

MONTREAL, QUEBEC--(Marketwired - Aug 16, 2017) - [Dynacor Gold Mines Inc.](#) (TSX:DNG)(OTC:DNGDF) (Dynacor or the Corporation) (*all amounts refer to US dollars*) a Corporation with gold ore processing operations and exploration projects in Peru, is pleased to announce it has recently made a partial prepayment of \$1.0 million on its outstanding long-term senior secured credit facilities (the "Facility"). The principal is due only in January of 2019 without any specific capital repayment during its term. Following this prepayment, the current outstanding debt amounts to \$5.33 million dollars.

The "Facility" in the aggregate amount of up to \$10.0 million dollars with third party lenders consists of a \$7.0 million dollars drawdown term loan facility (the "Term Facility") and a \$3.0 million dollars revolving facility (the "Revolver"). The Term Facility bears interest at a rate of 10% per annum and was utilized at its full available amount of \$7.0 million. Any partial prepayment on the Term facility cannot be re-borrowed. In June 2016, an amount of \$ 672,180 was reimbursed against the Term Facility following the exercise of 950,000 share purchase warrants for a cash proceed of \$1,345,180 (CA \$1,738,500).

The Revolver had an initial term of twelve months which was extended for an additional period of twelve months against a 1% renewal fee, and bears interest at a rate of 8.5% or Prime rate plus 6% per annum, whichever is greater. It was obtained as a security for expected ore inventory ramp-up and any significant gold price increase which would affect the cost of inventory and any supported receivable amounts. Since its inception, it has still been unused by the Corporation.

The Facility can be reimbursed by Dynacor at any time without any penalties. The Corporation intends to reduce the outstanding balance as soon as possible as it secures sufficient liquidity and expects that at least one and possibly two additional partial prepayments will occur by the end of 2017, in order to reduce the financial burden.

During the first six months of 2017, the Corporation paid \$415,467 in interest and financial fees relating to the Facility.

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). For 2017, the corporation revised its production target to between 78,000 and 80,000 ounces of gold. 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)

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

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

Facebook: facebook.com/DynacorGoldMines

Shares outstanding: 38,764,911

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