

450+ MILLION TONNE JORC-COMPLIANT RESOURCES FOR PRAIRIE DOWNS IRON PROJECT – PILBARA W.A.

- 453Mt JORC Compliant Inferred Resource estimate for the Spearhole Detrital Channel Iron Deposit drilled to date
- 23.3Mt JORC Compliant Inferred Resource estimates of Marra Mamba Hematite Iron Deposit confirm that major iron formations extended across Prairie Downs
- Mineral Resource estimates are based on 2009 first-pass exploration over less than 1% of Dynasty's Prairie Downs tenements which cover ~3,600km²
- Results confirm the exploration concept of very large tonnages of Detrital and Channel Iron deposits derived from Marra Mamba and Brockman Iron Formations in the ancient river channels that extend many kilometres south & south east of the area drilled to date
- Preliminary test-work show that the in-situ material can be upgraded to commercial grades (**58.2% Fe & 9.1% SiO₂**) with potential for better grades
- Advanced negotiations with various Chinese steel mills interested in funding exploration and development of Dynasty's iron project and in providing technical and infrastructure support
- Project similar to, with the potential to match the scale and grade of Brockman Resource Limited's (ASX: BRM) 17Mtpa mine and 1.6 billion tonne Marillana Detrital Project.
- Multiple infrastructure options, including cooperation with adjacent operators and explorers, encouraging recent developments with Pilbara 3rd party access.

Table 1 – Inferred Resources Prairie Downs Detrital Deposit

Tonnes Mt*	Fe %	Calcined Fe "CaFe" %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %	Cut-Off Grade % Fe
129.0	30.5	33.0	30.6	13.9	0.03	7.8	>27% Fe
264.6	27.4	29.7	33.0	14.8	0.03	8.0	>22% Fe
369.5	25.2	27.4	35.5	15.5	0.03	8.3	>17% Fe
452.8	23.1	25.2	37.0	15.8	0.04	8.7	Total Resource

* Detrital Deposit density assumed at 2.4 dry tonnes per cubic metre

Table 2 – Inferred Resources Prairie Downs Marra Mamba Deposit

Tonnes Mt *	Fe %	Calcined Fe "CaFe" %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %	Cut Off Grade % Fe
7.2	53.7	58.7	9.4	4.3	0.05	8.5	>50% Fe
23.3	44.2	48.3	21.9	5.2	0.04	8.0	Total Resource

* Marra Mamba Deposit density assumed at 2.8 dry tonnes per cubic metre

Sydney, Australia: Emerging iron ore explorer Dynasty Metals (ASX: DMA) today announced an initial maiden 453 million tonne JORC Compliant Resources including 129 million tonnes @ 30.5% Fe (equivalent to Calcined Fe “CaFe” of 33%) at a cut-off grade of 27% Fe in the Company’s Spearhole Detrital Channel Iron deposit at Prairie Downs in the Pilbara region of Western Australia, see **Table 1**.

These initial resources are based on a \$1.2 million, 300 hole reconnaissance drilling program that was designed principally to test geological concepts which have now been confirmed.

Dynasty’s technical team is particularly encouraged by higher-grade intersections encountered in the Detrital Channels which the Company plans to better define through drilling during this year’s field season and with the potential to significantly extend the resources to the south and south-east. The grade and thickness of the mineralisation tested by drilling is increasing to the south as shown in **Figure 2** below.

Dynasty says these initial results confirm a number of similarities between Dynasty’s Prairie Downs deposit and Brockman Resources’ 1.6 billion tonne Marillana Detrital Channel Iron Deposit, 100km to the north of Prairie Downs. Dynasty believes that the Spearhole Detrital Channel Iron Resource at Prairie Downs has a reasonable probability of proving to be economic to mine and beneficiate due to:

- Test-work on drill samples demonstrated that simple beneficiation increases iron content and reduces silica to near-commercial direct shipping ore (“DSO”) grades and very low phosphorous contents (announced 11 February 2010) – further improvements through optimisation are likely;
- Major resource extensions are likely to the south and south east where massive ancient river channels containing detrital iron have been identified;
- Higher grade zones intersected in the Detrital Deposit range from 35% to 49% Fe (CaFe 51%);
- Tertiary Channel Iron Deposits (CID) have been encountered and these, combined with higher grade zones of detritals may contribute high-grade ore sources to the project;
- Low mining and processing costs due to minimal waste overburden, free-digging, simple processing with scope for economies of scale from large scale operations (15 to 20Mtpa) can result in high profit margins as demonstrated by Brockman Iron for its similar Marillana Deposit;
- The availability of higher grade blending material from traditional hematite iron deposits such as the Marra Mamba Formation; and
- The easing of infrastructure access constraints through initiatives of the W.A. State Government and access arrangements established with 3rd Parties by Fortescue Metals Group.

Drilling in 2010 is designed to better define high grade zones and significantly expand resources.

Marra Mamba DSO Deposit:

A JORC Compliant Inferred Resource of 7.2 million tonnes @ 53.8%Fe (CaFe 58.8%) of Marra Mamba Iron Formation deposit has confirmed geological models and demonstrated that DSO grade iron mineralisation exists on Dynasty's tenements (see **Table 2**) with good potential for other extensions of BHP Billiton's massive Marra Mamba and Brockman Iron Formations in Dynasty's tenements.

2010 Exploration Program:

Dynasty's 2010 work program will expand and better define these initial resources, confirming beneficiation processes and costs and progress these iron deposits towards commercial feasibility studies and production.

Dynasty's Executive Director Malcolm Carson said, "These are particularly encouraging early stage results. To define a minimum 129 million JORC Compliant resource within a total Inferred Resource envelope of 453 million tonnes; together with the Marra Mamba Inferred Resource, with a \$1.2 million reconnaissance program represents a great achievement, demonstrates the skill of our technical team headed by David Jenkins from Terra Search Ltd, and gives Dynasty further encouragement that Prairie Downs has significant potential.

"Our plan for the current year is to expand our exploration program to better define the extent of the resources at Prairie Downs and to ascertain the commercial viability of the project. We will do this with infill drilling, bulk sampling and beneficiation test-work. We will also explore for extensions of the Detrital deposits, Tertiary channel iron deposits and hidden deposits of Marra Mamba and Brockman Iron Formation which we believe exist on our tenements."

Chinese Steel Mills/Investors and infrastructure options:

"Dynasty is in advanced negotiations with several highly respected Chinese parties regarding financing and development support for the Prairie Downs project. The Company continues to review its infrastructure options with existing infrastructure owners and the possibility of participating in new infrastructure projects in conjunction with owners of stranded iron ore deposits in the vicinity of its project in the Pilbara. These negotiations are progressing well."

For further information please contact:

Malcolm Carson (Executive Technical Director) on 02 9229 2702

Lewis Tay (Executive Director) on 02 9229 2710 (Chinese)

Qualifying statement: *Malcolm Carson has compiled the information in this report from information supplied to Dynasty Metals Limited. Malcolm Carson has sufficient experience that is relevant to the style of mineralisation, the types of deposit under consideration and to the activity that he is undertaking and qualifies as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results ("JORC Code"). Mr Carson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

JORC Statement: *The information in this summary report relates to the Mineral Resource at Spearhole is based on the information compiled by Mr David Jenkins (Sampling Techniques and Data) and Mr Arnel Mendoza (Estimating and reporting of Mineral Resources) who are Members of the Australian Institute of Geoscientists. Mr David Randal Jenkins and Mr Arnel Mendoza have sufficient experience in the style of mineralization and type of deposit under consideration and the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the Australian Code for Reporting of Mineral resources and reserves.*

Mr Jenkins and Mr Mendoza consent to the inclusion in the report of the matters based on the information in which it appears.

Analytical assay data presented in this report has been certified by Dr Shane Wilson BSc Hon First Class (Chemistry) PhD (Analytical Chemistry) Grad Dipl Sci (Extractive Metallurgy). Shane Wilson has sufficient experience with the ore types under consideration and the analytical techniques and instrumentation required in the assay process to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Shane Wilson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Overview of the Prairie Downs Project

Location

The Prairie Downs tenements (3,591 km²) are located to the west, south-west and south of Mt Newman as illustrated in the following figure. Exploration is focussed on a number of targets within the tenements with the main area drilled to date being in the northern portion of E52/1927, see **Figure 1**.

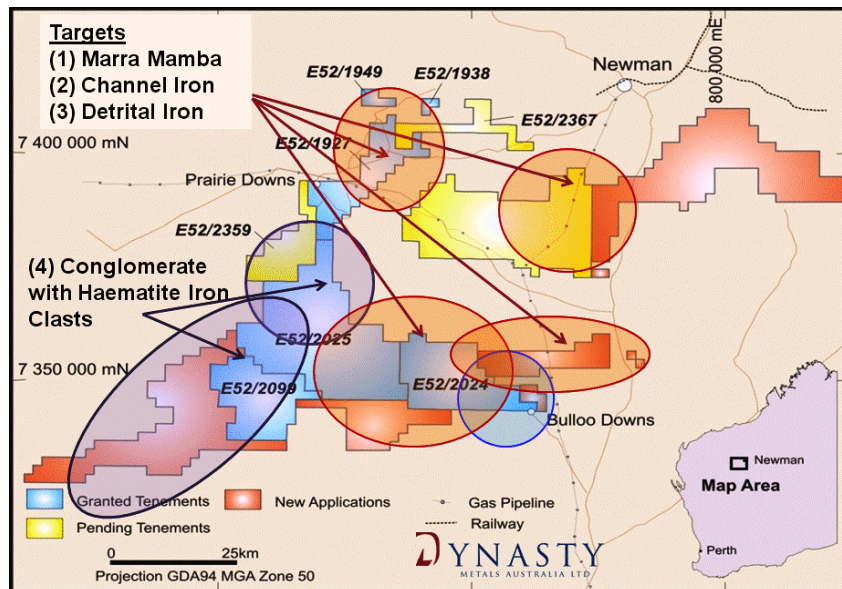


Figure 1, shows location of Dynasty's tenements and exploration targets

Resource Estimate Parameters

All resources reported in the above release have been determined by Dynasty's independent consultants, TerraSearch Pty Ltd in conjunction with Geonomik Pty Ltd. All resources have been classified by Geonomik Pty Ltd as an Inferred resource and reported in accordance with the 2004 edition of the JORC Code.

The resource for the Spearhole Detrital deposit, includes all assays from reverse-circulation drill holes SERC001 to SERC184 and SWRC001 to SWRC012.

The resources for the Marra Mamba Hematite Deposit include all assays from reverse-circulation drill holes MMRC001 to MMRC029. QAQC data were reviewed by Dynasty's consultants which analytical results included certified reference material, field duplicates and pulp duplicates. Analysis of samples of certified material showed that the analytical accuracy was within the tolerance limits. The independent laboratory used for the analysis of drill samples was Nagrom, based in Kelmscott Western Australia.

The Spearhole Channel Iron mineralisation improves towards the south and south-east and deepens at the confluence of two channels. Dynasty's drilling and the subsequent resource estimate is in the northern, shallower portion of the deposits identified so far. The following figure (Figure 2) shows the location of the iron mineralised zones and illustrates the thickening nature of the deposits.

Figure 2 also shows that there are large undrilled areas located adjacent to the thicker higher grade areas, which are not included in the resource estimates.

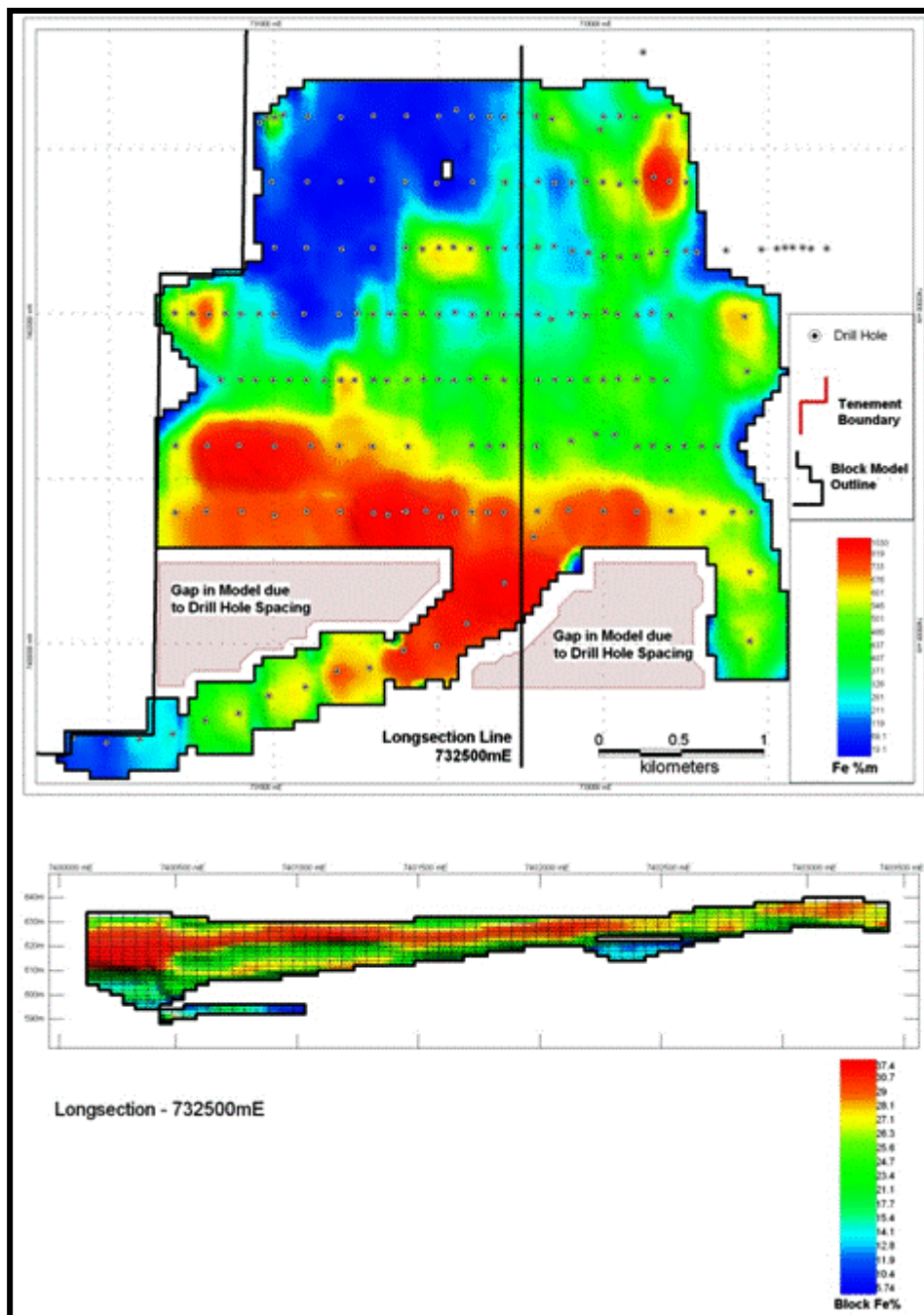


Figure 2 – location of high grade, thicker zones of mineralisation in red within the Spearhole Detrital Channel Iron Deposit and shows adjacent areas undrilled and excluded from resource estimates. The long section confirms the thickening of the deposit and the increase in grade to the south.

Drilling and Geological Overview

Dynasty drilled a total of 9,979 metres at its Prairie Downs project between August and October 2009. The program was of a reconnaissance nature. The program was designed to test the geological concept that channel iron deposits existed in the valley between BHB Billiton’s Brockman and Marra Mamba Formation deposits to the west and an unnamed Archaean Iron Formation to the east. Holes were drilled on a 400 X 200 and 400 X 100m spacing to a maximum depth of 60m and an average depth of 31.5m. The maximum depth of mineralisation identified to date is 48m.

The geology of the area is highly complex with Archaean Basement which includes the unnamed Iron Formation in the Northern Iron prospect area, underlying Fortescue sediments and dolerites of the Late Archaean to early Proterozoic Hamersley Formation. The Hamersley Formation

includes the Brockman and Marra Mamba Iron Formations which host the majority of the Pilbara’s world-class bedded iron deposits.

A major structure, the Prairie Downs Fault, cuts Dynasty’s tenements in a north westerly direction and separates the Pilbara Craton with the Bangemall Basin Sediments. Base metal, gold and uranium occur along the Prairie Downs Fault. The Bangemall sediments include a coarse basal conglomerate consisting mainly of clasts of Hamersley Iron Formation rocks and boulders. The area is underlain by granites which are outcropping in Dynasty’s tenements to the east. Dolerite intrusive and sills are also present of varying ages. The majority of the tenements are covered by Tertiary and Quaternary sediments and vast current and paleo-river channels which host the Tertiary Channel Iron and the younger Detrital Channel Iron deposits.

Infrastructure Options

Dynasty is investigating several infrastructure options which include access to existing infrastructure in the Pilbara for its centrally located project at Prairie Downs, see **Figure 3**.

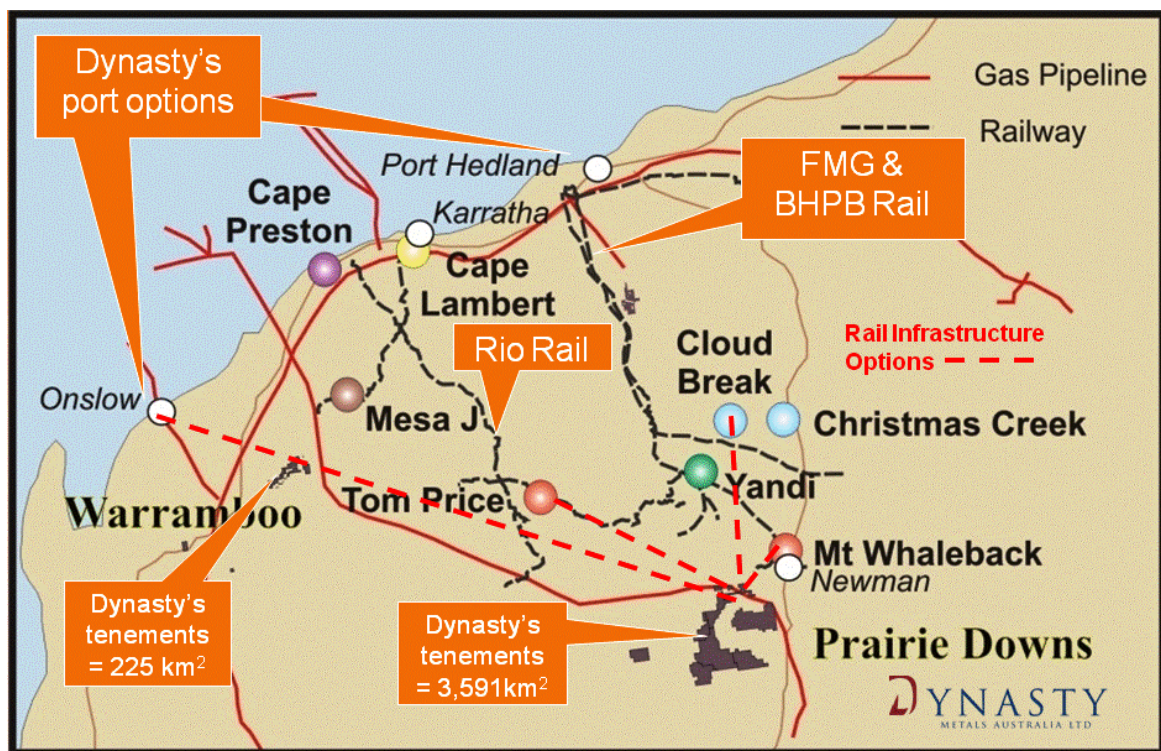


Figure 3 – location of Dynasty’s tenements and proximity of existing Pilbara infrastructure, infrastructure access options

Encouragement has occurred with recent developments in the National Tribunal investigating third party infrastructure access in the Pilbara and from the developments with the Fortescue Metals Group which have resulted in access for new iron ore producers. This includes the recent authorisations by the ACCC which granted iron ore juniors the right to negotiate with the major iron ore miners over rail haulage and access rights. Further the State’s recent announcement that it has selected Anketell Point near Onslow as the preferred site for a new dedicated 350Mtpa iron ore port is encouraging for Dynasty’s Prairie Downs Project

There are a number of deposits west and east of Dynasty’s Prairie Downs project which could conceivably add significantly to the economics of using the Onslow port and associated rail access infrastructure to transport iron ore from this region.