

ASX Announcement

25 May 2007

A\$1.3 MILLION PRIVATE PLACEMENT

Uranium and energy company Dynasty Metals Australia Ltd (ASX: DMA) (“Dynasty”) today announced that it has agreed to issue 5,000,000 shares at a price of \$0.26 per share to institutional and sophisticated investors to raise A\$1,300,000.

This increases the Company’s issued capital to 38.5 million shares. Appendix 3B will follow.

The funds raised will be used to accelerate exploration activities and advance Dynasty’s growing energy portfolio. The Company is focused on uranium exploration in Western Australia, the Northern Territory and Botswana (upon grant).

Dynasty Metals Managing Director Rita Brooks said; “This placement enables us to move more aggressively on our uranium targets and capitalise on strong sector growth.”

“Supplementing these plans, we continue to develop a suite of projects across Australia, including Coal Seam Gas,” Ms Brooks said.

An extensive seismic program will commence this weekend over the recently granted Special Prospecting Authority (SPA) for Coal Seam Gas in the North Perth Basin.



Dynasty Metals Australia global exploration prospects

For further information, please contact:

Rita Brooks
Managing Director
Dynasty Metals Australia Limited
08 9389 1884
0411 276 657

Emma Cunningham
Porter Novelli
08 9386 1233
0403 014 476



About Dynasty

Since listing on the ASX in December 2005, Dynasty has laid the foundations for growth as an emerging Australian energy company. It has built its portfolio of uranium projects in Western Australia from 5 to 20, applied for exploration licenses over five areas prospective for uranium in Botswana and has received a SPA for Coal Seam Gas (CSG) exploration over the Irwin Coal Field. In addition, the Company also includes iron ore, nickel and gold amongst its exploration projects.

Dynasty is now embarking upon the next phase of growth through exploration, commencing with an extensive seismic program to uncover CSG prospects over its Irwin Coal Bed Gas project in Western Australia.

The information in this report that relates to exploration results is based on information compiled by Alan Svanosio who is a member of the Australian Institute of Geoscientists. Alan Svanosio has sufficient experience which is relevant to the style of mineralisation and type of deposit and to the activity he is undertaking to qualify as a Competent Persons as defined in the JORC Code. The Competent Person is not a full-time employee of Dynasty; however, he is engaged as its exploration consultant. He has consented to the inclusion in the report of the matters based on his information in the form and context in which is appears.