



DYNASTY WINS APPLICATION PRIORITY IN TWO TENEMENTS IN STRONGLY CONTESTED BALLOT

- Further to winning the priority ballot for application E52/2591, Dynasty has also been successful in winning priority for applications E47/2404 and E47/2396 over ground prospective for iron ore.
- **E47/2396 (24.3km²)** is located in the vicinity of Rio Tinto's Marandoo mine and has potential to host iron ore deposits.
- **E47/2404 (9.5km²)** contains Brockman Iron Formation and also has potential for detrital and channel iron deposits.
- Dynasty's competitors in the applications for these areas include major iron ore companies.
- Further increase in strategic tenement holdings – builds on existing Pilbara tenements and will become part of its Pilbara Region Exploration programs.
- **E52/2591 (20.5km²)** announced on the 24th September shows strong magnetic features often associated with buried iron deposits.

Sydney, Australia: The Directors of Dynasty Metals Australia Limited (**ASX: DMA**) are pleased to announce success in winning application priority for an additional two tenements, in a strongly contested ballot involving some major iron ore miners. The tenements are strategically located in the Pilbara region of Western Australia, and take Dynasty's tenement holding to ~4,569km² (granted and in-application). *Being drawn first in the ballot gives Dynasty priority over a number of competing applications by other major players for these areas.* Securing priority for these areas in the ballot process advances the Company's strategy to increase its strategic holdings in the highly prospective Pilbara region and build on its exploration success on the Prairie Downs Iron Project. The ballot win follows the placement of shares to the steel maker Hebei XingHua Iron and Steel Co. Ltd, announced to the ASX on 8th October 2010.

E47/2396 (24.3km²)

Figure 1 shows the tenement is located 30km ENE of Tom Price in the Central Pilbara, or 8 km northwest of Hamersley Iron's (RTZ) Marandoo Mine and 5km southeast of their Marandoo West deposit. Both deposits occur in the Marra Mamba formation and initial resources for the Mine were published at 390Mt @ 62% Fe. The tenement is covered by recent sediments which may be covering basement iron formation (Marra Mamba), detrital or channel iron deposits.

E47/2404 (9.5km²)

Figure 1 shows the tenement is located 80km north of Tom Price in the Central Pilbara on the northern part of the Hamersley Basin. The tenement is mapped as being mostly covered by the Mt Sylvia Shale unit. There is an area of Brockman Iron Formation which will be prospective for Bedded Iron Deposits and there is potential for channel iron deposits and detrital iron deposits in the ancient drainage systems. There are known occurrences of high grade iron within the Brockman Formation ~4km to the south of the tenement.

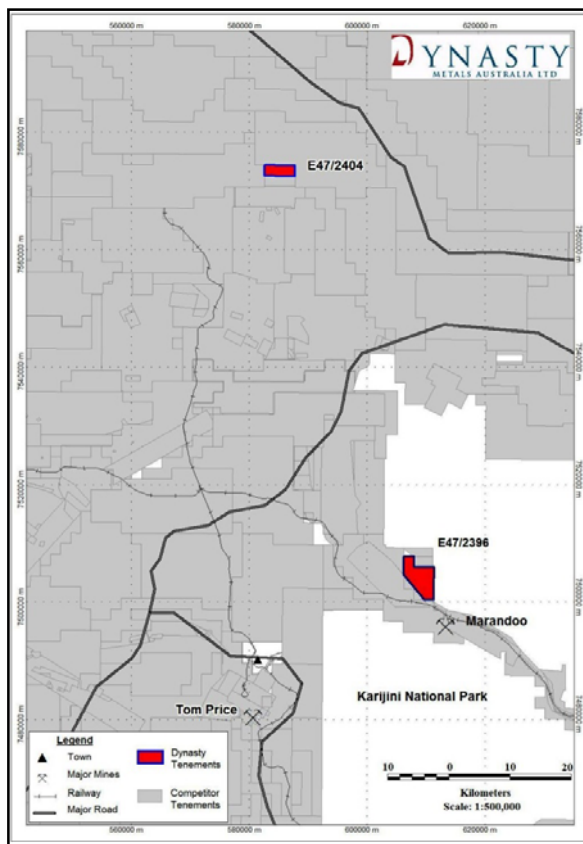


Figure 1 – Location of the applications

Dynasty will include these tenements in its planned future exploration in the Pilbara Region where it now has 7 tenements covering ~527km² containing rock units prospective for iron and a range of other metallic minerals.

The Pilbara Region tenements are in addition to Dynasty's ~4,042km² it holds at Prairie Downs in the Pilbara Region of Western Australia. Prairie Downs is where the vast deposit of detrital iron has been discovered and previously announced.

First stage exploration in the Pilbara Region on these tenements when granted, will involve geological mapping and sampling, ground magnetic and gravity surveys designed to identify drilling targets.

Since announcing the ballot results for E52/2591 on 24 September, Dynasty has examined the available magnetic information on this area, which shows the presence of magnetic targets that may be associated with buried iron deposits, see below in Figure 4C.

The figures below show the location of the new tenements, Dynasty's neighbours and the regional geological information.

ENDS

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Qualifying statement: Malcolm Carson has compiled the information in this report from information supplied to Dynasty Metals Limited. Malcolm Carson has sufficient experience that is relevant to the style of mineralisation, the types of deposit under consideration and to the activity that he is undertaking and qualifies as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results ("JORC Code"). 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.

Figure 2A – Location of E47/2396 and Neighbours

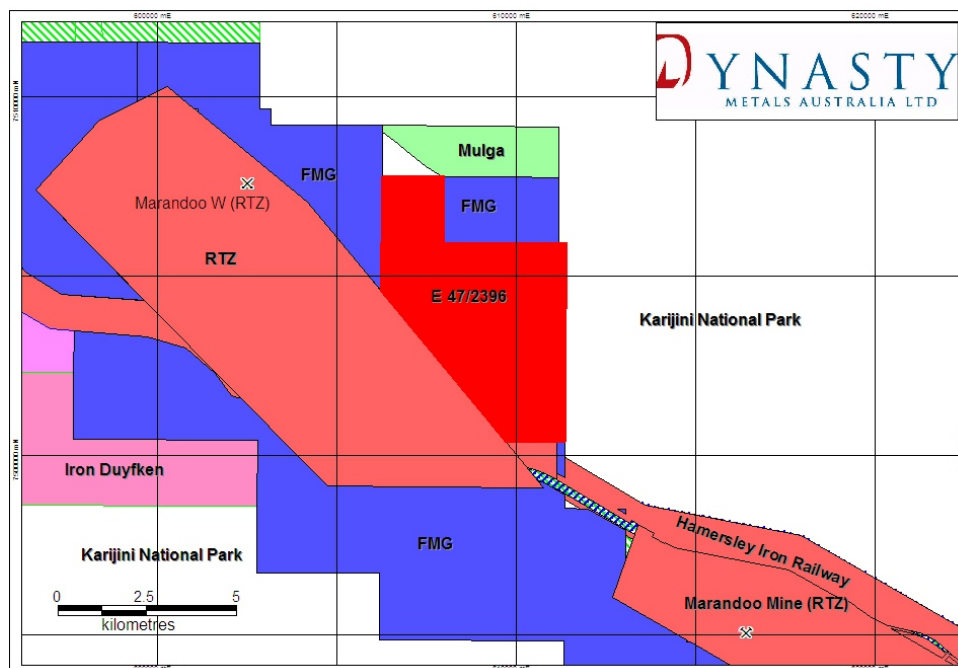


Figure 2B – E47/2396 Regional Geology

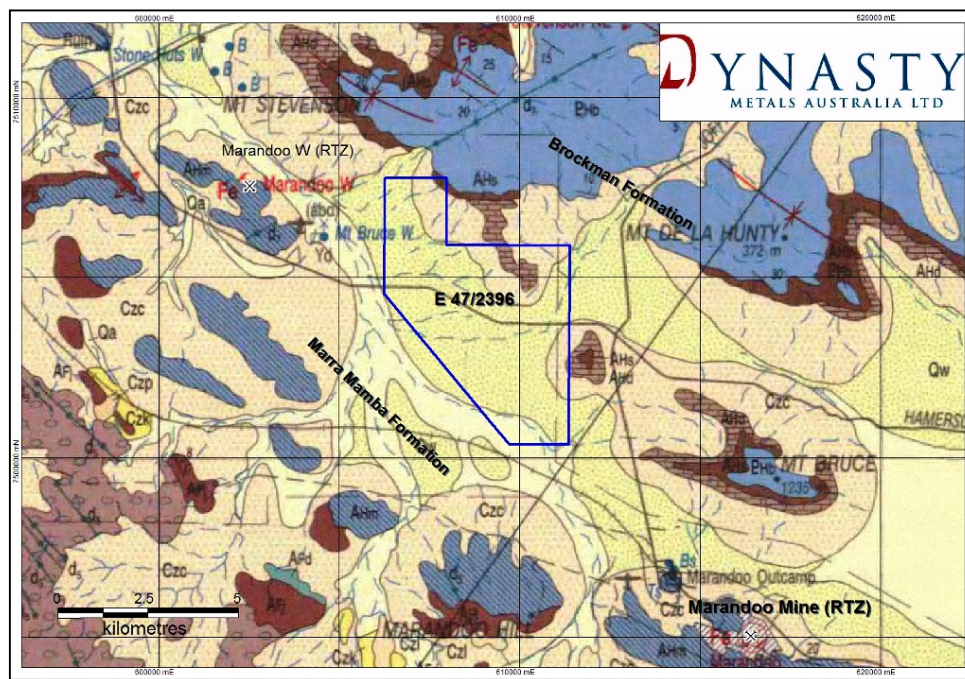


Figure 3A – Location of E47/2404 and Neighbours

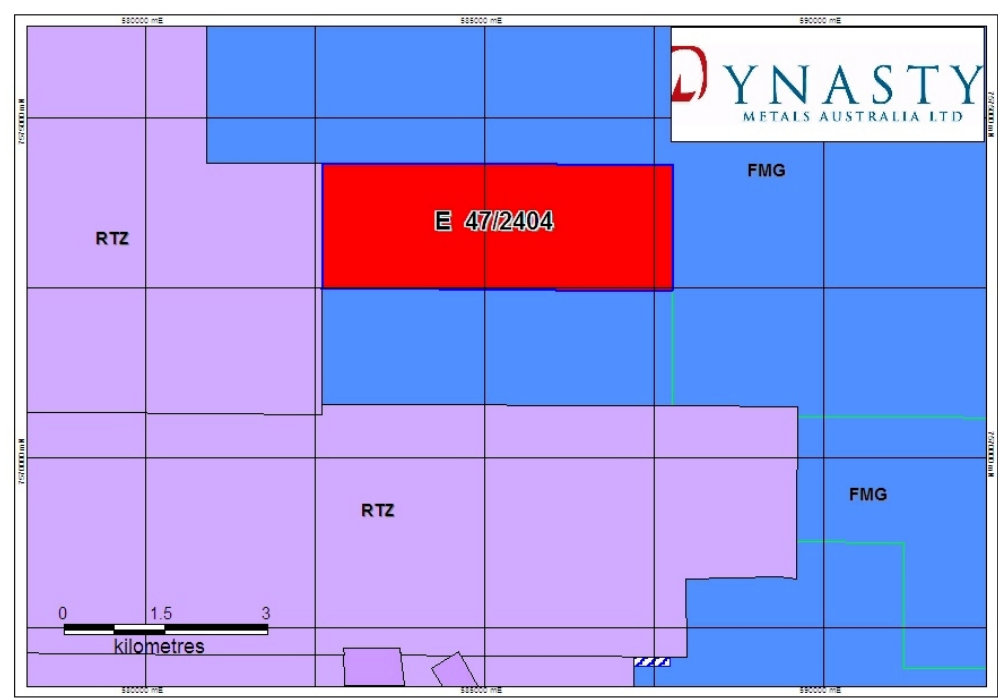


Figure 3B – E47/2404 Regional Geology

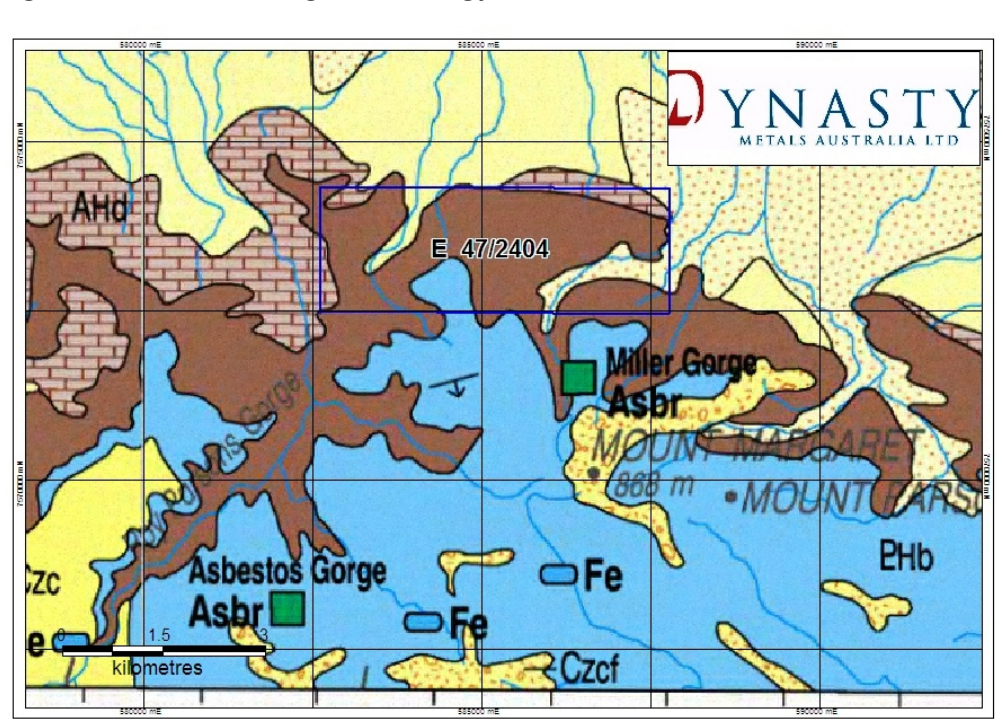


Figure 4A – Location of E52/2591 and neighbours

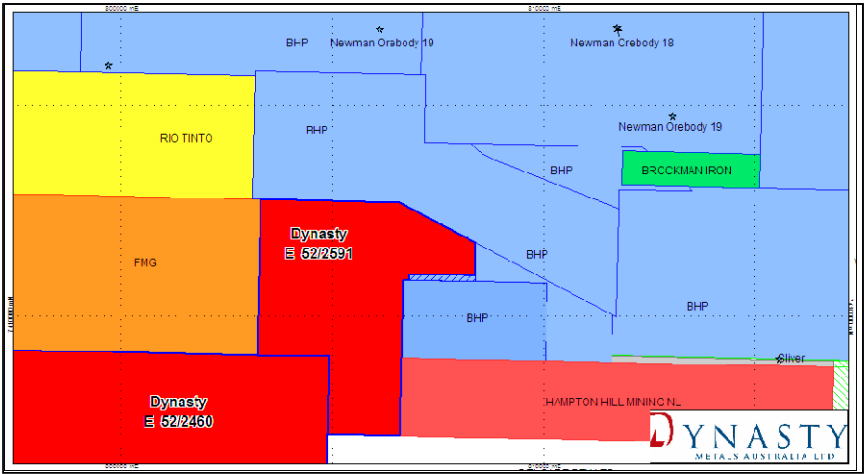


Figure 4B – E52/2591 Regional Geology

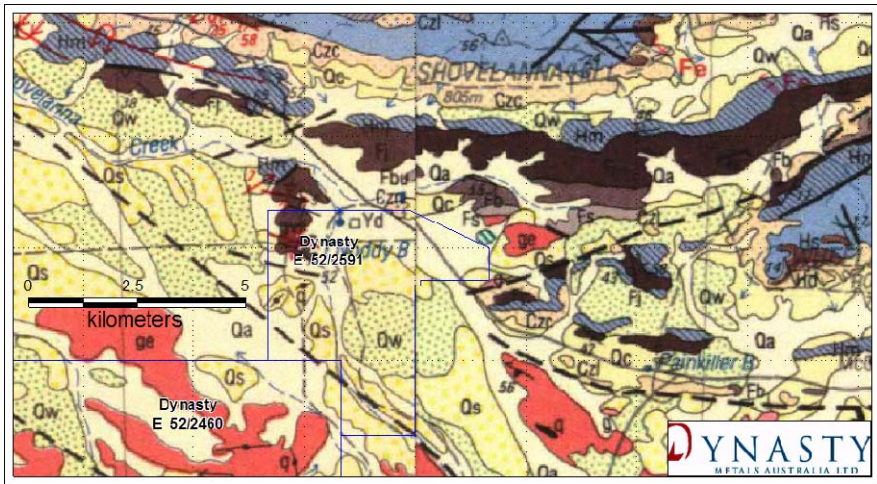


Figure 4C – E52/2591 Regional Magnetics

