

7 October 2013

The Manager, Companies
Australian Securities Exchange Limited
Company Announcements Office
20 Bridge Street
SYDNEY NSW 2000

DESPATCH OF NOTICE OF MEETING AND PROXY FORM

In accordance with Listing Rule 3.17, Dynasty Metals Australia Limited ('Company') advises that the Notice of Annual General Meeting and Proxy Form were despatched to shareholders today.

For those holders who have elected to receive a paper copy of the Company's 2013 Annual Report, this was also despatched today.

These documents are available on the Company's website at
www.dynastymetals.com.au

For and on behalf of
Dynasty Metals Australia Limited,



Louise Edwards
Company Secretary

Notice of Annual General Meeting

DYNASTY METALS AUSTRALIA LIMITED ACN 110 385 709



The 2013 Annual General Meeting of Dynasty Metals Australia Limited (the Company) will be held at:

Date: Friday, 8 November 2013

Time: 11:30am (Brisbane time)

Venue: Deloitte Touche Tohmatsu
Level 25, Riverside Centre
123 Eagle Street
Brisbane Queensland
Room: The Boardroom

Ordinary Business

Financial Statements and Reports

1. To receive and consider the Financial Report, Director's report and Auditor's report for the financial year ended 30 June 2013.

Remuneration Report

To consider, and, if thought fit, pass the following non-binding ordinary resolution:

2. That the Remuneration Report for the year ended 30 June 2013 be adopted.

The Remuneration Report commences on page 16 of the Annual Report.

Re-election of Director

To consider, and, if thought fit, to pass the following ordinary resolution:

3. That Thomas Pickett, who retires by rotation in accordance with clause 13.2 of the Company's Constitution, be re-elected as a director of the Company.

Change of Company Name

To consider, and, if thought fit, to pass the following resolution as a special resolution:

4. That the Company's name be changed from Dynasty Metals Australia Limited to Dynasty Resources Limited with effect from the day on which the Australian Securities and Investments Commission alters the details of the Company's registration

Ratification of Placement

To consider, and, if thought fit, to pass the following as an ordinary resolution:

5. That for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue by the Company of:
 - a. 8,000,000 fully paid ordinary shares; and
 - b. 8,000,000 unlisted options (together, the 'Placement Securities')

to a sophisticated investor on the terms and conditions set out in the Explanatory Statement accompanying this Notice, be ratified and approved.

Approval of Placement Facility

To consider, and, if thought fit, to pass the following special resolution:

6. That for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities of up to 10% of the issued share capital of the Company (at the time of issue) within the next 12 months calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.

Approval of New Issue of Options

To consider, and if thought fit, to pass the following resolution as an ordinary resolution of the Company:

7. That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 110,518,669 options to acquire ordinary fully paid shares at an issue price of \$0.01 per option and exercisable at \$0.05 each on or before 18 September 2015 on the terms and conditions set out in the Explanatory Statement.

By order of the Board of Dynasty Metals Australia Limited

Louise Edwards

Company Secretary

7 October 2013

Explanatory Notes

These Explanatory Notes have been prepared to help shareholders understand the business to be put to shareholders at the forthcoming Annual General Meeting (AGM).

1. Financial Statements and Reports

The financial reports and the reports of the Directors and of the auditor for the financial year ended 30 June 2013 will be laid before the AGM, as required by section 317 of the Corporations Act 2001. The Corporations Act does not require a vote of shareholders on these reports.

The Company's 2013 Annual Report (which includes the Directors', auditor's and financial reports) is available on the Company's website:

www.dynastymetals.com.au

During this item of business, shareholders will be given a reasonable opportunity to ask questions about, and make comments on, those reports and the business and management of the Company.

Shareholders will also be given a reasonable opportunity to ask a representative of the Company's auditor, Deloitte Touche Tohmatsu, questions relevant to the conduct of the audit, the preparation and the content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of financial statements or the independence of the auditor in relation to the conduct of the audit.

2. The Remuneration Report

The Corporations Act 2001 requires that the section of the Director's Report dealing with the remuneration of Directors and key management personnel ("Remuneration Report") be put to a vote of Shareholders for adoption by way of a resolution. The Remuneration Report commences on page 16 of the 2013 Annual Report.

Section 250R(3) of the Corporations Act 2001 provides that the vote on the resolution is advisory only and will not bind the Directors or the Company, however the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies.

If more than 25% of the votes are cast against two consecutive annual section 250R(2) resolutions, the Corporations Act requires a shareholder vote on whether to convene a special meeting at which all directors (other than a managing director) who were in office when the second 250R(2) resolution was passed must stand for re-election.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or to make comments upon, the Remuneration Report before the resolution is put to the vote.

Board recommendation

The Directors unanimously recommend that shareholders vote in **favour** of adopting the Remuneration Report.

The voting exclusion statement for this resolution is set out in the Voting Information section that follows. The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.

3. Re-election of Director

The Company's Constitution requires one-third of the Directors (other than alternate Directors and the Managing Director) to retire at the AGM (retirement by rotation). If eligible, the retiring Director may offer himself for re-election.

Accordingly, Mr Thomas Pickett has agreed to retire by rotation as a Director of the Company at the AGM and, being eligible, offers himself for re-election.

Biographical details for Thomas Pickett follow.

Thomas Pickett LLB Independent Chairman

Tom holds a Bachelor of Laws and was admitted as a solicitor of the Supreme Court of Queensland in 1996. Tom has broad experience in the mining industry and has held a number of corporate roles in the mining and finance industries.

Tom was appointed a non-executive director of Discovery Resources Limited (ASX:DIS) on 28 March 2013 and Planet Metals Limited (ASX:PMQ) on 15 May 2013. Tom was previously also a director of CuDeco Ltd (ASX:CDU) from 2002 to 2005, and continued as in-house counsel until 2009.

Mr Pickett was appointed as Independent Chairman of the Company in September 2011.

Board recommendation

The Board, excluding Thomas Pickett, considers that it is in the best interests of shareholders that Thomas Pickett remains on the Board of the Company and recommends that shareholders vote in **favour** of the re-election of Mr Thomas Pickett.

4. Change of Company Name

Resolution 4 is a special resolution and seeks Shareholder approval to change the name of the Company to Dynasty Resources Limited.

The adoption of the new name under Resolution 4 is to be approved by Shareholders under section 157(1) of the Corporations Act.

The change of name is being proposed by the Board to appropriately reflect the Company's broader exploration focus.

The change of name will take effect on the day that ASIC approves the change of name and does not affect the legal status of the Company.

Board recommendation

The Board unanimously recommends that shareholders vote in **favour** of this resolution.

5. Ratification of Placement

Background

Following completion of the Rights Issue in May 2013, the Company undertook a Placement of Securities that resulted in the issue of 8,000,000 Shares and 8,000,000 unlisted options in September 2013 ('Placement Securities').

Details of the Placement Securities are:

- 8,000,000 ordinary shares, issued at a price of \$0.05 per share, ranking equally with all existing shares on issue; and
- 8,000,000 unlisted options, issued at an issue price of \$0.01, with an exercise price of \$0.05 per share, expiring on 18 September 2015.

The Placement Securities were issued to a sophisticated investor pursuant to section 708 of the Corporations Act. The allottee, Mr Zhijun Jun Ma, is not a related party of the Company.

The Company will utilise the funds raised from the issue of the Placement Securities (\$480,000) to fund ongoing exploration activities and working capital for ongoing operations.

The Shares were issued using the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1. Resolution 5 seeks to ratify this private placement of shares.

ASX Listing Rules 7.1 and 7.4

ASX Listing Rule 7.1 provides that, subject to certain exceptions, a listed company must not, without shareholder approval, issue equity securities where the number of equity securities proposed to be issued represents more than 15% of the company's shares then on issue.

Listing Rule 7.4 provides that an issue of securities made without the approval under Listing Rule 7.1 is treated as having been made with approval if the issue of securities did not breach Listing Rule 7.1 (that is, the issue was within the Company's 15% capacity) and Shareholders subsequently approve it.

The Company issued 8,000,000 Ordinary Shares and 8,000,000 unlisted options under the placement within its 15% capacity under Listing Rule 7.1. The Company now seeks Shareholder approval to ratify this issue and refresh the 15% capacity.

Listing Rule 7.5 provides that for Shareholders to approve an issue subsequently, the notice of meeting must include particular information. This information is as follows:

- a) The number of ordinary fully paid shares allotted is 8,000,000, issued at an issue price of \$0.05 each, and which rank equally with the Company's current issued Shares;
- b) The number of unlisted options allotted is 8,000,000, issued at an issue price of \$0.01 per option, exercisable at \$0.05 per share, expiring on 18 September 2015. Shares issued on exercise of the options will rank equally with the ordinary fully paid shares on issue, and be listed on the ASX;

The shares and options referred to above (Placement Securities) were issued to Mr Zhijun Jun Ma.

Board recommendation

The Board unanimously recommends that shareholders vote in **favour** of this resolution.

The voting exclusion statement for this resolution is set out in the Voting Information section that follows. The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.

6. Approval of Placement Facility

General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the Company's existing 15% placement capacity under listing Rule 7.1.

An eligible entity for the purposes of listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. As at the date of this Notice the Company has a market capitalisation of \$5.6 million and therefore is an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability to issue equity securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in listing Rule 7.1A.2 (refer to paragraph (c) below).

The Company is currently undertaking exploration activities at its existing projects and is also seeking to acquire new resources assets or investments. The Company may use the funds raised from the issue of equity securities under the 10% Placement Facility on its existing projects and/or acquisition of new resource assets or investments.

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of this Notice the Company only has one class of quoted Equity Securities, ordinary fully paid shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

- A** is the number of shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the 12 months;
 - (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - (iv) less the number of fully paid shares cancelled in the 12 months.

Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice the Company has on issue 118,518,669 Shares and therefore has a capacity to issue:

- (i) subject to Shareholder approval being given to Resolution 5, then 17,777,800 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being given under this Resolution 6, an additional 11,851,867 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to paragraph (c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average price ('VWAP') of Equity Securities calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (10% Placement Period).

Listing Rule 7.1A

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or in the case of a corporate Shareholder by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - the date on which the price at which the Equity Securities are to be issued is agreed; or
 - if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table following. There is a risk that:
 - the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table following shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary shares the Company has on issue. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require Shareholder approval (for example a pro rata entitlements issue or scrip issued under a takeover offer) or future specific

placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary shares has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		50% decrease in Issue Price \$0.025	Issue Price \$0.05	100% increase in Issue Price \$0.10
Current Variable A 118,518,669 Shares	10% Voting Dilution	11,851,867 Shares	11,851,867 Shares	11,851,867 Shares
	Funds Raised	\$296,297	\$592,593	\$1,185,187
50% increase in current Variable A 177,778,004 Shares	10% Voting Dilution	17,777,800 Shares	17,777,800 Shares	17,777,800 Shares
	Funds Raised	\$444,445	\$888,890	\$1,777,800
100% increase in current Variable A 237,037,338 Shares	10% Voting Dilution	23,703,734 Shares	23,703,734 Shares	23,703,734 Shares
	Funds Raised	\$592,593	\$1,185,187	\$2,370,373

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
 - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why voting dilution is shown in each example as 10%;
 - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting;
 - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
 - The issue price is \$0.05, being the closing price of the Securities on ASX on 27 August 2013.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).
 - (d) The Company may seek to issue the Equity Securities for the following purposes:
 - non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - cash consideration. In such circumstances, the Company intends to use the funds raised towards the exploration activities as it existing projects and/or for acquisition of new assets or investments (including expenses associated with such acquisition) and general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including but not limited to rights issue or other issue in which existing security holders can participate;
- the effect of the issue of the Equity Securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (e) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its Annual General Meeting on 22 November 2012. In the 12 months preceding the date of this Notice, the Company has issued a total of 21,135,160 Equity Securities, representing 20.1% of the Equity Securities on issue at the commencement of that period.

Date of Issue	No. Issued	Class	Recipient of Security	Issue Price and details of any discount to market price	Consideration and use of funds
26 Nov 2012	750,000	Shares ranking equally with all existing shares on issue	Bolun Mining Pty Ltd	\$0.133, no discount	Shares issued as consideration for brokerage services (\$100,000) (approved by shareholders on 22 Nov 12)
14 May 2013	4,385,160	Shares ranking equally with all existing shares on issue	Shareholders subscribing for shares pursuant to Rights Issue	\$0.05, no discount	\$219,258. The funds were used for drilling exploration at Marandoo, continued beneficiation work and general working capital purposes.
10 Sept 2013	8,000,000	Shares ranking equally with all existing shares on issue	Zhijun Jun Ma	\$0.05, no discount	\$400,000. The funds are intended to be used for future exploration and general working capital purposes, and have not been allocated to any specific exploration activity. The funds have not yet been expended.
19 Sept 2013	8,000,000	Unlisted Options – exercise price \$0.05, expire 18 Sept 2015 and on the terms as set out in Appendix A	Zhijun Jun Ma	\$0.01, new class of unquoted securities	\$80,000. The funds are intended to be used for future exploration and general working capital purposes, and have not been allocated to any specific exploration activity. The funds have not yet been expended.

- (f) A voting exclusion statement is included in this Notice. At the date of the Notice the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Board recommendation

The Board unanimously recommends that shareholders vote in **favour** of this resolution.

The voting exclusion statement for this resolution is set out in the Voting Information section that follows. The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.

7. New Issue of Options

The Company undertook a Placement of Securities in September 2013 which included the issue of 8,000,000 unlisted options. That issue is the subject of resolution 5 in this Notice, where shareholder approval is sought to ratify that issue.

The Board now seek to extend that same opportunity to all remaining shareholders, with an offer to acquire options on the same terms as those issued via that Placement.

The offer would be made to all shareholders on the register at the Record Date, excluding Mr Zhijun Ma who acquired options via the Placement in September 2013.

The offer would be to subscribe for new Options on a one for one basis pursuant to a Prospectus. The Prospectus will also give shareholders the right to participate in any shortfall and give the directors the right to place any shortfall.

ASX Listing Rule 7.1 relevantly provides that the prior approval of the Shareholders of the Company is required to an issue of equity securities (including options) if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

The proposed issue of Options will exceed the 15% threshold, and given the offer will not extend to include Mr Zhijun Ma, it is not 'pro rata' to all shareholders, and therefore requires Shareholder approval.

The proposed issue of options to all remaining shareholders (excluding Mr Zhijun Ma) would, if fully subscribed raise approximately \$1.1 million, and if all options were exercised would raise up to \$5.52 million. The Board have been actively seeking other exploration and business opportunities and the funds raised would be used to pursue these opportunities

In compliance with the information requirements of ASX Listing Rule 7.3 Shareholders are advised of the following particulars in relation to the placement:

Maximum number of securities proposed for issue	110,518,669 Options
Price at which the securities are proposed to be issued	The Options are proposed for issue at an application price of \$0.01 each
Terms of the securities	The Options will be exercisable at an exercise price of \$0.05 each on or before 18 September 2015 and will be issued on the Terms and Conditions as set out in Appendix "A".
Names of the allottees and proportions of issue	The proposed allottees of the Options are the shareholders of the Company as at the Record Date for the offer. The entitlement for shareholders (excluding Mr Zhijun Ma) will be one Option for every Existing Share held on the Record Date. The Company intends to offer any shortfall to shareholders who are not related parties of the Company.
Intended use of funds raised	The funds raised from the issue of the Options will be used to fund the Company's ongoing exploration activities, to acquire new projects and for working capital expenditure.
Date of allotment	The Options will be issued and allotted to subscribers under the terms of the Prospectus after the closing date of the offer, no later than 7 February 2014, and in any event no later than 3 months after shareholder approval or such later date as approved by waiver granted by ASX.

The voting exclusion statement for this resolution is set out in the Voting Information section that follows. The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.

Voting Exclusion Statements

Resolution 2

The Company will disregard any votes cast on resolution 2 by, or on behalf of:

- any of the Company's key management personnel (KMP), whose remuneration details are disclosed in the 2013 Remuneration Report; and
- a closely related party of such a KMP, unless the vote is cast by a person as proxy for a person entitled to vote in accordance with a direction on the proxy form.

A closely related party includes close family Shareholders and companies the KMP controls.

Resolution 5

The Company will disregard any votes cast on resolution 5 by Mr Zhijun Ma or any of his associates.,

However, the Company need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 7

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Voting Information

The required quorum for the meeting is at least two members present in person or by proxy. Voting will be decided on a show of hands unless a poll is demanded by the chairperson or a member or members entitled to do so before the vote is taken or before or immediately after the declaration of the result on a show of hands. On a show of hands, every member shall have one vote. On a poll, each member present shall have one vote for each share held by that member and in respect of which that member is entitled to vote.

If shares are jointly held and more than one of the joint holders vote, only the vote of the holder whose name appears first in the register of members will be counted.

Individuals

If you plan to attend the meeting, we ask that you arrive at the venue at least 30 minutes prior to the time designated for the meeting so that we may check the number of your Shares and note your attendance.

Proxy voting by Chairman

The Chairman of the Meeting will vote undirected proxies in favour of resolutions 2, 3, 4, 5, 6 and 7. As also noted on the proxy form for the Meeting, where the Chairman of the Meeting is appointed as proxy and none of the 'For', 'Against' or 'Abstain' boxes is marked for resolutions 2 (Remuneration Report), 3 (Re-election of Directors), 4 (Change of Company Name), 5 (Ratification of Placement), 6 (Approval of Placement Facility) and 7 (New Issue of Options) the appointing shareholder will be deemed to direct the Chairman to vote in favour of resolution 2, 3, 4, 5, 6 and 7.

Entitlement to vote

The Board has determined that a shareholder's voting entitlement at the annual general meeting will be taken to be the entitlement of the person shown on the register of members as at 5.00pm (Perth time) on Wednesday, 6 November 2013. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Voting by corporations

In order to vote at the meeting (other than by proxy – see below for instructions), a corporation that is a shareholder must appoint a person to act as its representative. The appointment must comply with the Corporations Act. A letter of representation must be either lodged with the registrar, prior to the commencement of the meeting or the representative must bring to the meeting evidence of his or her appointment including any authority under which it is signed.

Voting by Proxy or Attorney

A member is entitled to appoint a proxy, attorney or representative (who need not be a shareholder in the Company) to vote on his or her behalf at the meeting. A proxy can be either an individual or a body corporate. Should you appoint a body corporate as your proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at meetings, in accordance with section 250D of the Corporations Act; and
- provides the Company with satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

If such evidence is not received before the meeting, then the body corporate (through its representative) will not be permitted to act as a proxy.

A member may appoint no more than two proxies or attorneys. Each proxy or attorney must be appointed to represent a specified proportion of the member's voting rights. If no proportion is specified, each proxy or attorney is entitled to exercise half the member's votes. Where a member appoints two proxies or attorneys, neither will be entitled to vote on a show of hands if more than one proxy or attorney attends and each may only exercise the voting rights the proxy or attorney represents on a poll.

A Proxy Form is enclosed with this Notice of Meeting. Proxy voting instructions are outlined on the back of the Proxy Form. To be effective, the Proxy Form (and the authority pursuant to which the instrument is signed) must be received **no later than 11:30am (Brisbane time) on Wednesday, 6 November 2013** by:

- **online** by following the instructions at www.securitytransfer.com.au. You will need your Holder Identification Number (HIN) or Security Reference Number (SRN) to lodge your Proxy Form online.
- **post** to Security Transfer Registrars Pty Ltd, PO Box 535, Applecross WA 6953
- **facsimile** to +61 8 9315 2233

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

Appendix A

Option Terms

The material terms and conditions of the Options proposed to be issued if approved by Shareholders are:

- (a) The Issue Price of each Option is 1 cent per Option;
- (b) Each Option shall entitle the holder to subscribe for and to be allotted one Share in the capital of the Company upon exercise of the Option and payment to the Company of the exercise price;
- (c) The Exercise Price of each Option is 5 cents per Share;
- (d) Each Option will automatically lapse if not exercised on or before the expiry date. In this case the expiry date is 5pm WST on 18 September 2015;
- (e) A holding statement will be issued for the Options;
- (f) An Option may be exercised by the Option holder at any time prior to the expiry date by sending a completed and signed notice of exercise, included with the holding statement, together with the payment of the exercise price to the Company's share registry. If the Option holder holds more than one Option, the Options may be exercised in whole or in part provided that a minimum of 10,000 Options are exercised in any one notice of exercise;
- (g) A notice of exercise is only effective when the Company has received the full amount of the exercise price in cash or cleared funds;
- (h) Subject to any restrictions in the ASX Listing Rules, within 14 days of receipt of a properly executed notice of exercise and the required application moneys, the number of shares specified in the notice will be allotted;
- (i) The period during which the Options may be exercised will not be extended;
- (j) The Option holder is not entitled to participate in new issues of securities offered to shareholders, including a bonus issue. The Option holder can participate in new issues of securities offered to shareholders if the Option is exercised before the relevant record date for that new issue;
- (k) In the event of any reconstruction (including consolidation, subdivision, reduction, cancellation or return) of the issued capital of the Company before the expiry of any Options, all rights of the Option holder will be reconstructed (as appropriate) in accordance with the ASX Listing Rules applying to a re-organisation of capital at the time of the re-organisation;
- (l) Shares allotted pursuant to the exercise of the Options will rank equally with the then issued ordinary shares of the Company;
- (m) The Company undertakes to apply for official quotation by the ASX of all Shares allotted pursuant to the exercise of any Options, within 10 Business Days of the date of allotment of those new Shares;
- (n) Notices may be given by the Company to the Option holder in the manner prescribed by the Constitution of the Company for the giving of notices to shareholders of the Company and the relevant provisions of the Constitution will apply with all necessary modification to notices to be given to Option Holders and otherwise as the Company determines; and
- (o) The Exercise Price of an Option will not be adjusted for pro-rata issues made before exercise of the Option in accordance with the Listing Rules.

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE:
LEVEL 4
35 HAVELOCK STREET
WEST PERTH WA 6005

DYNASTY METALS AUSTRALIA LTD

ABN: 80 110 385 709

SHARE REGISTRY:
Security Transfer Registrars Pty Ltd
All Correspondence to:
PO BOX 535,
APPLECROSS WA 6953 AUSTRALIA
770 Canning Highway,
APPLECROSS WA 6153 AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

Code: DMA

Holder Number:

STEP 1: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting Chairperson
(mark with an "X")

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person of body corporate (excluding the registered shareholder) you are appointing as your proxy. I/we appoint the Chairman of the Meeting as an alternate proxy to the person named.

If no person/body corporate is named, the Chairman of the Meeting, is appointed as my/our proxy and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 11:30am (Brisbane Time) on Friday, 8 November 2013 at The Boardroom, Deloitte Touche Tohmatsu, Level 25, Riverside Centre, 123 Eagle Street, Brisbane, Queensland and at any adjournment or postponement of the meeting. I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of resolutions 2, 3, 4, 5, 6 and 7.

STEP 2: Voting Directions to your Proxy

Please read the voting instructions overleaf before marking any boxes with an "X"
Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting.

Resolution

For Against Abstain*

Resolution 2: Remuneration Report

Resolution 3: Re-election of Director

Resolution 4: Change of Company Name

Resolution 5: Ratification of Placement

Resolution 6: Approval of Placement Facility

Resolution 7: Approval of New Issue of Options

* If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If you wish to appoint the Chairperson as your proxy and you do not wish to direct the Chairperson how to vote on Resolution 2, please mark "X" in the box.
By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he has an interest in the outcome Resolution 2 and votes cast by him/her other than as a proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolution 2 and your votes will not be counted in calculating the required majority if a poll is called on Resolution 2. The Chairperson of the Meeting intends to vote undirected proxies in favour of all resolutions.

ONLINE PROXY SERVICE

You can lodge your proxy online at www.securitytransfer.com.au

- 1. Log into the Investor Centre using your holding details.
- 2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

Online Proxy ID:

STEP 3: Please Sign Below

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Sole Director and Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director / Company Secretary

My/Our contact details in case of enquiries are:

NAME

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TELEPHONE NUMBER

(

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)

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NOTES

1. Name and Address

This is the name and address on the Share Register of DYNASTY METALS AUSTRALIA LTD. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairperson of the Meeting as your Proxy please mark "X" in the box in Step 1.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a Shareholder of DYNASTY METALS AUSTRALIA LTD.

3. Directing your Proxy how to vote

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Step 2. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. Appointment of a Second Proxy

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by telephoning the Company's share registry +61 8 9315 2333 or you may photocopy this form.

To appoint a second Proxy you must:

- (a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- (b) Return both forms in the same envelope.

5. Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. Lodgement of Proxy

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than 11.30am (Brisbane Time) on Wednesday, 6 November 2013, being 48 hours before the time for holding the meeting. Any Proxy form received after that time will not be valid for the scheduled meeting.

Security Transfer Registrars Pty Ltd
PO BOX 535
Applecross, Western Australia 6953

Street Address:
Alexandrea House, Suite 1
770 Canning Highway
Applecross, Western Australia 6153

Telephone +61 8 9315 2333

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

Online www.securitytransfer.com.au

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.