



14 July 2009

Company Announcement Office
Australian Securities Exchange Limited

DYNASTY ANNOUNCES \$830,000 SHARE PLACEMENT OFFER

Dynasty Metals Australia Limited (ASX:DMA) ("Dynasty") is pleased to announce that it has raised \$830,000 through the issue of 8,300,000 new ordinary shares in the company placed to sophisticated investors at an issue price of \$0.10 per share.

The funds raised will be used to accelerate exploration and drilling activities on Dynasty's iron ore projects in the Pilbara region of Western Australia which to date have generated encouraging results from recent field work to warrant follow-up drilling.

Following completion of the share placement, Dynasty will have 63,931,312 shares on issue. Please find the cleansing statement and Appendix 3B in relation to this issue attached.

ENDS

For and Behalf of the Board

DYNASTY METALS AUSTRALIA LIMITED

Richard Oh CA MAICD Chairman

For further information please contact either Messrs:

Richard Oh (Chairman) on 0411 697 249

Lewis Tay (Executive Director) on 0433 166 818

Malcolm Carson (Executive Technical Director) on 0417692849

14 July 2009

**DISCLOSURE NOTICE – CORPORATIONS ACT 2001 – s.708A(5)(e)
FOR RELEASE TO THE MARKET – PLACEMENT OF SHARES
DYNASTY METALS AUSTRALIA LIMITED**

Notice under section 708A(5)(e) of the Corporations Act (the Act)

The Company advises that it has today issued a total of 8,300,000 fully paid ordinary shares at a price of \$0.10 each by way of a placement to sophisticated investors.

This notice is issued pursuant to section 708A(5)(e) of the Act and the Company advises that to the best of its knowledge, information and belief as at the date of this certificate the following statements are true and not misleading:

1. the relevant securities are in a class of ordinary shares quoted on the ASX.
2. the Company issued the relevant securities without disclosure to investors under Part 6D.2 of the Act, in reliance on section 708.
3. As at the date of this Notice the Company has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (b) section 674 of the Act (as it applies to the Company).
4. At the date of this Notice there is no excluded information (as that expression is defined in sections 708A(7) and 708A(8) of the Act) in relation to the Company.

The Appendix 3B in relation to the issue is attached.

Yours sincerely



GRAHAM ANDERSON
Dynasty Metals Australia Limited
Director and Company Secretary

*Neither this notice nor the Appendix 3B is an offer of securities for sale in the United States. No security of Dynasty has been registered under the United States Securities Act of 1993 (**U.S. Securities Act**), and no such security may be offered or sold in the United States absent registration under the U.S. Securities Act and applicable state securities laws or an exemption from registration under the U.S. Securities Act and such laws.*

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

DYNASTY METALS AUSTRALIA LTD

ABN

80 110 385 709

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|----------------------------|
| 1 | +Class of +securities issued or to be issued | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 8,300,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully Paid Ordinary Shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>					
<p>5 Issue price or consideration</p>	<p>\$830,000 (\$0.10 per share)</p>					
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Funds to be used to accelerate exploration and drilling activities.</p>					
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>13 July 2009</p>					
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="716 1220 995 1255">Number</th> </tr> </thead> <tbody> <tr> <td data-bbox="716 1255 995 1457">63,931,312</td> </tr> </tbody> </table>	Number	63,931,312	<table border="1"> <thead> <tr> <th data-bbox="1000 1220 1266 1255">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="1000 1255 1266 1457">Ordinary shares</td> </tr> </tbody> </table>	+Class	Ordinary shares
Number						
63,931,312						
+Class						
Ordinary shares						

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	200,000	Options exercisable at \$0.30 expiring 31 December 2009
	300,000	Options exercisable at \$0.30 expiring 31 December 2009
	20,917,029	Options exercisable at \$0.35 expiring 28 February 2010
	5,150,000	Options exercisable at \$0.20 expiring 30 November 2009
	500,000	Options exercisable at \$0.20 expiring 1 September 2010
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 18 Names of countries in which the entity has ⁺security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations
- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺security holders
- 25 If the issue is contingent on ⁺security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do ⁺security holders sell their entitlements *in full* through a

+ See chapter 19 for defined terms.

- broker?
- 31 How do ⁺security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

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39 Class of +securities for which
 quotation is sought

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40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

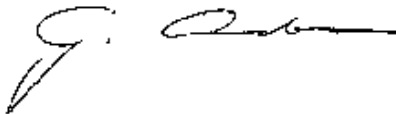
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 14 July 2009
(~~Director~~/Company secretary)

Print name: ..GRAHAM ANDERSON.

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