

MONTREAL, QUEBEC--(Marketwired - Jul 13, 2016) - [Dynacor Gold Mines Inc.](#) (TSX:DNG)(OTC:DNGDF) (Dynacor or the Corporation) is pleased to announce that gold production at its Huanca-Metalex gold processing facility increased by 11% in Q2-2016 (17,525 oz) as compared to Q1-2016 (15,807 oz), (see Table 1).

During Q2-2016, ore processed increased by 3,304 metric tonnes, an increase of 24% as compared to Q1-2016 and ore grades remained well above 1 oz/tm. Historically, the Company has succeeded in increasing its production on a quarterly basis within each year. Table 2 shows the five-year average percentage quarterly increase in gold production at Huanca as compared to Q1 average production. The Q2-2016 gold production increase of 11% is well above the 7.0% five-year average increase from Q1 to Q2.

Jean Martineau recently commented on gold production at Huanca stating, "*Since the beginning of 2016 we have been focused on completing the construction of our new Veta Dorada ore processing plant. Notably, gold production at our other plant, Huanca, remained consistent with prior years. Gold production during the first semester was 33,324 oz., which is within some of the best results we have obtained in the past 5 years (see Table 1, below). Additionally, the increase in the price of gold since the beginning of the year will have a positive effect on gold ore production in Peru, which together with the favorable location of Dynacor's new Veta Dorada plant, will certainly boost our future results.*"

Figure 1. Huanca Ore Processing Facility

Quarterly Gold Production 2012-2016

YEAR	2012	2013	2014	2015	2016
	(oz)	(oz)	(oz)	(oz)	(oz)
Gold Production Q1	13111	20022	12175	15558	15807
Gold Production Q2	12392	17899	17608	16594	17525
Gold Production Q1+Q2	25503	37921	29783	32152	33332
Gold Production Q3	17168	19741	19217	15607	n.a
Gold Production Q4	18603	19221	19923	19844	n.a
Gold Production Q3+Q4	35771	38962	39140	35451	n.a
Total 12 months	61274	76883	68923	67603	n.a

Figure 2. Huanca Ore Processing Facility

Average Quarterly Gold Production 2012-2016

Quarter / Years	Average Gold Production (oz)	Average % increase relative to Q1
Q1 2012-2016	Average quarterly gold production 15,334 oz	--
Q2 2012-2016	Average quarterly gold production 16,402 oz	7,0%
Q3 2012-2015	Average quarterly gold production 17,933 oz	16,9%
Q4 2012-2015	Average quarterly gold production 19,398 oz	26,5%

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 its wholly owned ore-processing plant. Dynacor's basic share count at 38.4 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 commissioning its new 300 tpd ore processing plant in Chala (Southern Peru) and expects to begin operations during Q3-2016. 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.

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