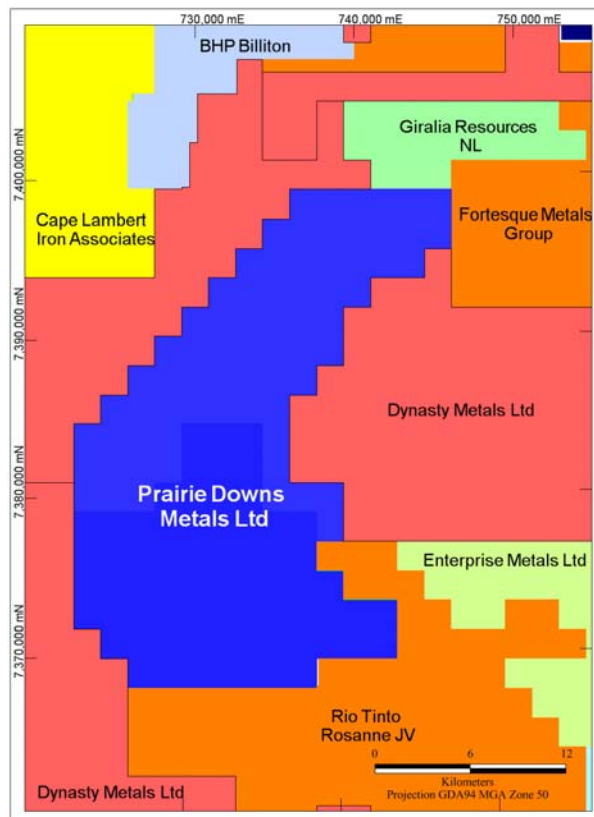


# Prairie Downs Iron Potential

Dynasty Announces 450+ million tonne JORC compliant resource

- **Prairie Downs Metals Limited (“Prairie”)** is encouraged by today’s announcement (attached) by **Dynasty Metals Australia Limited (ASX:DMA) (“Dynasty”)** of an initial maiden 453 million tonne JORC Compliant Resource at Dynasty’s Spearhole Detrital Channel Iron Deposit at Prairie Downs.
- **Dynasty’s** results confirm the exploration concept of very large tonnages of Detrital and Channel Iron deposits. These channels extend many kilometres south and south east of the area drilled by Dynasty to date and may continue into Prairie’s tenure.
- **Prairie** has an existing agreement with **Dynasty** for the use of the **Prairie’s** exploration facilities and infrastructure. Negotiations are continuing in relation to the potential for further co-operation between the companies in the exploration and project development of the iron potential of the **Prairie Downs** region.

Figure 1 – Tenement Location Plan

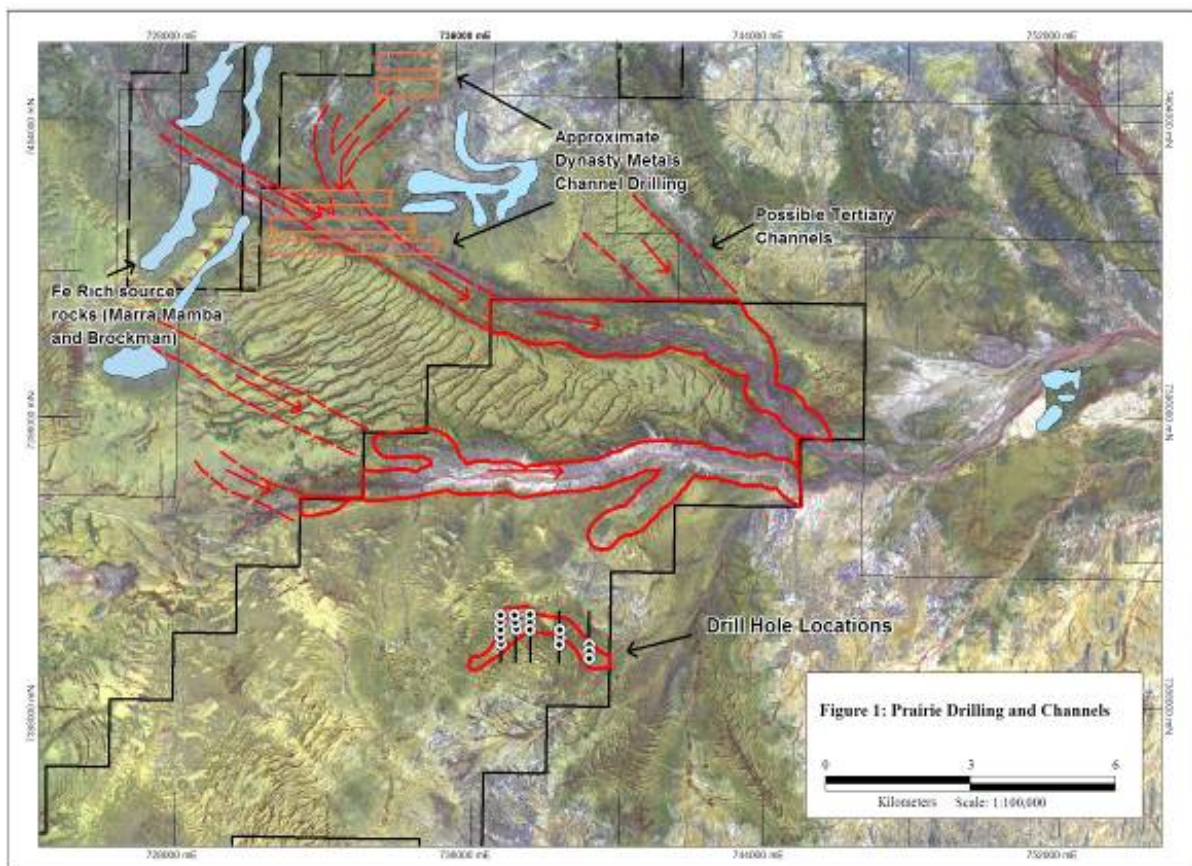


## PRAIRIE DOWNS CHANNEL IRON EXPLORATION

Prairie completed an encouraging drilling campaign in September 2009 which identified detrital iron of up to 34.94%Fe. These results provided confirmation of the potential for large Channel and Detrital Iron Deposits associated with tertiary drainage systems to the north of the current drilling. Surface mapping has also confirmed the presence of CID style mineralisation.

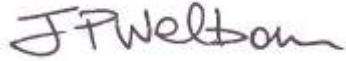
Figure 2 below shows the drill hole locations analysed by Prairie in September 2009 and the approximate location of the reconnaissance drilling conducted by Dynasty that has resulted in today's resource announcement.

**Figure 2 – Prairie Downs Channel and Detrital Iron Deposits Location Map**



Dynasty has confirmed that the Spearhole Channel Iron mineralisation improves towards the south and south-east and deepens at the confluence of channel formations. Dynasty's drilling to date and subsequent resource estimate is in the northern, shallower portion of the channel structure's shown above. Dynasty has also announced that their plan for the current year is to explore for extensions of these Detrital and Tertiary channel iron deposits. This is very encouraging in relation to the future exploration potential of the large undrilled areas of tertiary channels which extend into Prairie's tenure.

Prairie intends to advance discussions with Dynasty and other regional companies exploring and developing iron projects to advance an economic development model.



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*Information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr David Kelly who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Kelly has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Kelly consents to the inclusion in this report of the statements based on their information in the form and context in which it appears.*