

DYNASTY

METALS AUSTRALIA LTD

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1 December 2005

Nicholas Ong
 Adviser, Issuers (Perth)
 Australian Stock Exchange Limited
 Level 8, Exchange Plaza
 2 The Esplanade
 Perth WA 6000

Dear Nicholas

STATEMENT OF COMMITMENTS BASED ON FUNDS RAISED

It is intended that the \$2,700,000 raised from the issue will be used as follows:

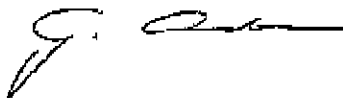
USE OF FUNDS	\$
Costs of fundraising and listing	150,000
Provision for Application handling fees	135,000
Tenement Purchases and Options	208,000
Reimbursement of loans	90,982
Exploration Programs Year 1	663,000
Exploration Programs Year 2	718,000
<u>Administration & working capital</u>	<u>665,018</u>
Total Expenditure (2 years)	2,700,000

Dynasty's detailed exploration programs and budgets are summarised as follows:

Project Year 1	\$
Bright	137,600
Bendoc	136,900
Laverton	178,600
<u>Stella Range</u>	<u>209,900</u>
Project Year 2	
Bright	197,000
Bendoc	144,500
Laverton	160,000
<u>Stella Range</u>	<u>216,500</u>
Total Years 1 & 2	1,381,000

Budget allocations for exploration on tenements which are still in the application stage will be made from working capital when they are granted.

Yours Sincerely



Graham Anderson
 Director & Company Secretary