

12 October 2016

Ms Elizabeth Harris  
Principal Adviser, Listings Compliance (Perth)  
ASX Compliance Pty Limited  
Level 40 Central Park  
152-158 St Georges Terrace  
PERTH WA 6000

By Email: elizabeth.harris@asx.com.au

Dear Ms Harris

**DYNASTY RESOURCES LIMITED**

We refer to your letter dated 11 October 2016 regarding the late lodgement of an Appendix 3Y (lodged on 28 September 2016). As noted in that Announcement, a parcel of shares had been disclosed by Mr Wang's alternate director, Mr Dong. However, Mr Wang had not previously disclosed that he also had a relevant interest in those shares.

In answer to the questions set out in your letter, the Company responds as follows:

1. The Company has the following arrangements in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A:
  - The Director's letter of appointment outlines the requirement to notify the Company Secretary of any changes in relation to a Director's interests and transactions in the Company's securities. All Directors are aware that any securities movements, whether held directly or indirectly must be notified to the Company Secretary. This is also addressed at all Board meetings where Directors are required to confirm that the Company's Register of Directors Interests remains correct.
  - Directors have entered into and signed ASX Listing Rule 3.19B Agreements confirming they will disclose the necessary information to the Company to ensure the Company can comply with its disclosure obligations to ASX.
  - All movements on the share register are monitored on a weekly basis and as an additional safeguard all known holdings for Directors have been flagged to ensure the Company is notified directly by the share registry of changes upon settlement.
  - Details of Director's shareholdings are again confirmed as part of the Company's annual audit processes and questionnaires required to be completed by each director. It was during this process that omission in Mr Wang's disclosure was identified.
2. The Company considers that the current arrangements are adequate for ensuring timely notification, and that the failure to do so on this occasion was due to an oversight by Mr Wang to disclose his interest. However, to avoid a recurrence, the Company Secretary has reminded all Directors of their obligations under the ASX Listing Rules and what interests are disclosable.

Should you require any further clarification, please do not hesitate to contact the undersigned.

Yours sincerely



Lewis Tay  
Chairman and Managing Director



11 October 2016

Ms Louise Edwards  
Company Secretary  
Dynasty Resources Limited  
83 Brisbane Street  
PERTH WA 6000

By email: [Louise.Edwards@dynastymetals.com.au](mailto:Louise.Edwards@dynastymetals.com.au)

Dear Ms Edwards

**Dynasty Resources Limited (the “Entity”): Appendix 3Y – Change of Director’s Interest Notice**

We refer to the following;

1. The Appendix 3Y lodged by the Entity with ASX on 28 September 2016 for Mr Bin Wang (the “Director’s Notice”);
2. Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.

- On the date that the entity is admitted to the official list.
- On the date that a director is appointed.

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity’s admission or a director’s appointment.

3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs

3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.



3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The Appendix 3Y indicates that changes in Mr Bin Wang's notifiable interest occurred on 3 October 2011 and 26 June 2015. It appears that the Director's Notice should have been lodged with ASX by 10 October 2011 (with respect to the first tranche of 1,000,000 shares) and with ASX by 3 July 2015 with respect to the second tranche of 1,000,000 shares. Consequently, the Entity may be in breach of listing rules 3.19A and/or 3.19B. It also appears the director concerned may have breached section 205G of the Corporations Act.

Please note that ASX is required to record details of breaches of the listing rules by listed entities for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions.

1. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
2. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

We note that the Company has advised that the late lodgement was due to an oversight by Mr Wang as Mr Wang and his alternate director, Mr Dong, hold a relevant interest in the same parcel of shares.

Your response should be sent to me by e-mail to Elizabeth.Harris @asx.com.au. It should not be sent to ASX Market Announcements.

A response is requested as soon as possible and, in any event, not later than **3:00 pm WST on Thursday 13 October 2016**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.



If you have any queries or concerns, please contact me immediately. ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

*[Sent electronically without signature]*

Elizabeth Harris

**Principal Adviser, Listings (Perth)**