QUARTERLY ACTIVITIES STATEMENT FOR THE PERIOD ENDING 31 MARCH 2009

This quarterly report is dated 30 April 2009 and is for the three months ending 31 March 2009.

Dynasty Metals Australia LTD (**Dynasty**) is an Australian mining company that is listed on the Australian Securities Exchange with an ASX code DMA.

HIGHLIGHTS

- At Warramboo, a program of ground radiometrics and surface geochemistry was commenced as part of the preparation for drilling in the 2009 field season, exploration approvals, geological and geophysical interpretations progressed.
- At Prairie Downs, approvals, geological and geophysical interpretations progressed in preparation for a drilling program for the 2009 field season, targeting three of iron targets
- Soil samples analysed for copper and ground magnetic on the Prairie Downs copper prospect have identified a number of cross cutting structures and several zones of elevated copper
- The Tiaro Joint Venture coal analysis of drill samples were completed during the quarter giving results indicative of coking coal.

CORPORATE

Cash Position at 31 March 2009: $2,549,000

Capital Structure

Quoted shares: 55,631,312

Unlisted options: 500,000 exercisable at $0.30 expiring 31 December 2009

20,917,029 exercisable at $0.35 expiring 28 February 2010

5,150,000 exercisable at $0.20 expiring 30 November 2009

500,000 exercisable at $0.20 expiring 1 September 2010

EXPLORATION – IRON ORE AND BASE METALS – PRAIRIE DOWNS PROJECT

The Prairie Downs tenements cover ~1300km^2. The northern tenements are situated 30km west of Newman.

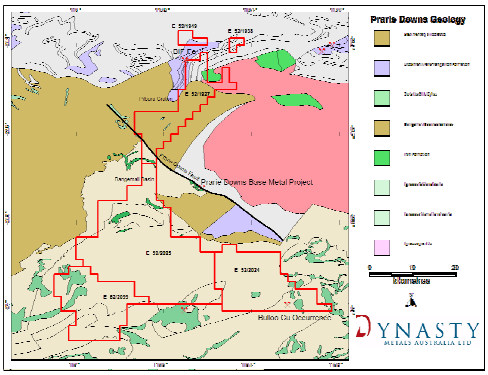

Figure 1 - Prairie Downs, Project Location, Regional Geology

Level 2, 131 Macquarie Street
Sydney NSW 2000 Australia

Telephone +61 2 9251 7177
Facsimile +61 2 9251 7500

www.dynastymetals.com.au

During the period, the work on the Northern tenements E52/1927, 1938 and 1949 included processing ASTER imagery to enhance the geological understanding and interpretation of ground magnetic and rock chip sample results collected in the December 08 quarter. The work has defined the four main priorities for further ground work and drilling. On the southern tenements E52/2024, 2025 and 2099 work concentrated on a copper prospect in the south of the Prairie Downs Tenements, Bulloo Copper

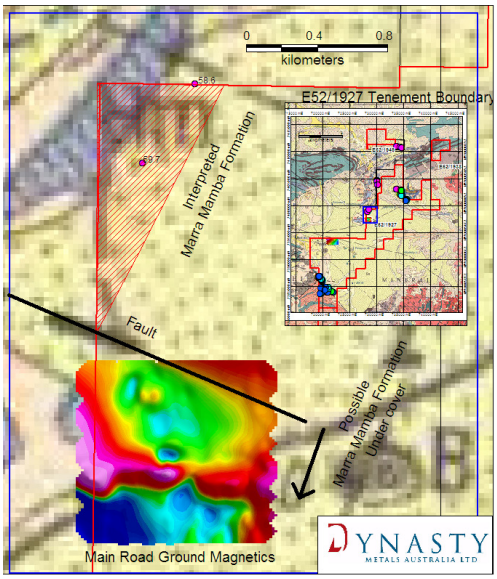

Figure 2 - Marra Mamba Prospect

There is outcropping Marra Mamba formation in one corner of the tenement where rock chip samples have returned >58% Fe. This formation is faulted to the south and may have been displaced further into Dynasty's ground to the southeast. Work in the following quarter will include gound magnetic and radiometric surveys followed by drilling.

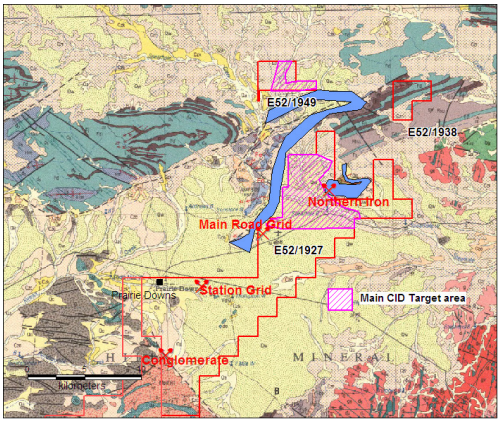

Figure 3 - Prairie Downs Channel Iron Prospect

The large areas of alluvial cover in the Prairie Downs project are considered a good target for channel iron deposits (CID). The geological setting is consistent with the formation of these deposits. Work this quarter will include ground radiometric and gravity surveys along with mapping of the plains to identify any outcropping CID.

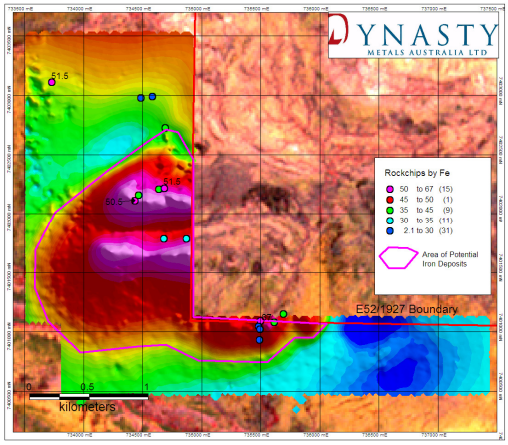

Figure 4 – Prairie Downs Northern Iron Prospect

Ground magnetics have defined a large body of Archaean banded iron formation (BIF) with good potential for significant enrichment and formation of economic Bedded Iron Deposit (BID). Rock chips of float material collected last quarter from this BIF have returned up to 67% Fe and outcrop over 50%Fe. This prospect is ready for Drill testing.

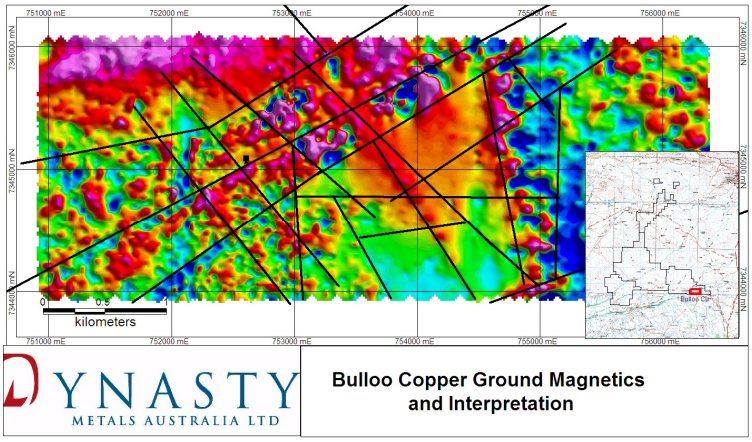

Figure 5 - Bulloo Copper Prospect

This prospect has been the focus of work to date with 8 rock chips and 525 soils and 140 line Km of ground magnetics. The prospect has secondary copper minerals at surface along a fault trending east –northeast.

The magnetic results shown in Figure 5, have identified several sub-parallel and crosscutting structures that may be controlling the mineralisation.

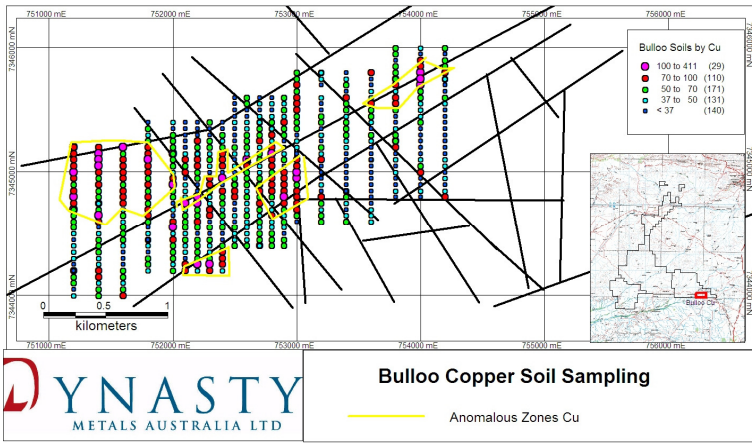

Figure 6 – Bullo Soil Geochemistry

Soil samples were analysed using a Portable XRF Niton instrument and
There are several zones of elevated copper (>70ppm Cu <400 ppm Cu over areas up to 1000m by 500m and obvious anomalies along the major structures. See Figure 6.

Several Drill targets have been defined for testing in the coming field season.

EXPLORATION – IRON ORE – WARRAMBOO PROJECT

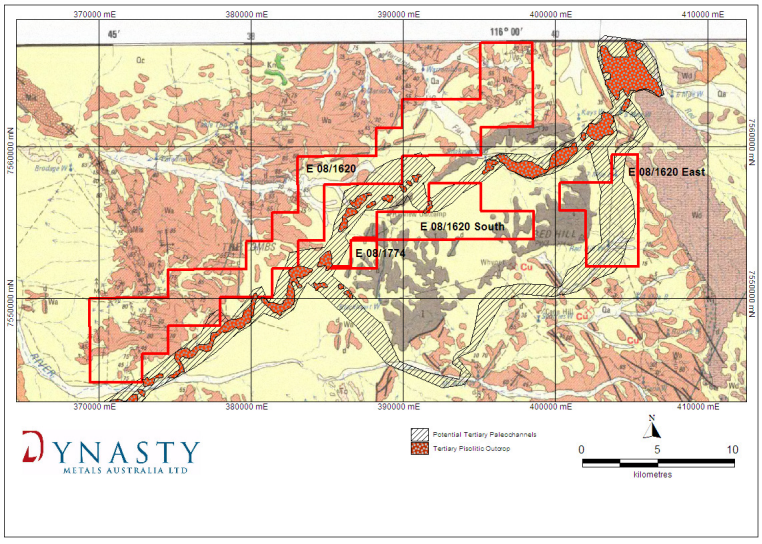

Figure 7 - Project Location, Regional geology.

A program of ground radiometric and surface geochemistry surveys was commenced in February. Torrential rain caused this program to be postponed to this quarter.

Results indicated that the rock chip sampling and ground radiometrics assists in delineating the boundaries of the tertiary paleochannels.

The continuation of this work has commenced.

EXPLORATION – COAL – MARYBOROUGH REGION QUEENSLAND

Dynasty has a 15% interest in the Tiaro Coal Joint Venture tenements EPC956 and EPC957. These tenements cover 516km^2 in the Maryborough Basin, SE Queensland.

Drilling undertaken during the quarter has identified several "working sections" within the coal measures some of which contain high CSN (swell) values indicative of metallurgical coals.

In 2008, a drilling program was completed and selected samples analysed. The program was conducted over the Shady Camp, T9, Munna Creek and Mungar prospect areas within the Tenements (Figure 8).

A total of 19 holes were completed for approximately 2,730 metres, of which three holes for 770 metres were diamond core.

The holes were designed to follow-up previous good coal intersections in the Shady Camp and Munna Creek areas; test the deeper section at Shady Camp and Munna Creek based on results of seismic surveys; test a new prospect area to the south of Shady Camp – T9, identified from detailed airborne geophysics; and follow up coal intersections in the Mungar Road area.

Holes were geologically sampled and geophysically logged where possible, and an initial analysis of coal intersected in each hole was made on the basis of the visual and geophysical logging.

Overall, coal was intersected in 11 of 13 effective percussion holes and in all three diamond drillholes (three percussion holes were not considered valid tests as they had to be abandoned before they reached the target depth).

Based on the geological sampling of the cuttings and core, and geophysical log results, coal intersections that may equate to economic "working sections" (based on 5m containing at least 50% coal) were obtained in 4 percussion holes and 2 diamond drill holes at Shady Camp, T9, and Munna Creek (**Figure**).

Intervals of possible oxidized coal were also recorded at shallow depth in at least two of the percussion holes; these are significant as they may represent the near-surface location of possible shallow economic coal seams.

Drill holes completed to date were spaced at approximately 1 to 2km. The target zone located in the western part of the Tenements (including Shady Camp, T9, and Munna Creek targets) which were drill tested is approximately 10km long and 2 to 4km wide.

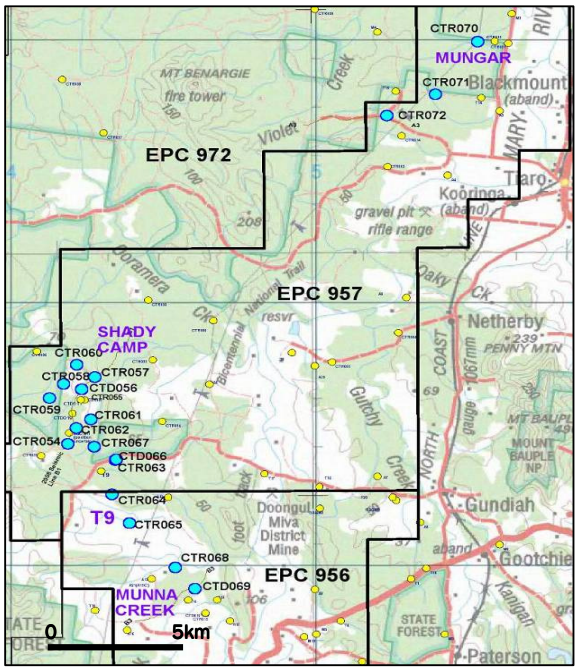

Figure 8 - 2008 drillholes (blue)
previous drillholes (yellow)

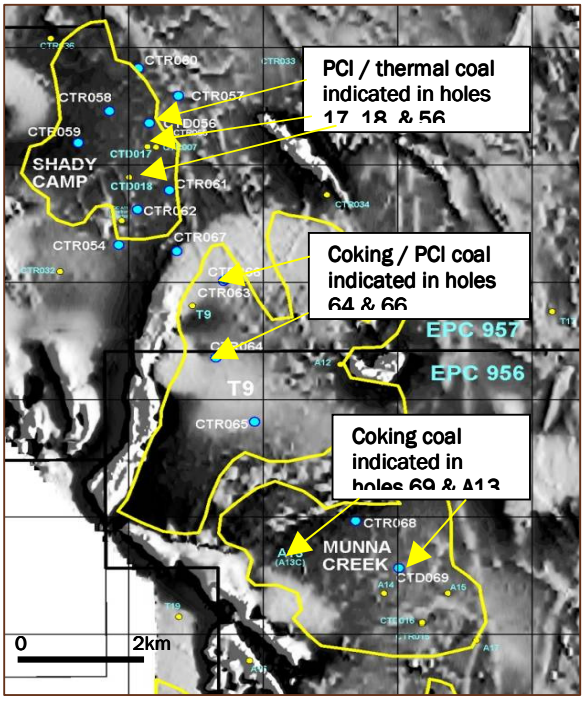

Figure 9 - 2008 drillholes (blue)
previous drillholes (yellow)
Yellow outline indicates future target areas,
Background image is magnetic first vertical derivative

Core Quality Determined

Based on completed washing tests, washed product with approximately 10% ash (at about 40% yield) can be expected. Tests on samples from drill holes in the central and southern part gave high CSN (swell) numbers indicative of coking coal. Samples from the drill hole in the northern part are indicative of PCI type coal.

The determination of coal of potentially marketable quality has been based on visual identification in cuttings or core samples, and analysis of geophysical log data. Based on this assessment, 26 samples were selected and submitted to the ACIRL coal facility in Brisbane for testing to ascertain coal quality characteristics. The majority of samples were from the three cored holes, due to the better quality of sample obtained, and more reliable results expected from such sampling. Some percussion chip samples were also submitted for raw coal testing as a comparison with the core results, and in areas where no other data are available.

Table 1 – Summary results on samples submitted for float / sink testing (F1.4 fraction)

Hole	Sample Reference	Yield	Ash	Volatile matter	Gray King	Moisture (air dried basis)	Rv0 max	CSN	Sulphur (dry, ash free)	Max Fluidity	Dilatation
		%	%	%		%			%	ddm	%
CTD 056	1	22.7	9.7	15	B	1.4	1.94	3.5	0.69	0	-2
	2	39.9	9.5	18.3	B	1.8	1.68	1	0.68	0	-3
CTD 066	3	35.1	11.4	21.4	G1	1.4	1.47	>9.0	0.62	4	15
	4	42.9	11.8	24.6	G10	1.4	1.31	>9.0	0.64	200	105
CTD 069	5	34.2	10.5	22.8	G	1.3	1.38	>9.0	0.69	150	96
A13*	6	37	13	32	na	2	na	9	0.62	na	na

* Historical data from Allied Qld Coalfields 1984 report to Mines Dept (CR13090); data is for F1.45 F/S fraction

Sample Reference	Interval Roof (m)	Interval Floor (m)	Total Interval (m)	Comments
1	82.38	85.6	3.22	composite of 2 samples (sampled length 2.64m)
2	115.7	121.29	5.82	composite of 3 samples (sampled length 1.75m)
3	93.3	94.3	1.00	full interval
4	165.65	166.85	1.20	full interval
5	219.25	230.85	11.6	composite of 3 samples (sampled length 3.03m)
6	45.68	47.83	2.15	some core loss noted, 71% of interval recovered and analysed

Samples were submitted for the Shady Camp, T9 and Munna Creek areas.

The samples were submitted for initial raw coal analyses (proximate analysis to determine standard ash, moisture, density, volatile matter, and specific energy) and washability (float/sink) tests on 7 composites of selected samples (summary results of three cored holes are presented in Table 1).

The results of the initial test work indicate:

- The potential occurrence of premium coking coal product in the T9 and Munna Creek areas, as indicated by the high CSN (swell) values, has been recognised.
- The yields for these coals are also relatively good (best is 68% at 16% ash, or 40% at 9.5% ash), but it must be noted that several of the samples (e.g. from CTD069 at Munna Creek) are from deep intervals, and are composites of narrow bands of coal over broad intervals.
- This now confirms the old AQC result (hole A13) in which high CSN values were reported.
- Percussion holes CTR65 and CTR68 at T9 and Munna Creek returned good coal intervals based on geophysical logs.
- On this basis, the potential for determining an economic resource through further exploration at T9 and Munna Creek is enhanced.

2009 JORC resource drilling program

A major drilling program has been designed to test Target area A (Figure 4); the objective being to define a JORC compliant resource.

Phase 1: Target definition & correlation drilling

- Diamond drill hole
- Percussion drill holes

Phase 2: JORC inferred resource drilling

- Diamond & Percussion drill holes (indicative locations shown, to be finalised following Phase 1 program) - black ellipse shows size of possible Phase 2 follow-up target area that would yield resource of about 15Mt (based on 5m working section containing at least 50% coal).

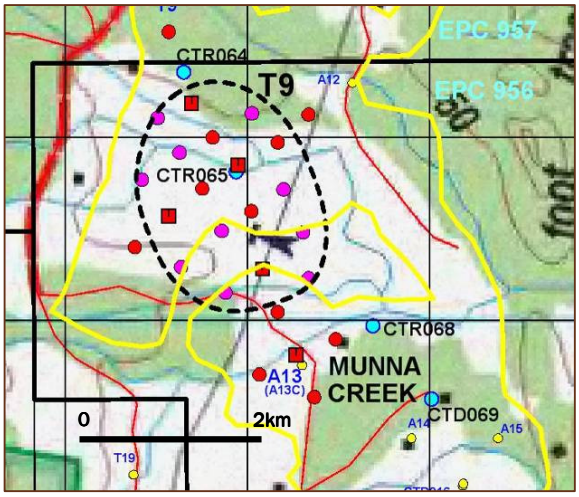

Figure 1 - Target area A

By order of the Board:

Malcolm Carson

Technical Director

For further information please contact either Messrs:

Malcolm Carson (Technical Director) on 0417692849

Lewis Tay (Executive Director) on 0433166818

Richard Oh (Chairman) on 0411697249

Qualifying statement

Malcolm Carson has compiled the information in this report from information supplied by Dynasty Metals Limited. Malcolm Carson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results. 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.