



DYNARESOURCE, INC.

FOR IMMEDIATE RELEASE

DynaResource, Inc. and DynaResource de México SA de C.V. Announce A Favorable Decision from a U.S. District Court Magistrate Judge Recommending the Vacating of a 2016 Arbitration Award

Irving, Texas (February 26, 2018) OTCBB: DYNR – DynaResource, Inc. (“DynaUSA”) and its affiliate DynaResource de México SA de C.V. (“DynaMéxico”), the 100% owner of the San José de Gracia Project in Sinaloa, México (collectively “DynaResource”), announce that a recent attempt by Goldgroup Resources Inc. (“Goldgroup”) to confirm an international arbitration award adverse to DynaResource has been rejected by a United States District Court.

In a carefully-crafted, detailed 31-page Recommendation (the “Recommendation”), United States Magistrate Judge Kathleen M. Tafoya of the United States District Court for the District of Colorado determined the arbitration award must be vacated under the Federal Arbitration Act.

According to Magistrate Judge Tafoya, the arbitrator issuing the international arbitration award “was well outside his authority to proceed with the arbitration proceedings” (initiated by Goldgroup), considering an order issued by a Court in México (The “México Court Order”) determined that an arbitration provision in the parties’ agreements was unenforceable and Goldgroup waived its right to initiate the arbitration against DynaResource. Magistrate Judge Tafoya characterized the México Court Order as a “sea change” event in the litigation between the parties.

In response to the Recommendation, Mr. K.D. Diepholz, President of DynaUSA and President of DynaMéxico, stated, “The Recommendation states the conclusions clearly. The 31-page opinion issued by Magistrate Judge Kathleen M. Tafoya shows a thorough and comprehensive review and assessment of the applicable law as applied to the litigations between DynaUSA, DynaMéxico and Goldgroup in México, the U.S. Federal Court in Colorado, and the international arbitration. The Recommendation determines the same conclusions which DynaResource has determined, and argued successfully. DynaResource is satisfied with the conclusions described in the Recommendation and I appreciate the commitment and diligence reflected in the detailed writing of the Recommendation.”

The Recommendation was issued after Goldgroup moved to confirm the arbitration award, and DynaResource filed a petition requesting the arbitration award to not be recognized and vacated. After the parties’ dueling motions were filed, the Recommendation was issued.

The México Court Order referenced in the Recommendation

The México Court Order referred to as a “sea change” event in the Recommendation stems from proceedings in a litigation styled, *DynaMéxico v. Goldgroup, et al.*, File No. 1120/2014, 36th Civil Court of the Superior Court of Justice of the Federal District (“México City Case”). The Recommendation acknowledges that on October 5, 2015, the México Court Order issued in the México City Case, signed by Judge Julio Gabriel Iglesias Gomez, includes thirteen separate and distinct “orders.” Importantly, “orders” six and seven state:

SIX. Based on the provision of Article 1424 of the Commercial Code, it is judicially declared that the arbitration agreement agreed upon in Clause 8.16 of the Earn In Option Agreement dated September one, year two thousand six, is notoriously inefficient and unenforceable.

SEVEN. It is judicially declared that any dispute that might exist arising from the Earn In Option Agreement shall be followed and resolved under Mexican law and before the judges of the Mexican State with jurisdiction to do so, for having tacitly waived both the plaintiff and defendant, to the arbitration clause.

For further information on DynaUSA and DynaMéxico, please visit www.dynaresource.com or contact:

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