

ASX ANNOUNCEMENT/MEDIA RELEASE

30th September 2008

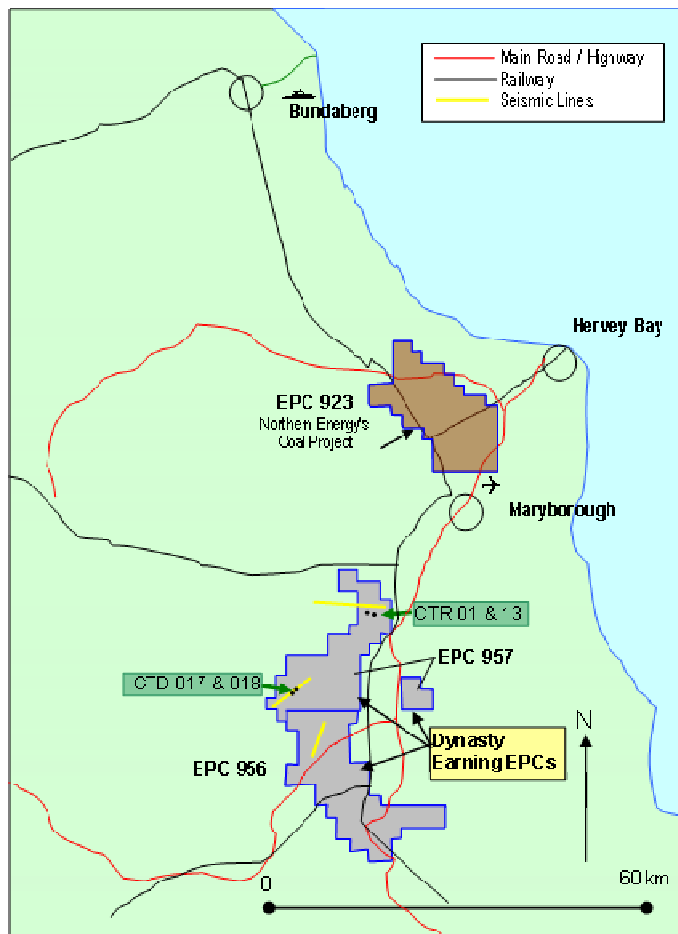
**TIARO COAL JOINT VENTURE
IRWIN RIVER COAL & COAL SEAM GAS**

QUEENSLAND TCJV AND WEST AUSTRALIAN COAL SEAM GAS PROJECT

The Board is pleased to advise as part of its continuing strategy to focus on coal and iron ore, the Company has elected to make its second payment to the Tiaro Joint Venture to become a full participant earning 15% interest in EPC's 956 & 957.

In addition, the Company is pleased to announce encouraging technical results reported for its Irwin River Coal and Coal Seam gas tenements.

TIARO COAL JOINT VENTURE



Dynasty, encouraged by seismic results, has elected to make a further payment of \$750,000 toward expenditure on EPC956 and EPC957 and as such will be deemed to have earned 15% of the Tenements pursuant to the June 2008 Farm-in Agreement. Accordingly, Dynasty will become a TCJV Participant.

For details of the joint venture seismic results, please see the announcement released today by Tiaro Coal Limited (TCM).

The project is located south west of the township of Maryborough near to the Queensland coast, and near to substantial road, rail and port infrastructure, see **Figure**.

IRWIN RIVER PROJECT

Location

Dynasty has secured five exploration licences covering 762km² in the northern Perth basin, east of Dongara and Geraldton.

In addition to EPL's, Dynasty has also applied for Petroleum Exploration Licenses and Mineral Exploration Licenses over part of these areas, see **Figure 1**.

Figure 1 – DMA Tenements Irwin River

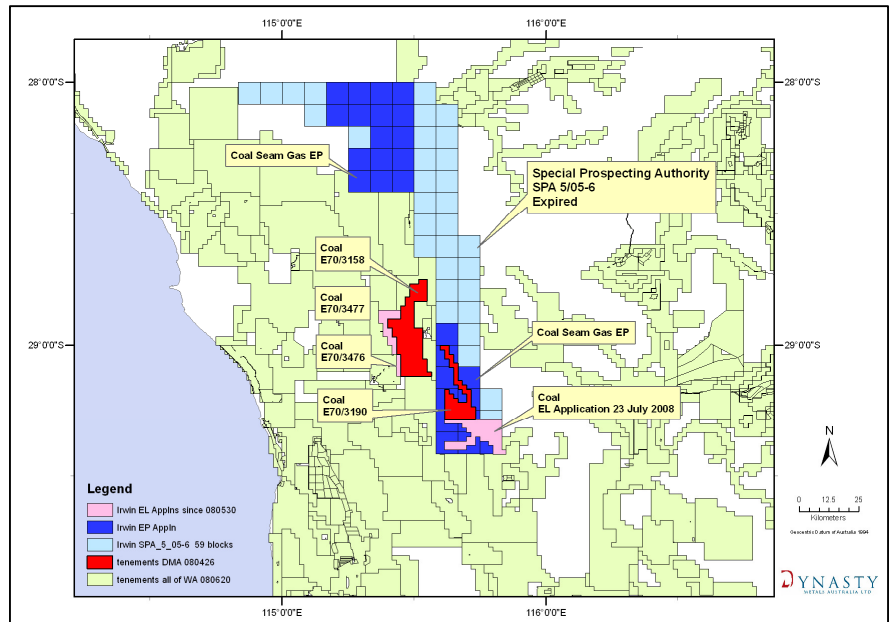
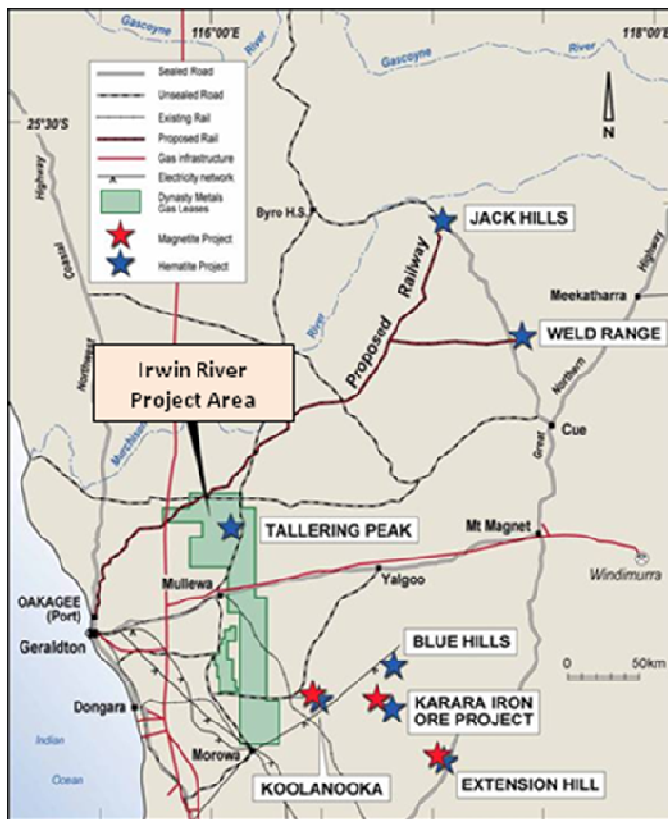


Figure 2 - Infrastructure



Dynasty is exploring these areas for coal and coal seam methane. The tenements are well located for development with respect to major iron ore resource development projects, existing gas reticulation infrastructure, existing and proposed ports and regional infrastructure, see **Figure 2**.

Oil and gas exploration in this region of the Perth Basin has been undertaken over the past 40 years and has resulted in a number crude oil and gas discoveries in various geological units ranging from Late Permian to Late Jurassic in age, see **Figure 3**.

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Exploration targeting coal seam methane has not been undertaken in the area although oil and gas explorers have reported gas flows when drilling the Irwin River Coal Measures, see **Table 2**.

NAME	TYPE
Permian Irwin River Coal Measures	Potential gas condensate source
Lower Triassic Kockatea Shale	Primary oil source
Lower Jurassic Cockleshell Gully Fm	Gas and condensate source
Mid Jurassic Cadda Shale	Gas, condensate source at Warro #1
Mid to Upper Jurassic Yarragadee Fm	Gas source at Warro #1

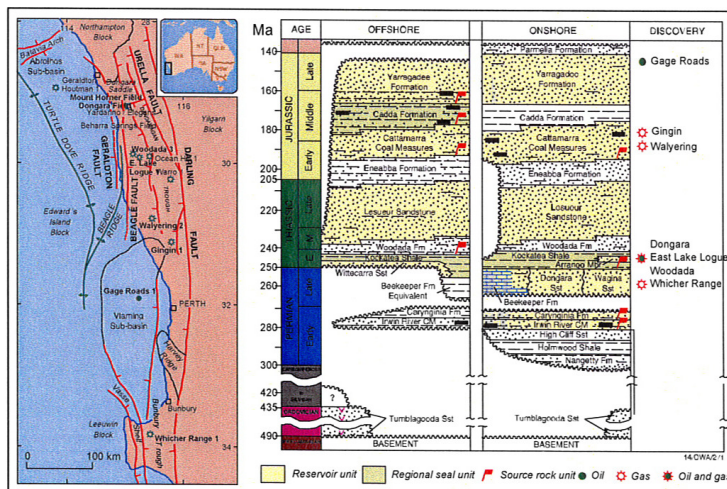
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Table 3 – Reservoir Source Rocks

NAME	TYPE
Lower Permian Highcliff sandstone	contains gas and oil at Arrowsmith #1
Irwin River Coal Measures	contains gas and oil at Arrowsmith #1
Lower Permian Carynginia Formation	oil at Arrowsmith and Yardarino
Lower Permian Carynginia Limestone	gas at Woodada.
Lower Permian Wagina Sandstone	contains oil at Mondarra.
basal Triassic Dongara Sandstone	produces gas and oil at Dongara-Yardarino
Kockatea Shale	sand lenses contain oil at many sites, including Mt Horner, Arrowsmith, Mt Adams, and North Erregulla.
Upper Triassic Lesueur Formation	excellent reservoir but overlying seal is lacking, no accumulation yet found.
Lower Jurassic Cockleshell Gully Fm	produced gas at Gingin, and Walyering.
Middle Jurassic Cadda Formation	gas influx into Warro #1 from thin sands caused suspension of the well and side-tracking.
Middle-Upper Jurassic Yarragadee Fm	contains non commercial gas at Warro #1

Coal Potential and Targets

Figure 4 – Stratigraphy showing Irwin River and Cattamarra Coal Measures



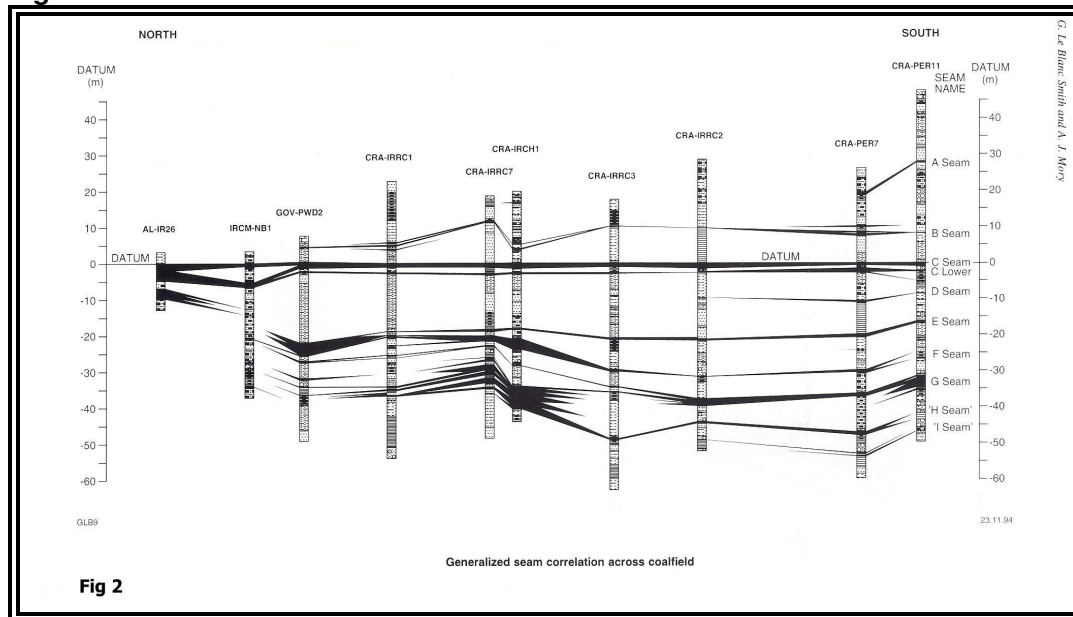
Field studies and drilling from previous exploration in the area indicate that the coal resources of the Irwin River Coal Field lie in a moderately complex geological setting and consist of a low rank black coal.

The coalfield, which covers an area of approximately 170 square kilometres, outcrops intermittently over a strike length of about 44 km.

CRA in 1986 estimated a substantial Inferred Resource based on widely spaced drilling data (circa 4km centres) and comprising narrow seams many of which were deemed non-recoverable at the time. (GSWA Report 44 pg 29, Le Blanc and Mory 1996).

There are nine principal seams in the coalfield, each of which locally exceed 0.5 metres in thickness and appear to thicken in the deeper areas of the basin. These are (from the top): seams A, B, C, C lower, D, E, F, G and H. The stratigraphic relationships are shown in **Figures 4 and 5**.

Figure 5 – Coal Seams of the Irwin River Coal Measures



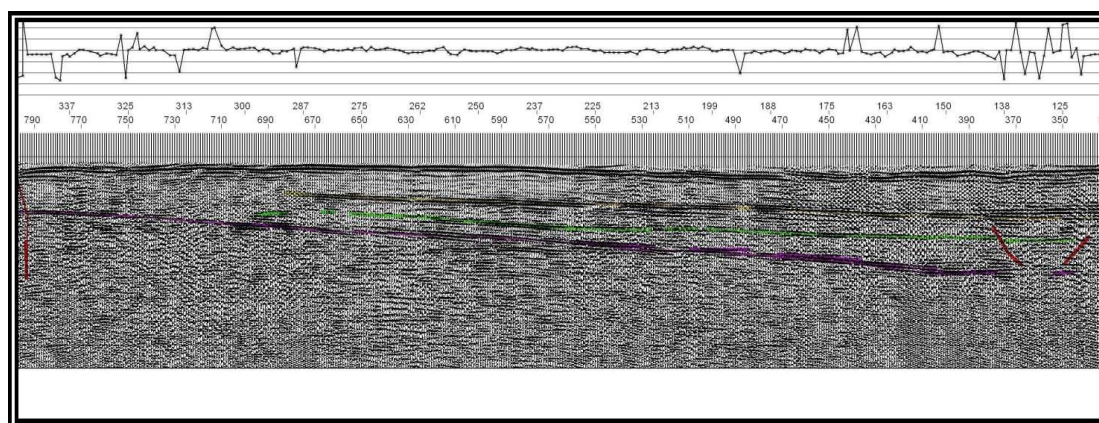
Seams exceeding 1.5 m in thickness include C Seam, F Seam, and G Seam.

Dynasty Exploration

Over the past year Dynasty has recorded approximately 100km of 2D seismic over its Irwin River area. The results from this work interpreted by Dynasty's geophysical consultants, have delineated two areas which the company believes warrant further exploration.

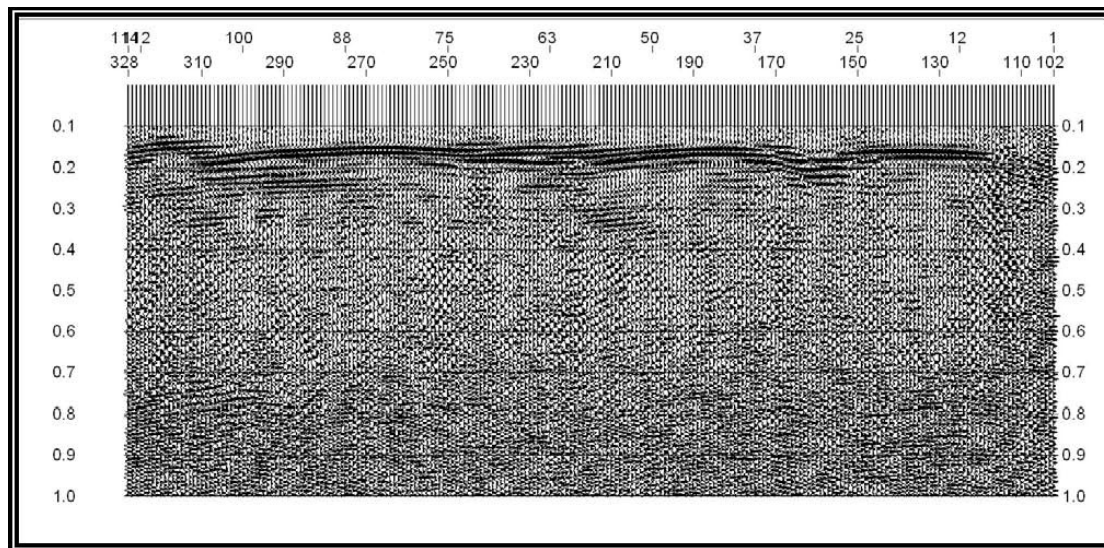
The southern area seismic results show coal seams at >400m in depth which represents depths where coal seam methane can be generated and stored within the seams, see **Figure 6**.

Figure 6 – Southern Seismic Section



The second area made up of six blocks, is part of the northern portion of the tenement area. The 2007 seismic survey shows a significant section which appears to be coal seams at a relatively shallow depth. This puts the coals within that window where coal seam methane (if present in the coals) can be easily tested by a shallow drilling program, see **Figure 7**

Figure 7 – Northern Seismic Section



Future exploration

Historical evidence and Dynasty seismic work suggest the coal measures on its Irwin River Tenements, represent a valid exploration target for coal seam methane and that the inter-bedded sands within the coal seams may also contain methane migrated from the coal seams. The Permian Coal Measures are overlain by Triassic shales which may act as a seal preventing escape of gases.

Further interpretation and exploration is planned for the 2008/2009 reporting period.

By order of the Board

Malcolm Carson
Technical Director

For further information please contact either Messrs:

Malcolm Carson (Technical Director) on 0417692849
Lewis Tay (Executive Director) on 0433166818
Richard Oh (Chairman) on 0411697249

Qualifying statement

Malcolm Carson has compiled the information in this report from information supplied by Dynasty Metals Limited. Malcolm Carson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results. Mr Carson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.