

19 October 2012

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 2012 Annual Report, this was also despatched today.

These documents are available on the Company's website at [www.dynastymetals.com.au](http://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 2012 Annual General Meeting of Dynasty Metals Australia Limited (the Company) will be held at:

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Date: Thursday, 22 November 2012

Time: 10:30am (Perth time)

Venue: Deloitte Touche Tohmatsu  
240 Georges Terraces  
Perth Western Australia  
Room: W.A Boardroom  
*(Please proceed to ground floor Reception and will be directed to Level 14)*

## Ordinary Business

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### 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 2012.

### 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 2012 be adopted.

*The Remuneration Report commences on page 17 of the Annual Report.*

### Re-election of Director

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

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

### Approval to issue shares to Bolun Mining Pty Ltd

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

4. That for the purpose of ASX Listing Rule 7.1 and for all other purposes, the Company approve the issue of 750,000 fully paid ordinary shares to Bolun Mining Pty Ltd (at an effective issue price of \$0.133 per share) on the terms as set out in the attached Explanatory Notes.

### Approval of Placement Facility

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

5. That for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of fully paid ordinary shares 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.

**By order of the Board of Dynasty Metals Australia Limited**

**Louise Edwards**

Company Secretary

19 October 2012

## Explanatory Notes

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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 2012 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 2012 Annual Report (which includes the Directors', auditor's and financial reports) is available on the Company's website:

[www.dynastymetals.com.au](http://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 17 of the 2012 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 Bin Wang 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 Bin Wang follow.

#### **Bin Wang MFin Non-executive Director**

Mr Wang holds a Master of International Finance & Business Management, and is resident of China.

Mr Wang has held directorships and other governance roles with a number of companies listed on the Shanghai Stock Exchange. Mr Wang's previous roles include CEO of Shanghai Hywood Capital Co, Ltd and General Partner of Shanghai Gosun Venture Capital Fund.

Mr Wang brings a wealth of experience in finance, acquisition and derivative investment in China, as well as extensive experience in capital raising and resource management across both private sector and public companies.

Mr Wang was appointed a director of the Company in September 2011.

#### **Board recommendation**

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

### 4. Approval to issue shares to Bolun Mining

Resolution 4 seeks shareholder approval for the issue of 750,000 ordinary shares in the Company to Bolun Mining Pty Ltd ('Bolun Mining'). Bolun Mining were engaged by the Company to assist it in capital raising activities, and \$2 million was raised from China Coal Geological Engineering Corporation for investment into the Company's then wholly owned subsidiary Goldstone Pty Ltd. The Company agreed to pay Bolun Mining a fee equal to 5% of the gross proceeds raised either in the form of cash or via the issue of an equivalent number of shares at a price agreed between the parties.

If this resolution is approved, the parties have agreed that the issue of 750,000 shares to Bolun Mining will fully satisfy the fee obligations of the Company under the agreement. If this fee obligation is met via the issue of shares to Bolun Mining, the effective issue price of the shares is \$0.1333 per share.

If the resolution is not approved, the Company is liable to pay \$100,000 in cash to Bolun Mining in accordance with the terms of the agreement.

No funds will be raised from the issue of new shares to Bolun Mining, however it will extinguish the Company's present liability to Bolun Mining of \$100,000.

The shares proposed to be issued will be fully paid ordinary shares and will rank equally with all existing shares on issue. It is intended that the shares would be issued the day

following the passing of this resolution, but in any event no later than 3 months after the resolution is passed (if it is passed).

ASX Listing Rule 7.1 allows the Company to issue equity securities in any 12 month period representing up to 15% of its ordinary share capital on issue at the commencement of that period without shareholder approval. By obtaining the approval of shareholders for the issue of these shares to Bolun Mining, the Company's capacity to make future issues of securities up to the 15% threshold in accordance with Listing Rule 7.1 is preserved.

#### **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.

## **5. Approval of Placement Facility**

### **General**

Listing Rule 7.1A enables eligible entities to issue Equity Shares 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. The Company is an eligible entity.

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

The exact number of Equity Shares 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 shares 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 Shares under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

#### **(b) Equity Shares**

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

As at the date of this Notice the Company only has one class of Equity Shares, 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 Shares calculated in accordance with the following formula:

$$(A \times D) - E$$

- 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 Shares 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 Shares 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 105,383,509 Shares and therefore has a capacity to issue:

- (i) 15,807,526 Equity Shares under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being given under this Resolution 5, an additional 10,538,350 Equity Shares under Listing Rule 7.1A.

The actual number of Equity Shares that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Shares 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 Shares issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average price ('VWAP') of Equity Shares calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Shares are to be issued is agreed; or
- (ii) if the Equity Shares are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Shares 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 5 will be to allow the Directors to issue the Equity Shares under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 5 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 Shares will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Shares over the 15 Trading Days immediately before:
  - the date on which the price at which the Equity Shares are to be issued is agreed; or
  - if the Equity Shares are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Shares are issued.
- (b) If Resolution 5 is approved by Shareholders and the Company issues Equity Shares 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 Shares may be significantly lower on the date of the issue of the Equity Shares than on the date of the Meeting; and
  - the Equity Shares may be issued at a price that is at a discount to the market price for the Company's Equity Shares on the issue date or the Equity Shares 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 Shares.

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 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		50% decrease in Issue Price \$0.05	Issue Price \$0.09	100% increase in Issue Price \$0.18
Current Variable A 105,383,509 Shares	10% Voting Dilution	10,538,350 Shares	10,538,350 Shares	10,538,350 Shares
	Funds Raised	\$474,226	\$948,452	\$1,896,903
50% increase in current Variable A 158,075,263 Shares	10% Voting Dilution	15,807,526 Shares	15,807,526 Shares	15,807,526 Shares
	Funds Raised	\$711,339	\$1,422,677	\$2,845,355
100% increase in current Variable A 210,767,018 Shares	10% Voting Dilution	21,076,702 Shares	21,076,702 Shares	21,076,702 Shares
	Funds Raised	\$948,452	\$1,896,903	\$3,793,806

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Shares 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 Shares under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
- The issue price is \$0.09, being the closing price of the Shares on ASX on 16 October 2012.

(c) The Company will only issue and allot the Equity Shares during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Shares 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 Shares 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 at its 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 Shares.

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 Shares 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 Shares 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 has not previously obtained Shareholder approval under Listing Rule 7.1A.

(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 Shares. 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.

## 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.

### Voting Exclusion Statement

#### 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 2012 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 4

The Company will disregard any votes cast on resolution 4 by Bolun Mining Pty Ltd and any associates of that Company. However, the Company will not disregard a vote cast on this resolution if (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or (ii) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

#### Resolution 5

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 will not disregard a vote if (i) 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 (ii) 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.

### 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 and 5. 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), 4 (Approval for proposed issue of

shares) and/or 5 (Approval of Placement Facility), the appointing shareholder will be deemed to direct the Chairman to vote in favour of resolution 2, 4 and 5.

### 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 Tuesday, 20 November 2012. 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 10:30am (Perth time) on Tuesday, 20 November 2012** by:

- **online** by following the instructions at [www.securitytransfer.com.au](http://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.

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.

DYNASTY METALS AUSTRALIA LTD

ABN: 80 110 385 709

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

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:

Empty box for marking 'X' on the Chairman of the Meeting.

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.

Grid of boxes for writing the name of the alternate proxy.

The meeting Chairperson (mark with an "X")

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 10:30am on Thursday, 22 November 2012 at The WA Ballroom, Deloitte Touche Tohmatsu, 240 St Georges Terrace, Perth, Western Australia 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 and 5.

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.

Table with 3 columns: Resolution, For, Against, Abstain\*. Rows include Resolution 2: Remuneration Report, Resolution 3: Re-election of Director, Resolution 4: Approval to issue shares to Bolun Mining Pty Ltd, and Resolution 5: Approval of Placement Facility.

\* 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.

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: [Empty box]

STEP 3: Please Sign Below

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

Signature lines for Individual or Security Holder, Security Holder 2, and Security Holder 3.

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

8174137337 Reference Number: [Empty box]

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DMA 1



My/Our contact details in case of enquiries are:

**NAME**

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**TELEPHONE NUMBER**

( 

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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, either shareholder may 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 10.30am on 20 November 2012, 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 Using the instructions on the overleaf

**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.