

29 May 2015

Dear Shareholder,

### **\$2.22 MILLION RENOUNCEABLE RIGHTS ISSUE**

On 28 May 2015, Dynasty Resources Limited (ASX:DMA) (Dynasty) announced a fully underwritten pro-rata renounceable Rights Issue of new Dynasty shares (New Shares) (with entitlements trading) to raise approximately \$2.22 million in new capital (Rights Issue).

### **THE RIGHTS ISSUE AND USE OF PROCEEDS**

The capital raising will:

- maintain Dynasty's most prospective tenements;
- fund operational expenses; and
- provide working capital for Dynasty to review and pursue strategic opportunities.

If you are an eligible shareholder (as described below, Eligible Shareholders), you will be able to subscribe for 3 New Shares for every 2 existing Dynasty shares held on the Record Date of 7.00pm (Perth time) on Wednesday, 3 June 2015 (Entitlement). The offer price is \$0.01 per New Share (Offer Price). New Shares issued under the Rights Issue will rank equally with existing Dynasty ordinary shares from issue.

Following completion of the Rights Issue, Dynasty will have issued approximately 222.2 million New Shares, resulting in total Dynasty ordinary shares on issue of approximately 370.3 million.

### **ELIGIBLE SHAREHOLDERS**

Eligible Shareholders are those persons who:

- are registered as a holder of existing Dynasty ordinary shares as at 7.00pm (Perth time) on Wednesday, 3 June 2015;
- have a registered address on the Dynasty share register in Australia, New Zealand, Hong Kong, the People's Republic of China (to the extent that such Shareholders are qualified domestic institutional investors), Singapore, Malaysia, Japan or the United Kingdom;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such persons hold Dynasty ordinary shares for the account or benefit of a person in the United States); and
- are eligible under all applicable securities laws to receive an offer under the Rights Issue.

### **OFFER DOCUMENTS**

This letter is not an offer document but rather an advance notice of some key terms and conditions of the Rights Issue. Full details of the Rights Issue are set out in an offer booklet (Offer Booklet), copies of which will be available on the ASX website [www.asx.com.au](http://www.asx.com.au) and Dynasty's website at [www.dynastyresources.com.au](http://www.dynastyresources.com.au) from 9 June 2015.

Eligible Shareholders will be mailed an Offer Booklet, together with a personalised Entitlement and Acceptance Form (together, the Offer Documents) which contains details of your Entitlement, on or around 9 June 2015. You should read the Offer Booklet carefully and in its entirety before deciding whether to participate in the Rights Issue.

## **ACTION REQUIRED BY ELIGIBLE SHAREHOLDERS**

Your Entitlement may have value and it is important you determine whether to (in whole or in part) take up, transfer, sell or do nothing in respect of your Entitlement. You should ensure that you understand the tax consequences of any action that you take or of doing nothing.

### **Take up an Entitlement**

If you wish to take up all or part of your Entitlement, please pay your Application Monies via BPAY® or other methods as set out in the instructions on the personalised Entitlement and Acceptance Form that will be sent to you. Payment is due by no later than 5.00pm (Perth time) on Monday, 22 June 2015.

### **Sell or transfer an Entitlement**

There are a number of ways in which you can sell all or part of your Entitlement, each of which may result in a different value for those Entitlements sold:

1. If you wish to sell all of your Entitlement on ASX, you should instruct your stockbroker personally and provide them with details they request as set out on your personalised Entitlement and Acceptance Form. Entitlements can be sold on ASX from 1 June 2015 to 15 June 2015.
2. If you wish to take up part of your Entitlement and sell the balance on ASX, you need to:
  - in respect of the part of your Entitlement you are taking up, pay your Application Monies via BPAY® (or return the personalised Entitlement and Acceptance Form with the requisite Application Monies) by following the instructions set out on the Entitlement and Acceptance Form); and
  - in respect of Entitlements to be sold on ASX, you should instruct your stockbroker personally and provide them with details they request as set out on your personalised Entitlement and Acceptance Form.
3. If you wish to transfer all or part of your Entitlement other than on ASX, you will need to complete and return a Renunciation and Transfer Form (which can be obtained from Dynasty's Registry on +61 8 9315 2333 or your stockbroker) together with the Entitlement and Acceptance Form and the transferee's Application Monies to the Dynasty Share Registry by 5.00pm (Perth time) on Monday, 22 June 2015. The purchaser's address must be in Australia or New Zealand (unless Dynasty otherwise agrees) and the purchaser must not be in the United States or acting for the account or benefit of a person in the United States.

Please note you may incur brokerage if you choose to sell your Entitlement on ASX. Eligible Shareholders who sell their Entitlement before receiving confirmation of their Entitlement in the Entitlement and Acceptance Form do so at their own risk. You can ascertain your correct Entitlement by calling your stockbroker or Dynasty on +61 8 6316 4414 or the Share Registry on +61 8 9315 2333 from 8.30am to 5.30pm (Perth time) Monday to Friday.

Nominees must not take up Entitlements on behalf of, or send any documents related to the Rights Issue to, any person in the United States.

### **Do nothing**

If your Entitlements are not taken up, sold or transferred, your interest in the Company will be diluted.

**KEY DATES**

<b>Event</b>	<b>Date</b>
Shares quoted on an "ex" entitlement basis and rights trading commences	1 June 2015
<b>Record Date for the Rights Issue</b>	<b>3 June 2015</b>
Offer Document and Entitlement and Acceptance Forms sent to Eligible Shareholders	9 June 2015
Rights trading ends	15 June 2015
Shares quoted on a deferred settlement basis	16 June 2015
<b>Closing Date for acceptance and payment</b>	<b>22 June 2015</b>
Notify ASX of under subscriptions	25 June 2015
Issue Date for New Shares	26 June 2015
Deferred settlement trading ends	26 June 2015

The above timetable is indicative only and subject to change. All times are references to Perth time. Dynasty reserves the right to amend any or all of these events, dates and times without notice subject to the Act, the ASX Listing Rules and other applicable laws. In particular, Dynasty reserves the right to extend the closing date of the Rights Issue, to accept late applications under the Rights Issue (either generally or in particular cases), and to withdraw the Rights Issue without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares.

For further information on the Rights Issue, please call Dynasty on +61 8 6316 4414 or the Share Registry on +61 8 9315 2333, from 8.30am to 5.30pm (Perth time) Monday to Friday, and read the Offer Booklet when available. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

Yours faithfully



**Thomas Pickett**  
 Independent Chairman