

# DYNASTY

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## RESOURCES LIMITED

### RENOUNCEABLE RIGHTS ISSUE OFFER DOCUMENT

A fully underwritten renounceable pro-rata offer of New Shares at an issue price of \$0.01 per share on the basis of 3 New Shares for every 2 Shares held on the Record Date to raise approximately \$2.22 million.

**The last date for applications is Monday, 22 June 2015**

**Valid application forms and payment must be received by 5pm (Perth time) on that date. Please read the instructions in this Rights Issue Offer Document and on the Entitlement and Acceptance Form regarding the acceptance of Shares under the Offer.**

**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.**

## **1. IMPORTANT NOTICES**

### **1.1. Date**

This Offer Document is dated Tuesday, 9 June 2015 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. Eligibility**

Applications for New Shares by Eligible Shareholders can only be made on the original Entitlement and Acceptance Form, as sent with this Rights Issue Offer Document. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer.

### **1.4. Overseas Shareholders**

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. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted in Section 3.6. Any persons who come into possession of this Rights Issue Offer Document should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### **1.5. 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.dynastyresources.com.au](http://www.dynastyresources.com.au). 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.

### **1.6. Definitions**

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

### **1.7. Financial amounts**

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

### **1.8. 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.

### **1.9. 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.

### **1.10. 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.

### **1.11. 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 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.

### **1.12. 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.

### **1.13. Risks**

Please refer to the non-exhaustive summary of risks relating to the Offer contained in Section 6 of this Offer Document.

### **1.14. 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.

#### **1.15. 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 +61 8 9315 2333.

#### **1.16. 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 and the Corporations Act.

## LETTER FROM THE CHAIRMAN

Dear Shareholder,

I am pleased to invite you to participate in a fully underwritten 3-for-2 pro-rata renounceable Rights Issue at \$0.01 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 \$2.22 million less offer expenses by this Rights Issue. The Offer is fully underwritten by Cyberstore Technology Limited (a Hong Kong company). Cyberstore also took a private placement of 14.6 million Ordinary Shares at \$0.01 per Share (the same price as under this Rights Issue) in May 2015 to enable the Company to meet short term cashflow requirements.

It is essential for the Company to raise additional capital to enable it to meet the required costs of maintaining the Company's most prospective tenements and to continue to fund ongoing operational expenses. The Company's remaining cash reserves are low and not expected to be sufficient to meet the Company's forecast expenditure beyond July 2015. The Board were therefore pleased to have reached an agreement with Cyberstore to ensure the Company's viability for the foreseeable future.

The recent sharp fall in iron ore prices has had a significant effect on the value of the Company's iron ore tenements, despite the strong prospectivity of many of the key holdings. Therefore, the Company has been considering other strategic opportunities and requires additional capital to enable it to review and pursue these further.

The Board believes completion of this Rights Issue will result in a stable balance sheet that will help support the Company to seek to maximise the value of its existing holdings, as well as provide it with capacity to pursue other strategic opportunities.

A personalised Entitlement and Acceptance Form is enclosed 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 Monday, 22 June 2015.

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 2015.

To the extent that you do not take up your entitlement to Rights (Entitlement), you should note that 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

## 2. SUMMARY OF CAPITAL RAISING

Ratio	3 New Shares for every 2 existing Dynasty ordinary Shares
Issue Price	A\$0.01 per New Share
Number of shares on offer	Approximately 222,178,004 ordinary shares
Capital to be raised	\$2.22 million approximately less Offer costs
Offer Period	Tuesday, 9 June 2015 to 5.00pm (Perth time) on Monday, 22 June 2015

### KEY DATES

Event	Date
Announcement of the Rights Issue	28 May 2015
Shares quoted on an "ex" entitlement basis and Rights Trading commences	1 June 2015
Record Date	3 June 2015
Offer Document and Entitlement and Acceptance Forms sent to Eligible Shareholders	9 June 2015
Rights Trading ends	15 June 2015
Shares quoted on a deferred settlement basis	16 June 2015
Closing Date for acceptance and payment	22 June 2015
Company to notify ASX of under subscriptions (if any)	25 June 2015
Issue Date for New Shares	26 June 2015
Deferred settlement trading ends	26 June 2015

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.

## 3. DETAILS OF THE OFFER

### 3.1. Overview of Rights Issue

Dynasty is making a renounceable pro-rata offer of Shares to Eligible Shareholders on the basis of 3 Shares for every 2 Shares, each at an issue price of \$0.01, held at the Record Date (**Offer**). Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a Share, such fraction will be rounded down to the nearest whole Share. The Offer is fully underwritten by Cyberstore Technology Limited (a Hong Kong company) (**Underwriter**).

As at the Record Date, Dynasty will have on issue 148,118,669 Shares. The Company expects that approximately 222,178,004 New Shares will be issued under the Offer to raise approximately \$2.22 million (before costs of the Offer).

Dynasty will accept Entitlement and Acceptance Forms until 5.00pm (Perth time) on the Closing Date, or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the ASX Listing Rules.

Your Entitlement is shown on the personalised Entitlement and Acceptance Form accompanying this Rights Issue Offer Document. You may accept the Offer only by applying for Shares on the Entitlement and Acceptance Form.

Acceptances must not exceed your Entitlement as shown on the Entitlement and Acceptance Form, although you may accept for all or only part of your Entitlement. If your acceptance exceeds your Entitlement, acceptance will be deemed to be for your maximum Entitlement and any surplus Application Monies will be returned to you.

Acceptance of a completed Entitlement and Acceptance Form by Dynasty creates a legally binding contract between the Applicant and Dynasty for the number of Shares accepted or deemed to be accepted by the Applicant. The Entitlement and Acceptance Form does not need to be signed by the Applicant to be legally binding.

The Offer and contract formed on acceptance are governed by the laws of Western Australia.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

Shares offered by this Rights Issue Offer Document are expected to be issued, and security holder statements dispatched, on the date specified in the timetable in Section 2.

It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their holding statements will do so at their own risk.

### **3.2. Rights trading**

The entitlements to Shares under the Offer are renounceable. Accordingly, there will be trading of Rights on ASX and you may dispose of your Entitlement to subscribe for Shares to another party. If you do not take up your Entitlement or dispose of your Rights to Shares under the Offer by the Closing Date, the Offer to you will lapse.

### **3.3. Risk Factors**

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are described in Section 6.

### **3.4. Underwriting**

The Offer is fully underwritten by one of the Company's largest Shareholders, Cyberstore Technology Limited (the **Underwriter**) on the terms of the Underwriting Agreement.

A summary of the Underwriting Agreement and the potential effect on the control of the Company are set out in Section 3.5.

The Directors have explored alternative avenues to secure the funding the Company requires, and within an appropriate timeline. Due to the difficult and depressed market conditions prevailing generally, and more specifically to the small resources sector, the Underwriter's proposal provided the greatest certainty for the Company to ensure its ongoing viability and to maximise the opportunities for Shareholders.

### **3.5. Control Implications of the Offer**

While the opportunity to participate in the Entitlement Offer is equal as between the Company's Eligible Shareholders, participation is voluntary. Some Shareholders may choose not to participate or not to take up their maximum Entitlement. Therefore, the percentage of each Shareholder's interest post the Offer and the effect of the Offer on the control of the Company will therefore not be known until the Offer is completed.

The Underwriter has agreed to fully underwrite the Offer. Cyberstore currently holds 14.6 million Shares, which represents approximately 9.86% of the Company's Shares on issue. Therefore, the proportion of the Company held by it is likely to increase depending upon the level of Applications received from other Shareholders.

Below is a table showing the potential voting power of the Underwriter under various scenarios and assuming none of the existing Options are exercised.

Scenario	Underwriter's potential voting power
Existing holding prior to the Rights Issue	9.86%
0% shortfall (all Shareholders take up their entitlements in full)	9.86%
25% shortfall (75% of Shareholder's entitlements are taken up, with the balance 25% taken up by the Underwriter)	23.38%
50% shortfall	36.90%
75% shortfall	50.42%
100% shortfall	63.94%

\* The Company currently has 148,118,669 Shares on issue and 8 million Options, with an exercise price of \$0.05. The Options expire on 18 September 2015. The above tables assumes none of the Options are issued prior to completion of the Rights Issue.

In the event that Shareholders take up less than 25% of the total Shares on Offer, then the Underwriter will end up with more than 50% of the total Shares on issue following the Offer. This would allow the Underwriter to pass all ordinary resolutions put forward by the Company in its own right. Some of the matters on which an ordinary resolution is sufficient are:

- appointment or removal of directors;
- increase or reduction in the number of directors;
- appointment of an auditor;
- acceptance of reports at the annual general meeting; and
- certain changes to the company's share capital, such as equal access buy-backs.

### 3.6. Foreign Shareholders

This document does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful to do so. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia and New Zealand except to the extent permitted below.

#### 3.6.1. China

The information in this Offer Document does not constitute a public offer of the Rights or the New Shares, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The Rights and the New Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to "qualified domestic institutional investors".

#### 3.6.2. Hong Kong

**WARNING:** The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

#### 3.6.3. Japan

The New Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to small number investors. The document is for the exclusive use of existing Shareholders of the Company in connection with the Offer. This document is confidential to the person to whom it is addressed and must not be distributed, published, reproduced or disclosed (in whole or in part) to any other person in Japan or resident of Japan other than in connection with consideration by the Company's Shareholders of the Offer.

#### 3.6.4. *Malaysia*

This Offer Document and any other materials relating to the New Shares have not been and will not be registered as a prospectus or lodged with the Securities Commission Malaysia under the Capital Markets and Services Act 2007 (Cth) (CMSA). Accordingly, this Offer Document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia except pursuant to and in accordance with the exemptions in Schedule 5 and Schedule 6 of the CMSA, or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the CMSA. This Offer Document has been given to Shareholders located in Malaysia on the basis that they are existing holders of Shares, and that this Offer Document is only given to these Shareholders following lodgement with the ASX. Persons who receive this Offer Document and are not existing holders of Shares must return this Offer Document immediately. This Offer Document must not be forwarded or circulated to any other person in Malaysia, except upon the fulfilment of the conditions aforementioned.

#### 3.6.5. *Singapore*

This offer is made in reliance on the exemption under section 272A(1) of the Securities and Futures Act (SFA). It is not made in or accompanied by a prospectus that is registered by the Monetary Authority of Singapore. Investors should note that any subsequent sale of the New Shares acquired pursuant to this Offer within a period of six months from the Issue Date is restricted to (a) Institutional Investors, (b) Relevant Persons as defined in section 275(2) of the SFA, and (c) persons pursuant to an offer referred to in section 275(1A) of the SFA. Investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

#### 3.6.6. *United Kingdom*

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

### **3.7. Use of Proceeds**

The Company intends to use the proceeds from this Rights Issue to:

- (i) Maintain the Company's most prospective tenements. The Company has undertaken an ongoing strategic review over the past 12 months to identify the most prospective tenements in an environment where sharp falls in iron ore prices has been seen and has sought to realise value for the less strategic tenements. The Board continues to monitor the Company's tenement portfolio to ensure value is recognised;
- (ii) Fund operational expenses and maintain an appropriate level of working capital; and
- (iii) Allow capacity for the Company to pursue other strategic opportunities.

### **3.8. 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.



### 3.9. ASX Quotation

Application will be made to ASX for the Official Quotation of the Shares to be issued under the Offer. If permission is not granted by ASX for the Official Quotation of the Shares to be issued under the Offer, Dynasty will repay, as soon as practicable, without interest, all application monies received pursuant to the Offer.

### 3.10. Effect on Capital Structure

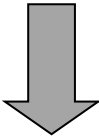
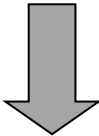
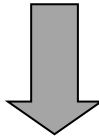
Below is a table to illustrate the changes in the capital structure of the Company as a consequence of this Offer Document and all Shares under the Offer being subscribed for (either by Shareholders or the Underwriter).

Issued Shares at the date of this Offer Document	148,118,669
New Shares which will be issued as part of the Offer	222,178,004
Issued Shares following completion of the Offer	370,296,673

## 4. ACTION REQUIRED BY SHAREHOLDERS

### 4.1. Options available to Eligible Shareholders

If you are an Eligible Shareholder, you may:

① Take up all of part of your Entitlement	② Sell all or part of your Entitlement on the ASX	③ Do Nothing
Refer Sections 4.2 and 4.7 below	Refer Sections 4.4, 4.5 and 4.6 below	Refer Section 4.8 below
		
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	Your proportional shareholding in the Company will be diluted	Your proportional shareholding in the Company will be diluted

### 4.2. 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 6, 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.

Applicants should mail their completed Entitlement and Acceptance Form and Application Monies early to ensure they arrive at the postal address specified below by 5.00pm (Perth time) on Monday, 22 June 2015 (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.**

### **4.3. Payment**

The Issue Price of \$0.01 per New Share is payable in full on exercise of your Entitlement.

For all Eligible Shareholders payments must be received by 5.00pm (Perth time) on Monday, 22 June 2015.

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 Resources Limited" and crossed "Not Negotiable", or
- through the BPAY® facility according to the instructions set out on the Entitlement and Acceptance Form, or
- direct bank deposit (for overseas Shareholders only)

If you wish to pay via BPAY® or direct bank deposit you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your Entitlement upon receipt of the BPAY® payment by the Company or funds being deposited directly. Eligible Shareholders who elect to pay via BPAY® or direct bank deposit do not need to return their completed Entitlement and Acceptance Form. If you elect to pay via BPAY® or direct bank deposit then your payment must be made before 4.00pm (Perth time) on the Closing Date. Please read the instructions carefully.

The Company will not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment or direct bank deposit.

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.

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

### **4.4. If you wish to sell all your Entitlement on the ASX**

Should you wish to sell all of your Entitlement on the ASX, complete the section on the back of the accompanying Entitlement and Acceptance Form marked "Instructions to Your Broker" and lodge the form with your stockbroker.

Rights trading on the ASX commenced on 1 June 2015 and the sale of your Entitlement must be completed by the close of trading on the ASX on 15 June 2015 when Rights trading ceases.

### **4.5. If you wish to take up part of your Entitlement and sell the balance of your Entitlement on the ASX**

Should you wish to take up part of your Entitlement and sell the balance of your Entitlement on the ASX, complete the accompanying Entitlement and Acceptance Form for that part of your Entitlement that you wish to accept, and also complete the section on the back of the Entitlement and Acceptance Form marked "Instructions to your Stockbroker" for the balance of the Entitlement that you wish to sell on the ASX. Lodge the completed Entitlement and Acceptance Form with your stockbroker, together with your payment for the amount due in respect of the Entitlement you intend to take up (being the number of Shares which you wish to accept multiplied by \$0.01).

Rights trading on the ASX commenced on 1 June 2015 and the sale of your Entitlement must be completed by the close of trading on the ASX on 15 June 2015 when Rights trading ceases.

### **4.6. If you wish to transfer all or part of your Entitlement to another person other than on the ASX**

Should you wish to transfer all or part of your Entitlement to another person other than on the ASX, forward a completed standard renunciation form (obtainable from your stockbroker or from the Company's Share Registry) together with your Entitlement and Acceptance Form completed by both the transferor and transferee and the transferee's payment for the amount due in respect of the Entitlement to be taken up by the transferee (being the number of Shares taken up by the transferee

multiplied by \$0.01) to the Share Registry so that it is received at any time after the issue of this Offer Document and on or before the Closing Date at the Company's Share Registry (by delivery or by post) at the addresses listed in Section 4.2.

#### **4.7. If you wish to take up part of your Entitlement only**

Should you wish to only take up part of your Entitlement, then applications for Shares under this Offer Document must be made on the Entitlement and Acceptance Form which accompanies this Offer Document or by completing a BPAY® payment or direct bank deposit in respect of the portion of your Entitlement you wish to take up, in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form. Please read the instructions carefully.

#### **4.8. 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.

#### **4.9. Application is unconditional**

You cannot withdraw your application once it has been accepted.

#### **4.10. 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. Shareholders should consider the investment risks set out in Section 6.

#### **4.11. 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. OTHER INFORMATION**

### **5.1. Underwriting Agreement**

The Company and the Underwriter entered into an underwriting agreement (Underwriting Agreement) pursuant to which the Underwriter agreed to fully underwrite the Offer.

There is no fee or other consideration payable to the Underwriter under the Underwriting Agreement or otherwise in connection with the Offer. However, the parties have agreed that, subject to the Company first obtaining Shareholder approval, the Arranger be issued 16 million New Shares.

The Underwriting Agreement contains covenants, warranties, representations and other terms usual for an agreement of this nature.

### **5.2. Directors' interests**

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.

<b>Director</b>	<b>Existing Shares</b>	<b>Entitlement</b>
Thomas Pickett	7,500	11,250
Lewis Tay	3,834,302	5,751,453
Bin Wang	-	-
Bo Xin Dong (Alternate Director for B Wang)	6,526,996	9,790,494

## **6. 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.

### **6.1. 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:

- the discovery of commercially viable prospects;
- the availability of sufficient funding to enable exploitation of those viable prospects;
- stability and growth in international resources markets;
- 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; and
- changes to fiscal, monetary, regulatory and other government policies.

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.

### **6.2. 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.

### **6.3. 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.

### **6.4. 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.

### **6.5. 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.

### **6.6. 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.

### **6.7. 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.

### **6.8. 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.

### **6.9. Environmental considerations**

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

### **6.10. 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.

### **6.11. 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.

### **6.12. 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.

### **6.13. 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 advisers 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.

## **7. ADDITIONAL INFORMATION**

### **7.1. Effects of rounding and warning against share splitting**

All Entitlements will be rounded down 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.

### **7.2. 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.

### **7.3. 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 2014; and
2. Any continuous disclosure notices given by the Company after the lodgement of the annual financial report for the year ended 30 June 2014 and before the lodgement of a copy of this Offer Document with the ASX.

### **7.4. 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.

## 8. GLOSSARY

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

<b>Applicant</b>	Means a person who submits an Entitlement and Acceptance Form.
<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>Arranger</b>	Australian Westax Pty Ltd (ACN 060 449 078) trading as Investcorp Australia
<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 Resources Limited (ACN 110 385 709)
<b>Closing Date</b>	means 5.00pm (Perth time) on Monday, 22 June 2015
<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>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 being \$0.01.
<b>Issuer Sponsored Sub register</b>	The Company's issuer sponsored sub register administered by the Share Registry.
<b>New Share</b>	Means a Share proposed to be issued pursuant to this Offer..
<b>Offer</b>	As defined in Section 3
<b>Offer Document</b>	Means this Document.
<b>Official List</b>	Means the official list of ASX.
<b>Official Quotation</b>	Means quotation of New Shares on the Official List.
<b>Listing Rules</b>	ASX Listing Rules.
<b>Privacy Act</b>	Privacy Act 1988 (Cth).
<b>Record Date</b>	means 7.00pm (Perth time) on Wednesday, 3 June 2015
<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>	Security Transfer Registrars Pty Ltd (ACN 008 894 488)
<b>Underwriter</b>	Means Cyberstore Technology Limited (Hong Kong)
<b>Underwriting Agreement</b>	Means the agreement summarised in Section 5.1.

## 9. CORPORATE DIRECTORY

<b>Company Particulars</b>	Dynasty Resources Limited ACN 110 385 709  The Company's securities are 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>	83 Brisbane Street Perth WA 6000  Telephone: +61 8 6316 4414 Facsimile: +61 8 6316 4404  Email: <a href="mailto:admin@dynastyresources.com.au">admin@dynastyresources.com.au</a> Website: <a href="http://www.dynastyresources.com.au">www.dynastyresources.com.au</a>
<b>Auditor</b>	Deloitte Touche Tohmatsu Level 14, Woodside Plaza 240 St Georges Terrace Perth WA 6000
<b>Share Registry</b>	Security Transfer Registrars Pty Ltd Suite 1, Alexandria House 770 Canning Highway Applecross WA 6153  PO Box 535 Applecross WA 6153  Telephone: +61 8 9315 2333 Facsimile: +61 8 9315 2233



**ENTITLEMENT AND ACCEPTANCE APPLICATION 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:**  
83 BRISBANE STREET  
PERTH WA 6000  
AUSTRALIA

# DYNASTY RESOURCES LIMITED

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

«HOLDER\_NAME»  
«ADDRESS\_LINE\_1»  
«ADDRESS\_LINE\_2»  
«ADDRESS\_LINE\_3»  
«ADDRESS\_LINE\_4»  
«ADDRESS\_LINE\_5»

Code:

Holder Number:

Eligible Holding as at 7.00pm WST  
on 3 June 2015:

Entitlement to Securities 3:2:

Amount payable on acceptance  
@ \$0.01 per Security:

**RENOUNCEABLE SHARE OFFER CLOSING AT 5.00PM WST ON 22 JUNE 2015**

IMPORTANT NOTICE: HOLDERS WHOSE EXISTING SECURITIES ARE HELD ON THE CHESS SUBREGISTER SHOULD IN THE FIRST INSTANCE CONTACT THEIR SPONSORING STOCKBROKER/AGENT IN RESPECT OF ANY PROPOSED ON-MARKET SALE OF THEIR RIGHTS. RIGHTS TRADING COMMENCED ON 1 JUNE 2015 AND IS EXPECTED TO CEASE ON 15 JUNE 2015. THE RIGHTS REFERRED TO IN THIS FORM MAY BE TRANSFERRED ELECTRONICALLY ON CHESS BY SURRENDERING THE ENTITLEMENT AND ACCEPTANCE FORM TO YOUR SPONSORING STOCKBROKER BEFORE RIGHTS CEASE TRADING. THIS ENTITLEMENT AND ACCEPTANCE FORM SHOULD NOT BE RELIED UPON AS EVIDENCE OF THE CURRENT ENTITLEMENT OF THE PERSON NAMED IN THIS ENTITLEMENT AND ACCEPTANCE FORM.


(1) I/We the above named being registered at 7.00pm WST on the 3 June 2015 as holder(s) of Shares in the Company hereby accept as follows:

	NUMBER OF NEW SHARES ACCEPTED/APPLIED FOR	AMOUNT ENCLOSED @ \$0.01 PER SHARE
Entitlement or Part Thereof	<input type="text"/> , <input type="text"/> , <input type="text"/>	\$ <input type="text"/> , <input type="text"/> , <input type="text"/> . <input type="text"/>

- (2) I/We understand that if any information on this form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept this form, and how to construe, amend or complete it shall be final.
- (3) I/We declare that I/we have received a full and unaltered version of the Offer Document either in an electronic or paper format.
- (4) My/Our contact details in case of enquiries:

<b>Name</b>	<b>Mobile Number</b>	<b>Telephone Number</b>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Email Address</b>		
<input type="text"/>		

**BPAY PAYMENT OR THE RETURN OF THIS DOCUMENT WITH THE REQUIRED REMITTANCE WILL CONSTITUTE YOUR ACCEPTANCE OF THE OFFER.**  
You do not need to return this form if you have made payment via BPAY.

<p align="center"><b>PAYMENT INFORMATION - Please also refer to payment instructions overleaf.</b></p> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;">  <p>Bill code: 159483 Ref: <span style="color: red;">EFT_REFERENCE_NUMBER</span></p> </div> <div style="width: 65%;"> <p><b>CHEQUE / MONEY ORDER</b></p> <p>All cheques (expressed in Australian currency) are to be made payable to <b>DYNASTY RESOURCES LIMITED</b> and crossed "Not Negotiable".</p> </div> </div> <p>BPAY® this payment via internet or phone banking. Your BPAY® reference number is unique to this offer and is not to be used for any other offer.</p>	<p align="center"><b>REGISTRY DATE STAMP</b></p>    <p>E &amp; O.E. <span style="color: red;">&lt;PRINT&gt;</span></p>
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LOGGEMENT INSTRUCTIONS

PAYMENT INFORMATION



Biller code: 159483

BPAY® this payment via internet or phone banking. Your reference number is quoted on the front of this form.

Multiple acceptances must be paid separately.

Applicants should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the closing date of the offer. BPAY applications will only be regarded as accepted if payment is received by the registry from your financial institution on or prior to the closing date. It is the Applicant's responsibility to ensure funds are submitted correctly by the closing date and time.

Your BPAY reference number will process your payment to your entitlement electronically and you will be deemed to have applied for such Securities for which you have paid.

CHEQUE / MONEY ORDER

All cheques should be drawn on an Australian bank and expressed in Australian currency and crossed "Not Negotiable". Sufficient cleared funds should be held in your account as your acceptance may be rejected if your cheque is dishonoured.

Cheques or bank drafts drawn on overseas banks in Australian or any foreign currency will NOT be accepted. Any such cheques will be returned and the acceptance deemed to be invalid.

Do not forward cash as receipts will not be issued.

When completed, this form together with the appropriate payment should be forwarded to the share registry:

Security Transfer Registrars Pty Ltd
PO Box 535, APPLECROSS WA 6953.

Applications must be received by Security Transfer Registrars Pty Ltd no later than 5.00pm WST on the closing date.

DIRECT DEPOSIT - OVERSEAS SHAREHOLDERS ONLY

Funds from overseas shareholders may be deposited directly to Dynasty Resources Bank Account as indicated on the enclosed payment information instructions.

SALE OF YOUR ENTITLEMENT BY YOUR STOCKBROKER

IN FULL OR IN PART:

These instructions will need to be with your Stockbroker in sufficient time to sell your Rights. Rights trading commenced on 1 June 2015 and is expected to cease on 15 June 2015.

To sell your entitlement, complete the panel below titled "Instructions to your Stockbroker" and forward this form to your Stockbroker with sufficient time to sell your Rights before the last day of Rights trading.

To sell part of the balance of your entitlement, complete the front of this form as to the New Securities being accepted and forward it together with your payment to your Stockbroker with sufficient time to sell your Rights before the last day of Rights trading(see payment instructions above). Your Stockbroker will then lodge your acceptance and cheque with the Company's share registry.

If you have purchased or sold Securities prior to 5.00pm on 29 May 2015 (being the last day for trading on a cum rights entitlement basis) and this is not reflected in your holding shown overleaf, you should consult the Stockbroker who acted for you to protect your entitlements or determine the action you should take. If you have sold all your Securities, complete the details below and forward this form to the stockbroker who acted for you.

Broker: [Form box]

No. of Securities Sold: [Form box]

Holder No.: [Form box]

INSTRUCTIONS TO YOUR STOCKBROKER

To be completed and sent to your Stockbroker only if you wish to sell the whole or part of your Entitlement.

I/We have accepted [Form box] Rights (as per overleaf)

and have attached/ made payment for [Form box] being application money at \$0.01 per Right.

PLEASE SELL [Form box] Rights

This instruction \*has / has not previously been notified to you.

\* Please delete as appropriate

IMPORTANT NOTICE TO HOLDERS WITH SECURITIES ON THE CHESSE SUB-REGISTER:

Holders whose existing Securities are held on the CHESSE Sub-register as detailed overleaf should, in the first instance, contact their sponsoring Broker in respect of any proposed sale of their Rights.

GENERAL INFORMATION:

Entitlements either not accepted and/or renounced by 5.00pm WST on the closing date will revert to the Company and the New Securities may be placed by the Directors at their discretion, in conjunction with the Underwriter.

ENQUIRIES

All enquiries should be directed to the Company's share registry:

Security Transfer Registrars Pty Ltd

PO Box 535, Applecross WA 6953 AUSTRALIA

770 Canning Highway, Applecross WA 6153 AUSTRALIA

Telephone +61 8 9315 2333

Facsimile +61 8 9315 2233

Email: registrar@securitytransfer.com.au

DISPOSAL OF YOUR ENTITLEMENT OTHER THAN THROUGH A STOCKBROKER:

A Standard Renunciation or Transfer Form must be used for all disposals of entitlements other than through a Stockbroker. These may be obtained from your Stockbroker or our share registry, Security Transfer Registrars Pty Ltd.

The Renunciation or Transfer Form must be completed by the offeree as seller and by his/her nominated buyer. The duly completed Renunciation or Transfer Form should then be lodged with the Company's share registry by 5.00pm WST on 22 June 2015 together with this form and application money payable (from the buyer).

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.