

ASX Code: DMA



ASX Announcement
16th July 2010

Company Announcement Office
Australian Securities Exchange Limited

Visit from Geo-Exploration & Mineral Development Bureau of Ning Xia, China

The Manager
Company Announcements Office
Australian Stock Exchange Ltd
4th Floor, 20 Bridge Street
Sydney NSW 2000

Dear Sir

Dynasty Metals Australia Limited ("Dynasty") advises that top-level representatives of **Geo-Exploration & Mineral Development Bureau of Ning Xia (Ning Xia)**, a State owned Chinese exploration company, are conducting a series of negotiations in Perth this week **regarding Dynasty's uranium and base metal projects.**

The Ning Xia delegation will be discussing the following projects with Dynasty:

- The underexplored prospective grounds referred to as **Stanley & Nabberu projects (WA)**. The delegation is particularly interested in the area occupied by four sedimentary basins and a small inlier of granitoids basement. These granitoids are Archaean to late Paleoproterozoic intrusions and are possibly enriched in Uranium and Thorium.
- **Yanrey (WA)**, the major focus of this tenement is Paleochannel Uranium sourced from the Proterozoic of the Gascoyne province.
- **Hector Bore (WA)**, these tenements contain known Uranium mineralization as well as having several geological targets such as pegmatites and a barite occurrence.
- **Mt Phillips (WA)**, this project contains highly prospective areas with geological setting for Uranium.
- **Northern Territory**, several green field tenements sit within the highly prospective Arunta Block and within 100km of Napperby Uranium deposit.

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Discussions are focused on Dynasty obtaining funding for these uranium and base metal exploration tenements and the possibilities of Dynasty **divesting the assets to a separate listed company providing in-specie distribution of shares to the Dynasty shareholders when completing an IPO.**



Lewis Tay and Dave Jenkins (Consultant to Dynasty) with China Ning Xia Delegates.



Uranium and base metal exploration discussions.

ENDS

For and Behalf of the Board

DYNASTY METALS AUSTRALIA LIMITED,

For further information please contact: either Messrs:

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About Geo-Exploration & Mineral Development Bureau of Ning Xia (Ning Xia)

Ning Xia is a major exploration bureau based in North West of China. It was formed in 1956, currently employed about 500 people including 30 senior engineers and geologists. Ning Xia was commissioned by Ivonhoe to explore for copper and gold in Mongolia.

During the past 50 years, Ning Xia has discovered more than 200 significant deposits (mineral, oil and gas), besides uranium discovery, **Ning Xia has found totalling 33.5 billion tons of proven coal reserves, 990 million cubic meters of coal seam gas,** and achieved outstanding results in identifying the thermal and water resources.



A major coal discovery by Ning Xia in 2007 which found an 18m coal seam in depth