

MONTREAL, QUEBEC--(Marketwired - Jan 12, 2017) - [Dynacor Gold Mines Inc.](#) (TSX:DNG) (OTC:DNGDF) (Dynacor or the Corporation) today reported record fourth quarter gold production at the new Veta Dorada ore processing plant in Chala, Peru. Production reached an all-time quarterly high of 21,014 ounces gold.

Total gold production in 2016 was 73,476 ounces, a 9% increase as compared to 2015 (67,603 ounces in 2015).

In 2017, Dynacor is embarking on a new era as it targets its best year in the Corporation's history, with a gold production estimate of 88,000-92,000 ounces. The gold production target for 2017 is based on the current price of gold and operating conditions. Processing rate will increase in 2017 as the Corporation steps up the plant's processing capacity to 360 tpd.

No significant problems were encountered during the start-up of the new plant. Response from ore providers has been enthusiastic (see press release dated November 21, 2016). The Corporation has also increased its ore purchasing teams on the ground and successfully opened up new ore purchasing areas.

ABOUT DYNACOR GOLD MINES INC.

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 gold ore-processing. Dynacor's basic share count at 38.7 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, a 85,000-tpy gold and silver ore processing mill on care and maintenance at Huanca and the newly operating Veta Dorada 300-tpd (102,000-tpy) ore processing plant located in Chala (Southern Peru). 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.dynacor.com>

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Shares outstanding: 38,684,911

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