

NORTH SHAW LITHIUM PROJECT

4 JULY 2016

KEY POINTS

- Significant tenement holding in the Pilgangoora region of East Pilbara WA.
- Along Strike and within 3km of the large Pilgangoora Lithium resources on Altura Mining (AJM) and Pilbara Minerals (PLS) ground.
- Pegmatite occurrences have been confirmed including a large pegmatite of over 100m width and 1km length.
- Prospective geology present throughout the 189 km² tenement.
- Reconnaissance mapping and sampling has commenced.

SUMMARY

Dynasty Resources is pleased to announce the commencement of work on the North Shaw project (E45/2728). The project is considered highly prospective for lithium mineralisation within lithium-cesium-tantalum (LCT) pegmatites. Previously identified pegmatites have already been located including an extensive pegmatite zone in the south east of the tenement (Fig 5). The aim of this reconnaissance is to sample the extensive outcropping pegmatitic material and mapping of the contact between the Yule Batholith and the Sulphur Springs or Gorge Creek formations. This contact is under cover in much of the northern section of the tenement, nearest to the Pilgangoora Lithium resources, and could be targeted by bedrock drilling in a later phase of the work.

The following photos show some of the pegmatitic material discovered in the first few days of work. The pegmatite in figures 2-4 appears to have a strike of over 1km and a width of well over 100m, making it a significant target.



Figure 1 Pegmatite outcrop within mafic country rock



Figure 2 Large Pegmatite body in south east of the tenement



Figure 3 Pegmatite zone >100m wide



Figure 4 Example of pegmatite

The project is within a region of world class endowment of lithium pegmatites only 3km along strike from the Pilgangoora resources and 20km east of the Wodgina resource. Altura Mining Ltd (ASX:AJM) and Pilbara Minerals Ltd (ASX:PLS) and have made major lithium discoveries in the surrounding area. Dynasty previously sold the iron ore rights of E45/2728 to Atlas Iron Ltd (ASX:AGO) in 2006 however Dynasty retains the rights of other minerals. The exploration license covers 189km², 100km South of Port Hedland.

PROJECT DETAILS

Dynasty Resources Ltd (Dynasty) owns tenement E45/2728-I which sits adjacent to significant lithium resources in the Pilgangoora Area of the East Pilbara region in Western Australia. Dynasty has completed an initial evaluation of the lithium potential of the tenement and considered the ground highly prospective with known pegmatites in the area, a continuation of the Pilgangoora mineralised corridor through the tenement and large areas of lithologies conducive to the intrusion of lithium pegmatites (Figure 5).

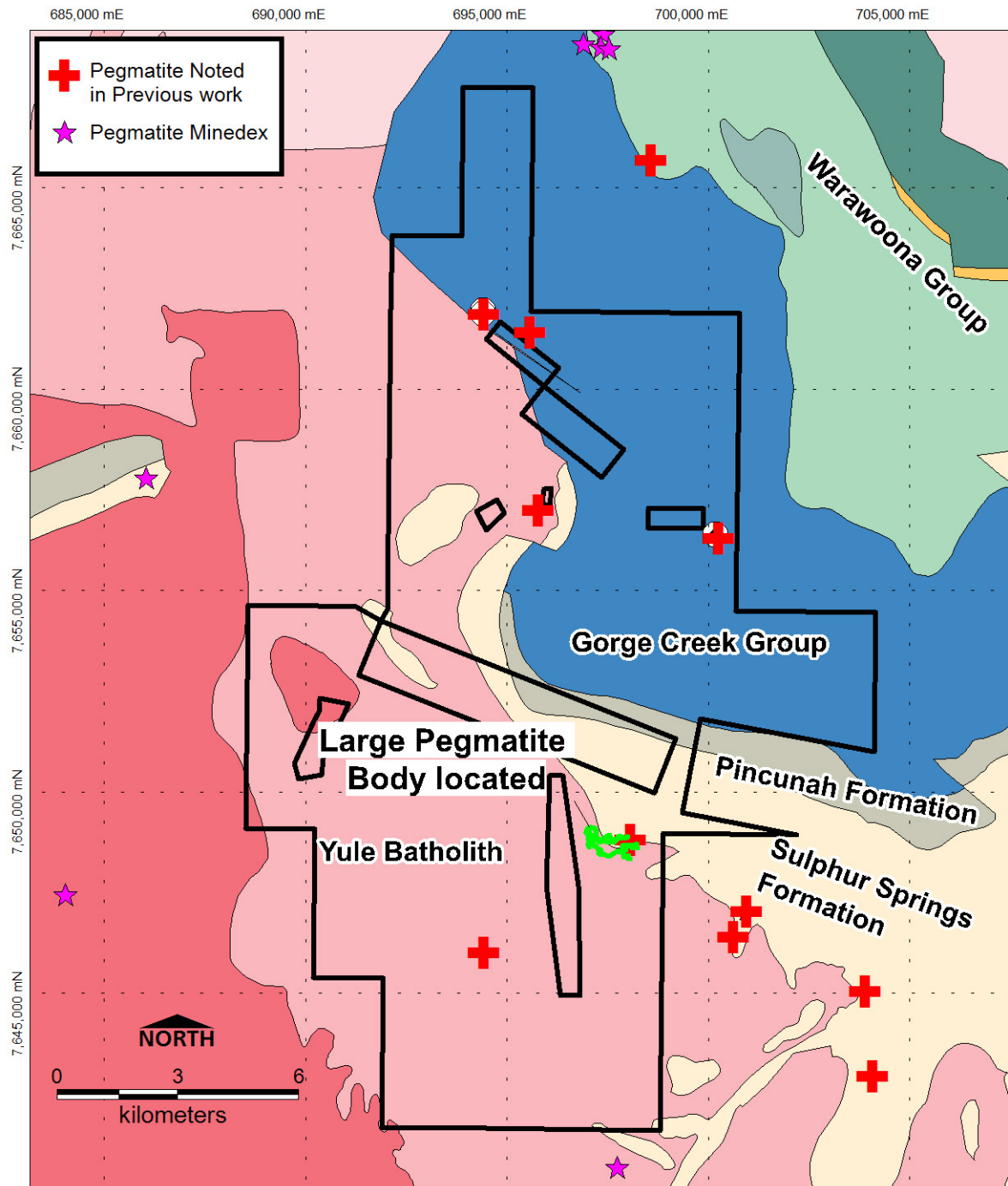


Figure 5 Simplified Geology and regional mineralisation with location of large pegmatite body located by Dynasty resources -North Shaw Project

These lithologies include mafic metamorphics, similar to those hosting the Wodgina and Pilgangoora pegmatites and sedimentary metamorphics which commonly host lithium pegmatites in other parts of the world.

The tenement is surrounded by competitors actively searching for lithium. Figure 6 shows the location of the tenement with respect to the major lithium occurrences in the area, and the competitor activity.

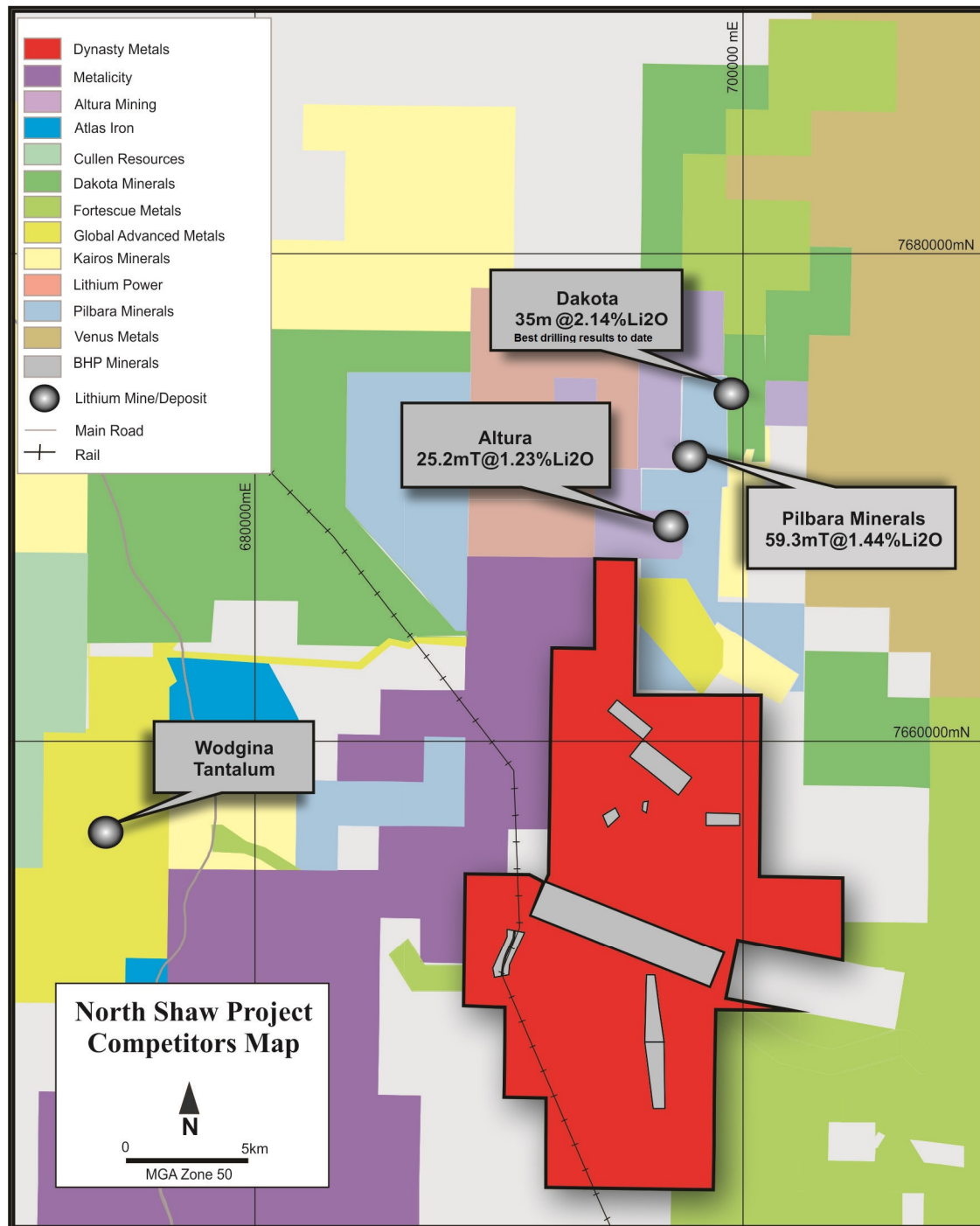


Figure 6 North Shaw Project regional competitor map

The tenement has had extensive previous tenure going back to the 1960's. A majority of the work completed in the area to date has been for gold, base metals and iron ores. Sons of Gwalia undertook a sampling program in 1993 over several pegmatites in the area trying to identify further tantalum resources. This identified several pegmatite swarms but there were no lithium assays from within the tenement and it is not known yet if there is significant lithium present in the pegmatites.

A review of these reports has identified the presence of pegmatites in the region as well as minor gold and base metal anomalism. The regional magnetics in figure 7 show the magnetic signatures to the known pegmatite resources in the region.

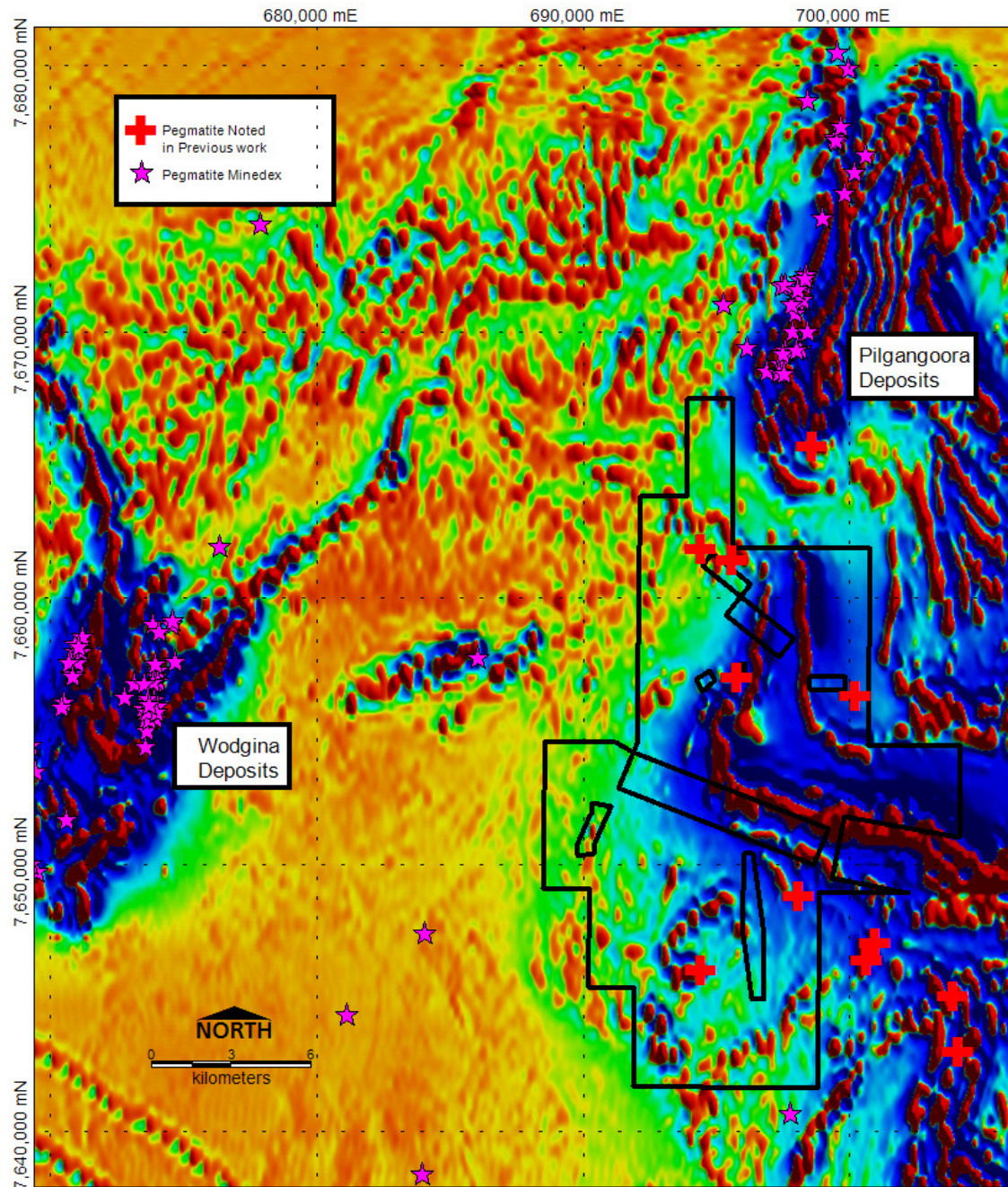


Figure 7 Regional Magnetics (1VD) North Shaw project

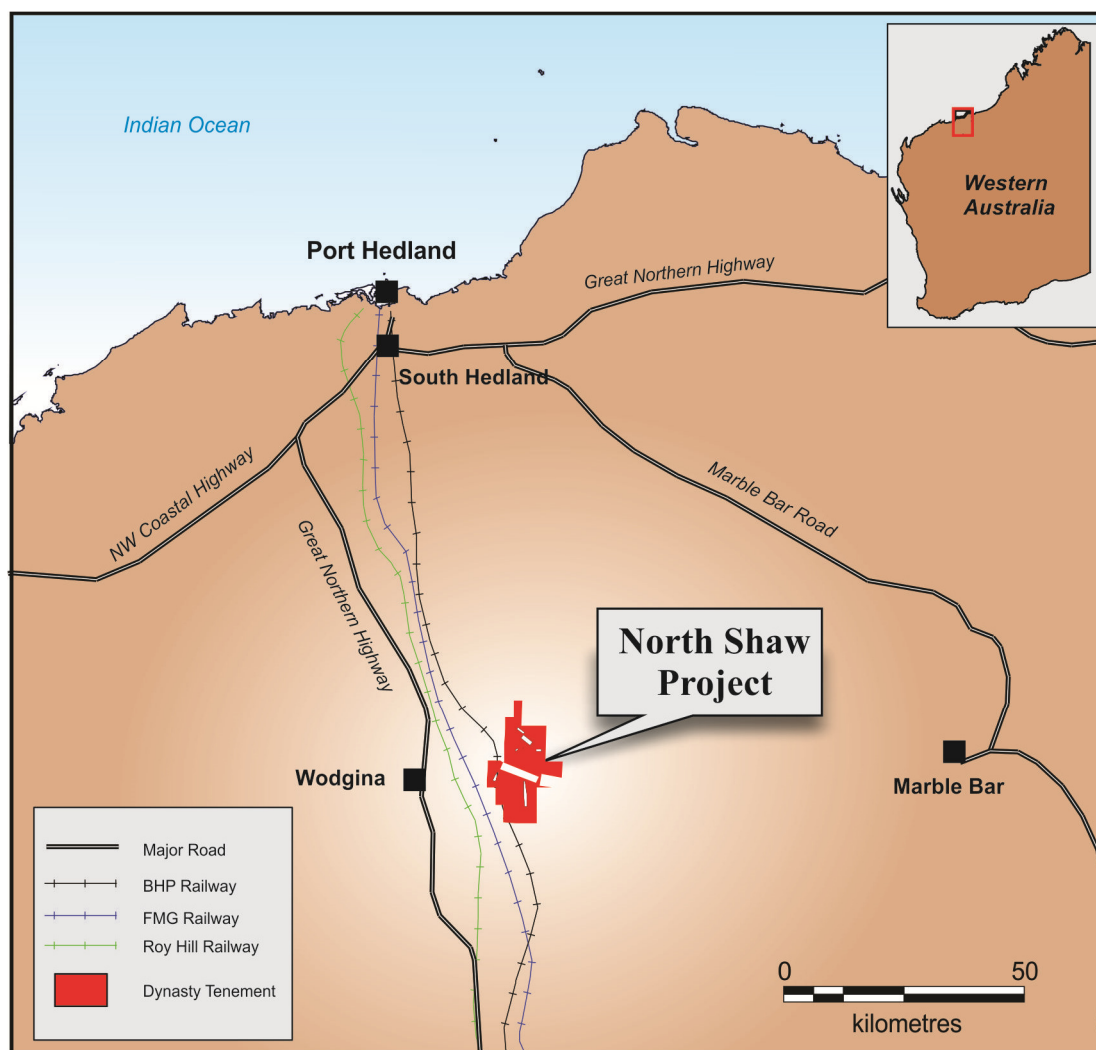


Figure 8 North Shaw - Project location

COMPETENT PERSONS STATEMENT

The information in this report that relates to exploration results and mineral resource calculations has been compiled by Mr David Jenkins, a full time employee of Terra Search Pty Ltd, geological consultants employed by Dynasty Resources Limited. Mr Jenkins is a Member of the Australian Institute of Geoscientists and has sufficient experience in the style of mineralisation and type of deposit under consideration and the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results ("JORC Code"). Mr Jenkins consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.