



**NON-RENOUNCEABLE  
RIGHTS ISSUE**

**OFFER DOCUMENT**

For a non-renounceable offer of New Shares at an issue price of \$0.05 per share  
to raise approximately \$1.06 million

**The last date for applications is 7 May 2013**

**THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY. IF YOU HAVE ANY QUERIES  
PLEASE CONSULT YOUR STOCKBROKER OR OTHER PROFESSIONAL ADVISER WITHOUT DELAY.**

[www.dynastymetals.com.au](http://www.dynastymetals.com.au)  
[admin@dynastymetals.com.au](mailto:admin@dynastymetals.com.au)

## **1. IMPORTANT NOTICES**

### **1.1. Date**

This Offer Document is dated Friday, 5 April 2013 and was lodged with the ASX on this date. ASX takes no responsibility for the content of this Offer Document.

### **1.2. No disclosure**

This Offer is being made without a prospectus in accordance with section 708AA of the Corporations Act. This Offer Document is not a prospectus or any other form of disclosure document regulated by the Corporations Act and has not been lodged with ASIC. Accordingly, this Offer Document does not contain all of the information which a prospective investor may require to make a decision as to whether to subscribe for New Shares. Further, this Offer Document does not contain all of the information which would otherwise be required to be disclosed in a prospectus.

### **1.3. Jurisdiction**

This Offer does not constitute an offer or invitation to subscribe for New Shares in any jurisdiction in which, or to any person whom, it would not be lawful to make such an offer or invitation or issue this Offer Document. No action has been taken to register or qualify the Offer, or the Shares to be issued thereunder, or otherwise permit the offering of new Shares in any jurisdiction outside Australian and New Zealand.

### **1.4. Publicly available information**

Information about the Company is publicly available and can be obtained from ASIC, ASX and other sources, including the Company's website [www.dynastymetals.com.au](http://www.dynastymetals.com.au). Any such publicly available information is not incorporated into this Offer Document and does not form part of the Offer. This Offer Document is intended to be read in conjunction with publicly available information in relation to the Company which has been notified to ASIC and ASX. Investors should have regard to that information prior to making a decision to subscribe for New Shares pursuant to the Offer.

### **1.5. Definitions**

Certain terms used in this Offer Document are defined in the Glossary of this Offer Document.

### **1.6. Financial amounts**

Money as expressed in this Offer Document is in Australian dollars unless otherwise indicated.

### **1.7. Not financial product advice**

The information contained in this Offer Document is not and should not be considered to be financial product advice. The information is general only and has been prepared without any actual or implied knowledge or consideration of the investment objectives, financial situation, taxation position or other particular needs or requirements of you or any other person. You should read this Offer Document in its entirety and seek independent professional advice prior to participating in the Offer.

### **1.8. No recommendation**

The information contained in this Offer Document is not a recommendation by the Company (or its officers, employees, agents or advisers) to any person that they should subscribe for New Shares pursuant to the Offer.

### **1.9. Governing Law**

This Offer Document, the Offer and the contracts formed on acceptance of Applications are governed by the laws applicable in Western Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Western Australia.

### **1.10. Disclaimer**

To the maximum extent permitted by law, no representation, warranty or undertaking, express or implied, is made, and to the maximum extent permitted by law, no responsibility or liability is assumed by the Company or its related entities or by any of its officers, employees, agents or consultants or any other person as to the adequacy, accuracy, completeness or reasonableness of this Offer Document. To the maximum extent permitted by law, no responsibility is accepted for errors or omissions from this Offer Document, whether arising out of negligence or otherwise.

### **1.11. Future performance and forward looking statements**

Neither the Company nor its Directors or any other person warrants or guarantees the future performance of the New Shares. Forward looking statements, opinions and estimates provided in the Offer Document are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company, which could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Offer Document.

### **1.12. Risks**

Please refer to the non-exhaustive summary of risks relating to the Offer contained in section 7 of this Offer Document.

### **1.13. Taxation consequences**

You should be aware that there may be taxation implications associated with subscribing for New Shares pursuant to the Offer. The Company does not consider it appropriate to give advice regarding the taxation consequences of subscribing for New Shares under this Offer Document or the subsequent disposal of any New Shares allotted and issued under this Offer Document. No responsibility or liability whatsoever is accepted by the Company, its officers or advisers in relation to the taxation consequences of the Offer. The Company recommends that all Eligible Shareholders consult their own professional tax advisers in connection with the Offer.

### **1.14. Enquiries**

If you have any questions in relation to the Offer, please contact your stockbroker, solicitor, accountant or other professional adviser. If you have any questions with respect to completing the Entitlement and Acceptance Form, please contact our Share Registry, Security Transfer Registrars, on (08) 9315 2333.

### **1.15. Privacy**

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly, or to the Share Registry). The Company collects, holds and uses that information to assess your Application, service your needs as a Shareholder, and facilitate distribution payments and corporate communications to you as a Shareholder. Company and tax law requires some of this information to be collected. If you do not provide the requested information, the Company may be unable to process your Application. You can access, correct and update the personal information we hold about you by contacting the Share Registry. Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act, the Corporations Act and rules such as the ASTC Settlement Rules.

## 2. LETTER FROM THE CHAIRMAN

5 April 2013

Dear Shareholder,

I am pleased to invite you to participate in a 1-for-5 non-renounceable Rights Issue at \$0.05 per Share to be made by the Company (**Rights Issue**). This Offer Document outlines the details of the Rights Issue.

Key dates for receipt of subscriptions and completion of the offer are set out in this Offer Document. It is proposed to raise approximately \$1.06 million less offer expenses by this Rights Issue if fully subscribed.

I wrote to Shareholders on 7 March 2013 providing an update on the Company's exploration and other corporate activities. The Board are committed to a drilling program at the Marandoo project in the Pilbara region of Western Australia. In addition to this, ongoing testing on the beneficiation process for our flagship Spearhole project is showing promise.

On the basis of this, the Company is seeking to raise additional funds to ensure there is sufficient working capital available as and when required by the Company.

The proceeds from this Rights Issue will be used to fund these exploration activities.

A personalised Entitlement and Acceptance Form is attached and you will need to complete that Form and return it with payment by the Closing Date to participate in the Rights Issue. The Closing Date for acceptance and payment is 5.00pm (Perth time) on Tuesday, 7 May 2013.

New Shares will rank equally with existing Shares. No dividend is expected to be paid on Shares in the Company in respect of the year ending 30 June 2013.

To the extent that you do not take up your entitlement to Rights (Entitlement), your interest in the Company will be diluted.

On behalf of the Directors, I look forward to welcoming your subscriptions under the terms of this Rights Issue.

Yours faithfully,



Thomas Pickett  
Independent Chairman

### 3. SUMMARY OF OFFER

Offer Period	Wednesday, 17 April 2013 to 5.00pm on Tuesday, 7 May 2013
Number of shares on offer	Maximum of 21,226,702 fully paid ordinary shares
Shares currently on issue	106,133,509
Capital to be raised	\$1.06 million approximately less Offer costs

### 4. OFFER HIGHLIGHTS

#### 4.1. The Offer

The Company is offering Eligible Shareholders the opportunity to subscribe for additional fully paid ordinary shares in the Company (New Shares).

To be eligible to participate in the Offer, you must:

- be registered as an eligible Shareholder at 7.00pm (WST) on Tuesday, 16 April 2013 (**Record Date**); and
- have an address in Australia or New Zealand as recorded at the Share Registry as at the Record Date.

Eligible Shareholders will be entitled to apply for 1 New Share for every 5 Shares held at an issue price of \$0.05 each per New Share.

#### 4.2. New Shares

New Shares issued pursuant to this Offer will be fully paid and rank equally with existing Shares. The rights and liabilities attaching to the New Shares are set out in the Constitution of the Company and in the Corporations Act.

#### 4.3. Overseas Shareholder

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. The distribution of this Offer Document in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Offer Document should seek advice on, and observe any, of these restrictions. Failure to comply with these restrictions may violate securities laws. No action has been taken to register or qualify these Shares or otherwise permit a public offering of the Shares the subject of this Offer Document in any other Jurisdiction.

Eligible Shareholders should consult their professional advisers as to whether any government or other consents are required, or other formalities need to be observed, to enable them to exercise their Entitlements under the Offer. It is the responsibility of applicants outside Australia to obtain all necessary approvals for the allotment and issue of the Shares pursuant to this Offer Document. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the applicant that all relevant approvals have been obtained

#### 4.4. Key dates of the offer are as follows:

Event	Date
Offer Document and Appendix 3B lodged with ASX	5 April 2013
Notice sent to shareholders	8 April 2013
Shares quoted on an "ex" entitlement basis	10 April 2013
Record Date	16 April 2013
Opening Date	17 April 2013
Offer Document and Entitlement and Acceptance Forms sent to Eligible Shareholders	18 April 2013

Closing Date for acceptance and payment	7 May 2013
Shortfall Notification Date	9 May 2013
Despatch date/Shares entered into Shareholders' security holdings	15 May 2013
Trading on ASX of New Shares	16 May 2013

The timetable outlined above is indicative only and is subject to change. The Company reserves the right to vary these dates, subject to compliance with the Corporations Act and the Listing Rules. The Company reserves the right to withdraw the Offer at any time before the allotment and issue of the New Shares in its absolute discretion.

#### 4.5. Use of Proceeds

The Company intends to use the proceeds from this Rights Issue to fund ongoing exploration activities and working capital for ongoing operations. Planned work with the highest priority is as follows:

- Drilling of structural and stratigraphic targets at E47/2396 (Marandoo);
- Ongoing metallurgical testing to improve yield and/or grade at the Spearhole project;
- Continued discussions on infrastructure solutions for the Spearhole project; and
- Target identification on the Roy Hill and Prairie West Projects

#### 4.6. Effect on Capital Structure

Below is a table to illustrate the changes in the capital structure of the Company as a consequence of this Offer Document, assuming that the offer is fully subscribed.

	Number
Issued Shares at the date of this Offer Document	106,133,509
New Shares which will be issued as part of the Offer	21,226,702
Issued Shares following completion of the Offer	127,360,211

#### 4.7. Rights Issue Notice

The Company has lodged with ASX a notice in accordance with section 708AA of the Corporations Act which sets out, amongst other information, the effect of the Offer on the control of the Company, taking into account the identity and current shareholdings. This notice may be reviewed on the Company's website [www.dynastymetals.com.au](http://www.dynastymetals.com.au) and in the Company's releases on ASX.

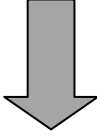
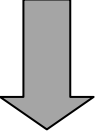
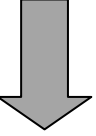
#### 4.8. Effect on Control

The Offer will not have any material effect on the control of the Company.

## 5. ACTION REQUIRED BY SHAREHOLDERS

### 5.1. Options available to Eligible Shareholders

If you are an Eligible Shareholder, you may:

① Take up all of part of your Entitlement	② Apply for more than your Entitlement	③ Do Nothing
<p>Complete and return the Entitlement and Acceptance Form</p> <p style="text-align: center;"></p> <p>Increased \$ investment in the Company – your proportionate shareholding will remain the same OR your proportionate shareholding will be diluted if you take up part of your entitlement</p>	<p>Complete both sections for your Entitlement and complete number of Additional New Shares and return the Entitlement and Acceptance Form</p> <p style="text-align: center;"></p> <p>Increased \$ investment in the Company and increase your proportionate shareholding</p>	<p>You will not be allocated any New Shares</p> <p style="text-align: center;"></p> <p>Your proportional shareholding in the Company will be diluted</p>

### 5.2. How to accept the Offer

If you are an Eligible Shareholder and wish to take up all or part of your Entitlement:

1. read this Offer Document in full and decide whether to participate;
2. consider the risks associated with the Offer, as summarised in section 7, in light of your personal circumstances;
3. complete the personalised Entitlement and Acceptance Form accompanying this Offer Document when applying for all or part of your entitlement in accordance with the instructions set out on the form;
4. complete the personalised Entitlement and Acceptance Form accompanying this Offer Document when applying for all your entitlement and complete for additional new shares in accordance with the instructions set out on the form;

Applicants should mail their completed Form and Application Monies early to ensure they arrive at the postal address specified above by 5.00pm (WST) on Tuesday, 7 May 2013 (or such other date as may be determined by the Company) by mail to:

Security Transfer Registrars Pty Ltd  
PO Box 535  
Applecross WA 6953

For any **Enquiries** please call Security Transfer Registrars Pty Ltd: +61 8 9315 2333.

**If you do not subscribe for your Entitlement by the Closing Date, your Entitlement will lapse.**

The offer of Additional New Shares is a separate offer made pursuant to this Offer Document as set out in section 5.10.

### **5.3. Payment**

The Issue Price of \$0.05 per New Share is payable in full on exercise of your Entitlement. For all Eligible Shareholders payments must be received by 5.00pm (WST) on Tuesday, 7 May 2013.

Shareholders should be aware of the time required to process payments by cheque and BPAY in choosing the appropriate application and payment method.

Payment will only be accepted in Australian currency and must be:

- by cheque, money order or bank draft drawn on an Australian financial institution, made payable to "Dynasty Metals Australia Limited" and crossed "Not Negotiable", or
- through the BPAY facility according to the instructions set out on the Entitlement and Acceptance Form.

Cash will not be accepted. Receipts for payment will not be issued. If you provide insufficient funds to meet the Application Monies due to take up all or part of your Entitlement, you may be taken by the Company to have applied for such lower number of New Shares as your cleared Application Monies will pay for, or your Application may be rejected.

Any Application Monies received from Eligible Shareholders for more than their Entitlement of New Shares are subject to acceptance at the discretion of the Board.

No interest will be paid to applicants on any Application Monies received or refunded.

### **5.4. Declining to take up your Entitlement**

If you decide not to participate in the Offer, you do not need to fill out or return the accompanying Entitlement and Acceptance Form. You will receive no payment for any Entitlement not taken up.

### **5.5. No rights trading**

As the Rights are non-renounceable, you cannot trade your rights on ASX or otherwise dispose of your Rights to any other party.

### **5.6. No brokerage**

Shareholders who participate in the Offer will not be charged brokerage or commissions in relation to their acceptance of their Entitlement.

### **5.7. Application is unconditional**

You cannot withdraw your application once it has been accepted.

### **5.8. Investment decision**

The Offer is being made under provisions of the Corporations Act which allow rights issues to be made without a disclosure document. This Offer Document does not purport to contain all the information that you may require to evaluate a possible application for New Shares.

### **5.9. CHESS**

The Company participates in the Clearing House Electronic Sub register System, known as CHESS. ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532 (ASTC), a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and ASTC Settlement Rules. Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are registered in the Issuer Sponsored Sub register, your statement will be despatched by Security Transfer Registrars Pty Ltd and will contain the number of New Shares issued to you under this Offer Document and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes.



### **5.10.Shortfall – applications for Additional Shares (Shortfall and Placement Offers)**

Any New Shares not accepted by Eligible Shareholders under their Entitlements together with shares that otherwise would have been available to Ineligible Shareholders, will form part of the Shortfall Shares.

The Directors reserve the right to issue Additional Shares pursuant to applications under the Shortfall Offer, subject to any restrictions imposed by the Corporations Act and the Listing Rules. Eligible Shareholders (excluding the Directors and any other related parties of the Company) may, in addition to their Entitlement, apply for Additional Shares under the Shortfall Offer. The Shortfall Shares will be dealt with as set out in this section 5.10 by way of the Shortfall Offer and the Placement Offer. If any New Shares remain after completion of the simultaneous Shortfall Offer then they may subsequently be placed by the Directors by way of the Placement Offer.

The issue price of the Additional Shares offered pursuant to the Shortfall Offer and Placement Offer is \$0.05 per Additional Share, being the price at which the Entitlement has been offered to Eligible Shareholders pursuant to this document.

#### **(a) Shortfall Offer**

You may simultaneously apply for Additional Shares at the same time as you apply for your full Rights Issue Entitlement by specifying the number of New Shares for which you wish to apply on the Entitlement and Acceptance Form in accordance with the instructions on that form. You must also provide application moneys to cover the issue price for all of the Additional Shares for which you are applying. Sub-section 708AA(13)(a) of the Corporations Act, as modified by ASIC Class Order 08/35, permits the Company to offer the Shortfall Shares to Eligible Shareholders who participated in the Rights Issue Offer no later than two months after the first offer is made under the Rights Issue Offer. Any potential Shortfall Shares are being offered to Eligible Shareholders at the same time as the Rights Issue Offer, under this document.

Additional Shares will only be issued under the Shortfall Offer if the Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. If the Company receives applications for Additional Shares under the Shortfall Offer that would result in the Offer being oversubscribed then the Company will scale back applications for Additional Shares. Accordingly, there is no guarantee that you will receive the Additional Shares you apply for in excess of your Entitlement. If the scale back results in fractions of Additional Shares, any such fractions will be rounded up to the nearest whole New Share.

The Board reserves the right to allot to an Applicant for Shortfall Shares a lesser number of Shortfall Shares than the number for which the Applicant applies, or to reject an application, or to not proceed with placing the Shortfall Shares. If you do not receive all of the Additional Shares you applied for, the excess application moneys will be returned to you without interest. Additional Shares under the Shortfall Offer will be issued to Eligible Shareholders at the same time as the issue of New Shares under the Rights Issue Offer.

Any Shareholder applying for Additional Shares under the Shortfall Offer is responsible for ensuring that, by participating in the Shortfall, they do not breach the 20% ownership takeover threshold. Please see section 5.11 below.

#### **(b) Placement Offer**

Any Shortfall Shares not subscribed for by Eligible Shareholders under the Shortfall Offer may subsequently be placed at the discretion of the Directors under section 708 of the Corporations Act. In order for any placement of the Shortfall Shares to be exempt from ASX Listing Rule 7.1, Exception 3 to ASX Listing Rule 7.2 requires that the Company must make any placement of the Shortfall Shares within three months after the close of the Rights Issue Offer at an issue price that is not less than the price at which the New Shares were offered under the Rights Issue. The Directors of the Company, therefore, reserve the right to issue any or all of the Shortfall Shares at their discretion on this basis.

The placement (if any) of any or all such remaining Shortfall Shares will therefore occur within three months of the Closing Date, and will be on the same terms as are offered to the Eligible Shareholders under this document. The Placement Offer may be made to either existing and/or New Shareholders.

### 5.11. Takeover threshold

If all Eligible Shareholders were to take up their Entitlements in full, then the Offer would have little, if any, effect on the control of the Company. However, the proportional interests of Ineligible Shareholders will be diluted because such Shareholders are not entitled to participate in the Offer. In addition, if some Eligible Shareholders do not take up all of their Entitlements under the Offer, then the shareholding interest of those Eligible Shareholders may be diluted.

Subject to a number of exceptions, section 606(1) of the Corporations Act prohibits a person from increasing their voting power in the Company from 20% or below to more than 20% or from a starting point that is above 20% and below 90%.

Accordingly, if you are an Eligible Shareholder who wishes to either take up some or all of your Entitlement or to participate in the Shortfall, you must not submit your Entitlement and Acceptance Form if to do so would result in a breach of section 606 of the Corporations Act, unless any of the exceptions in the Corporations Act apply to you.

If you are an Eligible Shareholder to whom this section of the Corporations Act may apply, you should seek independent legal advice. It is the responsibility of Eligible Shareholders to satisfy themselves that applying for New Shares under the Offer or the simultaneous Shortfall Offer will not involve any breach by them of the takeover provisions of the Corporations Act.

In the event that any Shortfall Shares not subscribed for by Eligible Shareholders under the Shortfall Offer are subsequently placed by the Company with existing and/or New Shareholders under the Placement Offer, the same responsibilities in relation to not breaching the takeover provisions of the Corporations Act apply to any such existing and/or New Shareholders as they do to any Eligible Shareholders who participated in the Rights Issue Offer or the Shortfall Offer as noted above.

## 6. DIRECTORS' INTEREST AND PARTICIPATION

Each Director's relevant interest (direct and indirect) in the securities of the Company at the date of this document and their Entitlement is set out in the table below.

### 6.1. Director Existing Shares Entitlement

Director	Existing Shares	Entitlement
Thomas Pickett	2,500	500
Lewis Tay	3,168,409	633,682
Bin Wang	-	-
Bo Xin Dong (Alternate Director for B Wang)	5,439,164	1,087,833

### 6.2. Directors' Participation

The Directors have indicated that they intend to participate in the Rights Issue and take up their full Entitlement as set out above.

## 7. RISK FACTORS

An investment in New Shares should be regarded as speculative and is a decision which is subject to the same type of risks which are ordinarily associated with purchasing company shares in ASX listed companies.

The brief summary of risk factors set out below is not exhaustive. Eligible Shareholders should consider these risks carefully and, if they are in any doubt, should consult their financial, legal or other professional adviser.

### **7.1. General risk factors**

As is the case with any investment listed on ASX, the value of New Shares may rise above or fall below the Issue Price. Movement in the Company's share price may be attributable to any number of factors associated with financial and operating conditions. Similarly, external factors may have a bearing on the value of New Shares, over which the Company has no control.

The success of the Company is dependent upon a number of factors, including:

- economic conditions in Australia and overseas;
- share market fluctuations;
- the demand for, and supply of, capital
- liquidity for Shares and the lack of an active market for Shares;
- changes to fiscal, monetary, regulatory and other government policies;
- any future changes to tax laws or accounting standards;
- the discovery of commercially viable prospects;
- the availability of sufficient funding to enable exploitation of those viable prospects; and
- stability and growth in international resources markets.

The Company is subject to a number of risks (including the inherent risks associated with mineral exploration) and other factors that may impact both on its future performance and the market price at which its Shares trade. The mineral tenements held, either directly or via investment in other entities, are at a preliminary exploration stage. Accordingly, investment in the Shares offered by this Offer Document should be considered speculative. The Directors strongly recommend that investors examine the contents of this Offer Document and consult their professional advisers before deciding whether to apply for Shares. In addition to this the Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors that may affect the future operating and financial performance of the Company and the value of an investment in it.

A summary of some of the major risk factors that face both the Board of Directors of the Company and Shareholders is set out below. The list is not exhaustive and potential investors should seek professional advice if they require further information on material risks.

### **7.2. Speculative Investment**

The Company is at an early stage of its development and accordingly there are significant risks associated with investing in the Company. Potential investors should take into account the significant risks of investing and consider carefully whether investing in the Shares is an appropriate investment in light of their personal circumstances.

### **7.3. Exploration**

Mineral exploration is speculative and involves significant risks which even the highest levels of experience, care and planning cannot control. There is no assurance that exploration programmes will be successful in the discovery of new ore bodies or the delineation of resources in any or all of the Company's activities.

### **7.4. Economic Factors**

Demand for commodities and factors such as inflation, foreign currency fluctuations, interest rates, industrial disruption, political decisions, cost overruns and technical problems all affect the ability of a company to profit from any mineral discovery. The international market prices for commodities are beyond the control of the Company.

### **7.5. Capital Funding Risk**

The Company has no income producing assets and is dependent upon being able to obtain future equity, debt or joint venture funding to support long term exploration, evaluation and development of its properties. There is no assurance that the Company will be able to raise such capital when it is required or that the terms associated with the provision of such capital will be satisfactory to the Company.

## **7.6. Stock Market**

The price of the Company's securities may be highly volatile and can be expected to fluctuate depending on various factors including exploration success, market sentiment, commodity price, interest rates, and general economic conditions.

## **7.7. Liquidity Risk**

There can be no guarantee that there will continue to be an active market for the Shares. There may be relatively few buyers or sellers of Shares on the ASX at any given time, particularly as some of the Directors (including Alternate Directors) hold substantial shareholdings in the Company. This may affect the volatility of the market price of Shares and the prevailing price at which Shareholders will be able to sell their Shares. This may result in Shareholders receiving a market price for their Shares which is less or more than the price paid for the new Shares.

## **7.8. Native Title**

Native Title claims will affect some of the Company's tenements. Heritage surveys need to be completed before planned exploration programmes can be conducted.

The potential also exists for further native title claims to be lodged over any areas including land in which the Company presently has interests, or in which it may acquire interests in the future. Native title claims have the potential to cause significant delays to exploration.

## **7.9. Environmental Considerations**

Any exploration activity undertaken by the Company is subject to statutory environmental conditions.

## **7.10. Commodity Prices**

The Company's prospects and Share price will be influenced by the price of the commodities targeted in its exploration programs. Commodity prices fluctuate and are affected by factors including the relationship between global supply and demand for minerals, forward selling by producers, the cost of production and general global economic conditions.

## **7.11. Reliance on Key Personnel**

The Company relies to a significant extent upon the experience and expertise of the Directors and its advisers. These persons possess knowledge of many of the Company's tenements through extensive personal experience of prospecting in those areas. Loss of one or more of these personnel may adversely affect the Company's prospects of pursuing its exploration programs within the timeframes and within the cost structure as currently envisaged.

## **7.12. Tenure and Access**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for tenements will be approved. The Company's tenements, and investments are subject to numerous Western Australian legislative conditions.

## **7.13. Enumerated Risks not Exclusive**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Rights Issue. Therefore, the New Shares to be issued pursuant to this Rights Issue carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisors before deciding whether to apply for Shares in the Company.

Shareholders should consult their stockbroker, solicitor, accountant or other financial adviser if they are in any doubt as to the value of the Rights Issue and in particular in relation to taxation implications.

## 8. ADDITIONAL INFORMATION

### 8.1. Effects of rounding and warning against share splitting

All Entitlements will be rounded up to the nearest whole number of New Shares.

If the Company reasonably believes that a Shareholder has been a party to the splitting or division of a shareholding in an attempt to obtain an advantage from the rounding up of Entitlements, then the Company reserves the right to round the Entitlement of such holdings so as to provide only the number of New Shares that would have been received but for the splitting or division.

### 8.2. Tax

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under the Offer. The Company does not accept any responsibility in this regard, and Shareholders should consult with their professional tax adviser.

### 8.3. Disclosing entity information

The Company, as a disclosing entity under the Corporations Act, is subject to regular reporting and disclosing obligations under the Corporations Act and the Listing Rules.

The Company will provide a copy of the following documents, free of charge, to any person who asks for them during the application period (i.e. between the date of dispatch of this Offer Document and the Closing Date inclusive):

1. The annual financial report for the year ended 30 June 2012; and
2. Any continuous disclosure notices given by the Company after the lodgement of the annual financial report for the year ended 30 June 2012 and before the lodgement of a copy of this Offer Document with the ASX.

### 8.4. No authority for statements

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied upon as having been authorised by the Company, the Directors, or any other person in connection with the Offer.

## 9. GLOSSARY

In this Offer Document, the following words have the following meanings unless the context requires otherwise:

<b>Application</b>	An application for New Shares pursuant to the Offer.
<b>Allotment Date</b>	The date on which the New Shares are allotted pursuant to the terms of this Offer Document.
<b>Application Monies</b>	Funds accompanied by an Entitlement and Acceptance Form.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASTC Settlement Rules</b>	The operating rules of the settlement facility operated by the Australian Settlement and Transfer Corporation Pty Ltd ABN 49 008 504 532.
<b>ASX</b>	ASX Limited ABN 98 008 624 691 or the financial market operated by it, as the context requires.
<b>Company</b>	Dynasty Metals Australia Limited (ACN:110 385 709)
<b>Closing Date</b>	Tuesday, 7 May 2013
<b>Corporations Act</b>	<i>Corporations Act 2001 (Cth)</i> .
<b>Directors</b>	The directors of the Company.
<b>Eligible Shareholder</b>	A Shareholder who is eligible to participate in the Offer in accordance with the terms of this Offer Document.

<b>Entitlement</b>	The number of New Shares each Eligible Shareholder is offered under the Offer as designated on their personalised Entitlement and Acceptance Form.
<b>Entitlement and Acceptance Form</b>	The application form which is included in or accompanies this Offer Document.
<b>WST</b>	Means Western Standard Time, being the time in Perth, Western Australia, Australia.
<b>Ineligible Shareholder</b>	A Shareholder who is unable to participate in the Offer because they do not meet the eligibility criteria contained in this Offer Document.
<b>Issue Price</b>	The price payable in respect of each New Share.
<b>Issuer Sponsored Sub register</b>	The Company's issuer sponsored sub register administered by the Share Registry.
<b>New Share</b>	As defined in this Offer Document.
<b>Offer Document</b>	The offer of New Shares under this Offer Document.
<b>Listing Rules</b>	ASX Listing Rules.
<b>Placement</b>	As defined in this Offer Document.
<b>Privacy Act</b>	Privacy Act 1988 (Cth).
<b>Record Date</b>	Tuesday, 16 April 2013
<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	A holder of Shares in the Company as recorded on the Share Registry.
<b>Share Registry</b>	Share Transfer Registrars Pty Ltd (ACN:008 894 488)
<b>Shortfall</b>	The difference between the number of New Shares offered pursuant to this Offer Document and the number of New Shares for which Applications have been received.
<b>Shortfall Notification Date</b>	As defined in this Offer Document.
<b>Shortfall Shares</b>	As defined in this Offer Document.

## 10. CORPORATE DIRECTORY

<b>Company Particulars</b>	Dynasty Metals Australia Limited ACN 110 385 709  The Company is an exploration company with its securities listed only on the Australian Stock Exchange under the code "DMA".
<b>Directors</b>	Thomas Pickett (Independent Chairman) Lewis Tay (Managing Director) Bin Wang (Non-executive Director) Bo Xin Dong (Alternate director for Bin Wang)
<b>Company Secretary</b>	Louise Edwards
<b>Registered Office</b>	Level 4, 35-37 Havelock Street West Perth WA 6005  Telephone: +61 8 6316 4414 Facsimile: +61 8 6316 4404  Email: admin@dynastymetals.com.au Website: www.dynastymetals.com.au
<b>Auditor</b>	Deloitte Touche Tohmatsu Level 14, Woodside Plaza 240 St Georges Terrace Perth WA 6000
<b>Share Registrar</b>	Security Transfer Registrars Pty Ltd Suite 1, Alexandria House 770 Canning Highway Applecross WA 6153  Telephone: +61 8 9315 2333 Facsimile: +61 8 9315 2233