Veta Dorada" in zone 18S in Chala and has authorized the plant's operation with a capacity of 300 tpd as well as its tailings pond.

The Resolution was officially registered with the SUNARP on the 13th of February 2017.

Dynacor's new 300 tpd Veta Dorada plant is targeting 88-92,000 ounces of gold production in 2017, a 20-26% increase as compared to the previous year (see press release dated January 12, 2017). The processing rate will be further increased in 2017 as the corporation steps up the plant's processing capacity to 360 tonnes per day, at an annualized rate of approximately 105,000 ounces of gold. If market conditions warrant, production in 2018 will grow once again, as expansion in plant capacity at Veta Dorada will be continued.

ABOUT DYNACOR GOLD MINES INC.

Dynacor Gold Mines Inc. is a gold production corporation headquartered in Montreal, Canada. The corporation is engaged in production through its government approved ore processing operations. At present, Dynacor produces and explores in Peru where its management team has decades of experience and expertise. In 2016, Dynacor produced 73,476 ounces of gold, a 9% increase as compared with 2015 (67,603 ounces in 2015). In 2017, the corporation is targeting 88-92,000 ounces of gold production, a 20% increase from the previous calendar year. Dynacor trades on the Toronto Stock Exchange (DNG) and the OTC in the United States under the symbol (DNGDF).

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)

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