

MONTREAL, QUEBEC--(Marketwired - Jul 28, 2016) - [Dynacor Gold Mines Inc.](#) (TSX:DNG)(OTC:DNGDF) (Dynacor or the Corporation) is pleased to announce that the Peruvian Water Authority (ANA) has officially approved the water usage permit for Dynacor's Veta Dorada 300-tpd ore processing plant in Chala (Peru).

The Corporation finished the construction of the Veta Dorada plant at the end of May 2016 (see Press release dated May 25, 2016) and received from the Ministry of Energy and Mines, after a detailed inspection, a construction conformity certification in June (see Press Release dated June 13, 2016).

Jean Martineau, CEO and President of Dynacor Gold Mines commented, "*We are pleased to have received the water usage permit from ANA and now we have all the necessary permits and authorizations to apply to the Ministry of Energy and Mines for the operations permit. This is the final step and we do not anticipate any special delays since we have successfully fulfilled all the required steps. Commissioning of the Plant is nearly finished and we expect to begin operating the plant in Q3-2016 as soon as we have received the operations permit.*"

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 300 new 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.

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

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

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

Shares outstanding: 38,378,911

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