

Investor Update

Prairie Downs Iron Project

“A New Iron Age Dawns”

Mining 2010
27 – 29 October, 2010
BRISBANE AUSTRALIA

Malcolm Carson - Director

Disclaimer & Competent Persons

Disclaimer

Certain statements contained in this presentation, including information as to the future financial or operating performance of Dynasty Metals and its projects, are forward-looking statements. Such forward-looking statements:

- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Dynasty Metals, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;*
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements;*
- may include, among other things, statements regarding targets, estimates; and*
- assumptions in respect of metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.*

Dynasty Metals disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.

Competent Persons Statement

- Mr Malcolm Carson has compiled the information in this report from information supplied to Dynasty Metals Limited. Mr 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.*
- The information in this summary report relates to the Mineral Resource at Spearhole is based on the geological data compiled by Mr David Jenkins (Sampling Techniques, Data Collection and Compilation) and Mr Arnel Mendoza (Estimating and reporting of Mineral Resources) who are both 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 Dip. Science (Extractive Metallurgy). Dr 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'. Dr Wilson consents to the inclusion in the report of the matters based on his information in the form and context*

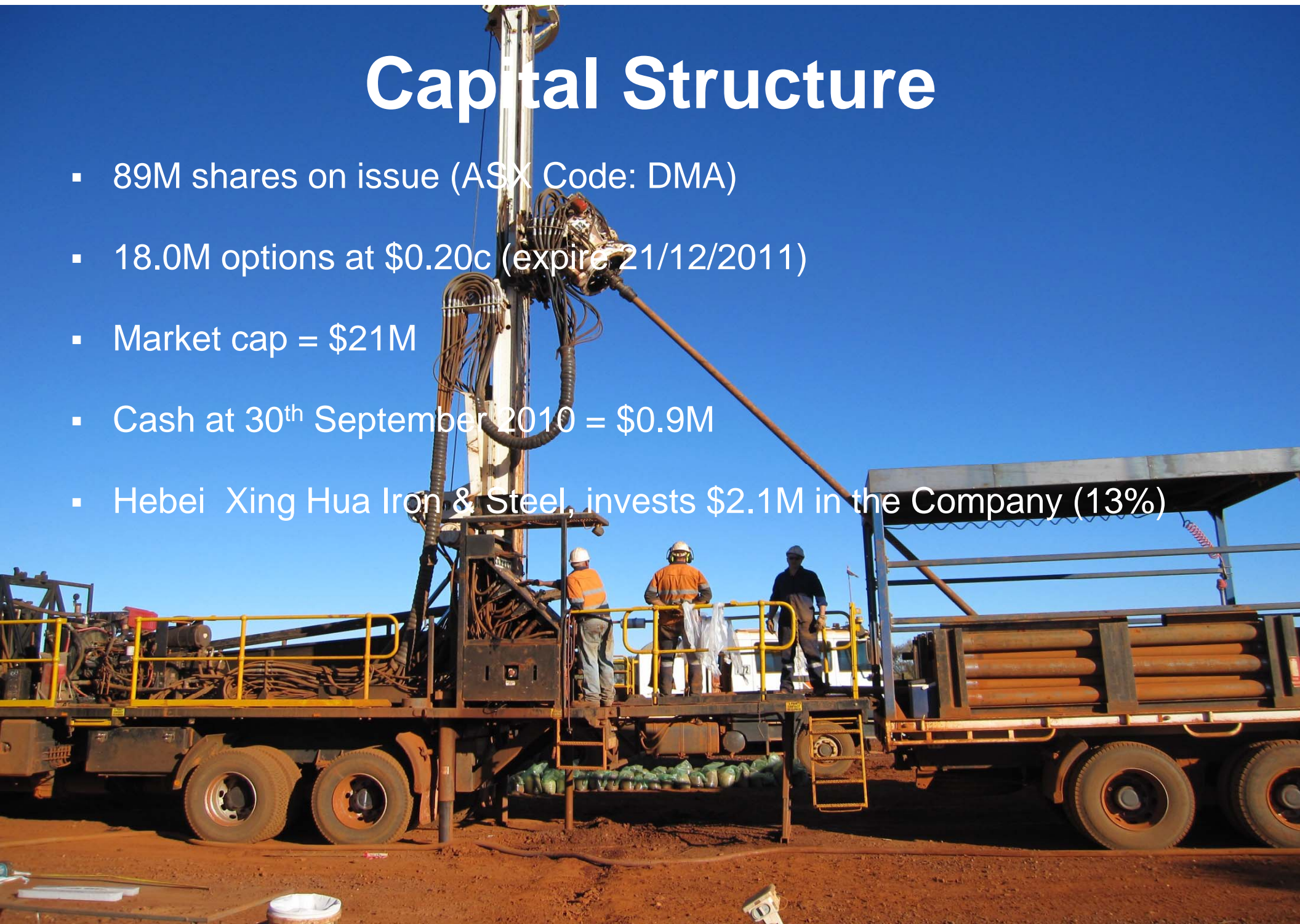
SNAPSHOT

1. Aim to move from “**explorer to producer**” by developing a new iron ore mine and export business and becoming a major player in the Pilbara
2. In one short year, Dynasty has defined global resource of 1.4Billion tonnes containing 322Million tonnes iron metal in-situ
3. In same period, completed preliminary beneficiation test-work on bulk samples and confirmed capability to produce DSO product
4. Pre-feasibility study to commence Q1 2011
5. Chinese steel mill (Xinghua) takes a strategic shareholding which will bring technical, financial and market support



Capital Structure

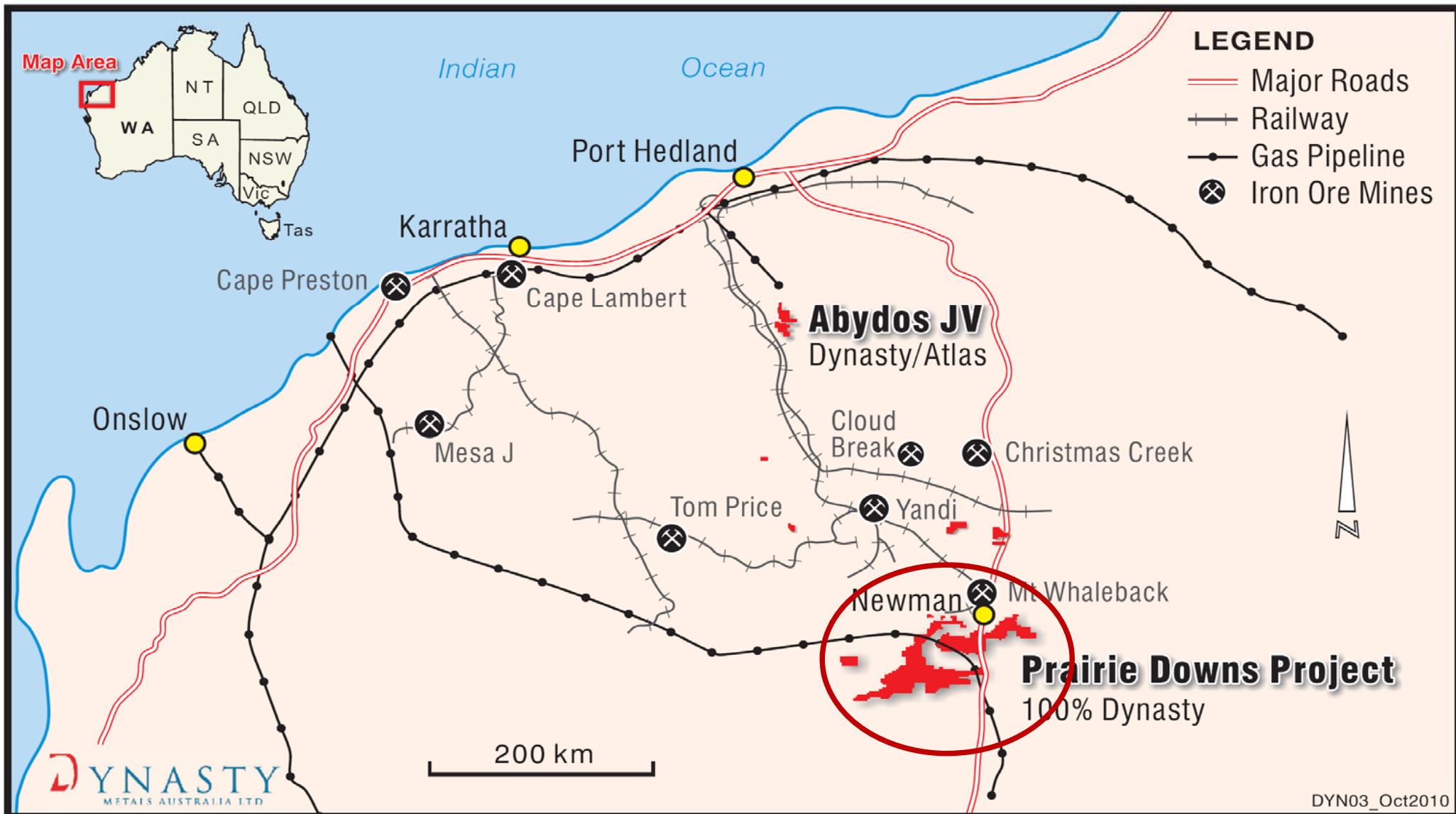
- 89M shares on issue (ASX Code: DMA)
- 18.0M options at \$0.20c (expire 21/12/2011)
- Market cap = \$21M
- Cash at 30th September 2010 = \$0.9M
- Hebei Xing Hua Iron & Steel, invests \$2.1M in the Company (13%)



HEBEI XINGHUA IRON & STEEL

- XingHua Industries founded by Mr Maochun Chen in 1985 in Fuzhou City, Fujian Province.
- The XingHua Industrial Company's subsidiary company Hebei XingHua Iron and Steel Co. Ltd has total assets of more than 2.6 billion Yuan (~AUD\$440 million) and more than 4,000 employees and ranks as number 308 of China's top 500 manufacturing companies.
- XingHua Industrial Company combines five core operating divisions – iron and steel smelting, steel rolling, real estate development, materials handling and international trade and has total assets of more than 8 billion Yuan (~AUD\$1.4 billion) and more than 5,000 employees.
- XingHua Iron and Steel has an annual demand for approximately 3 million tonnes of iron ore and is currently being supplied from Australia, India and internal Chinese sources.
- In addition to technical and financial support, Xinghua brings to Dynasty access to a large iron ore market and the potential to secure future off-take arrangements.

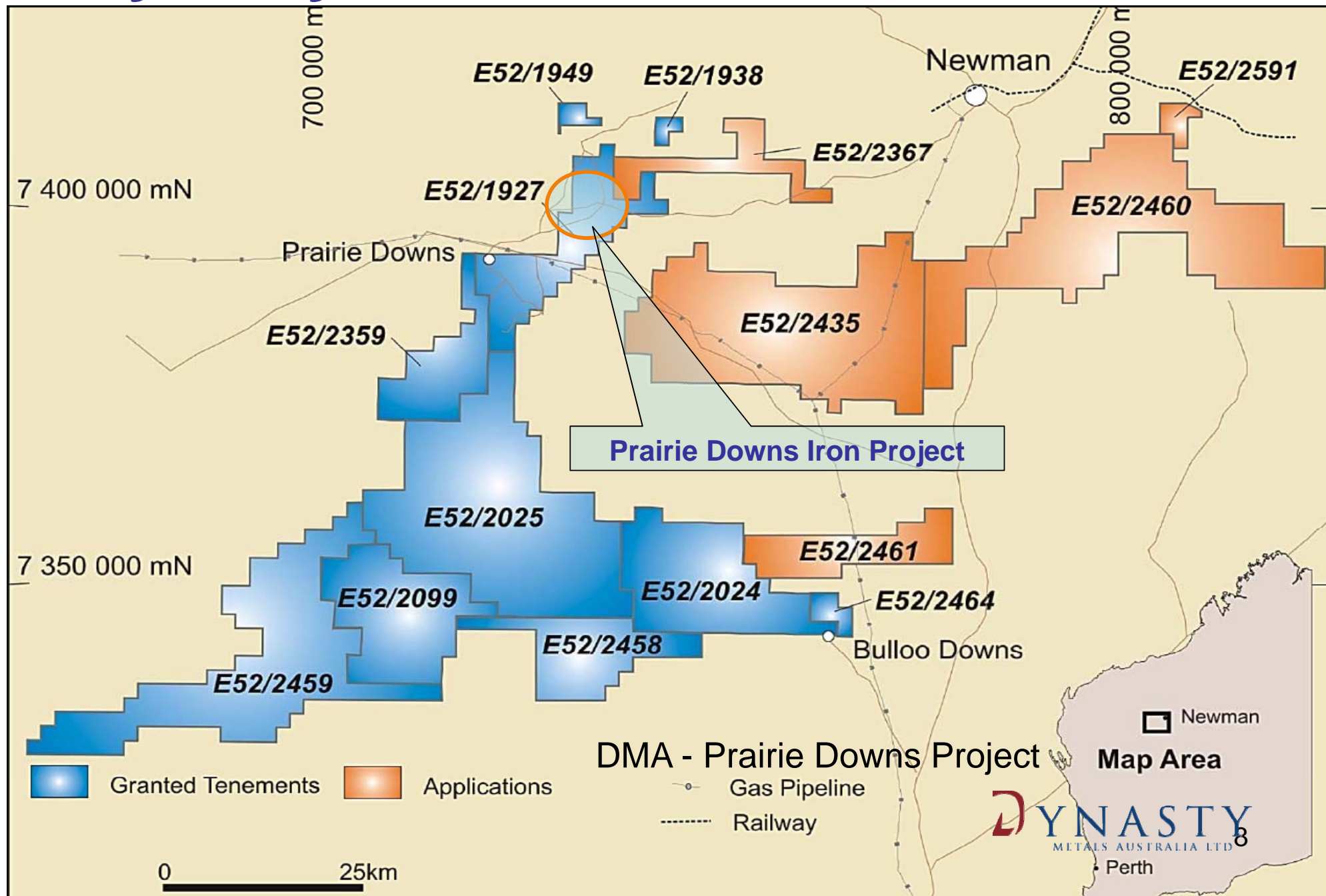
Prairie Downs – Pilbara Iron Project Strategic Location



2010 EXPLORATION



Dynasty's Prairie Downs Tenements



Prairie Downs Iron Resources

JORC Compliant – Inferred

March 2010

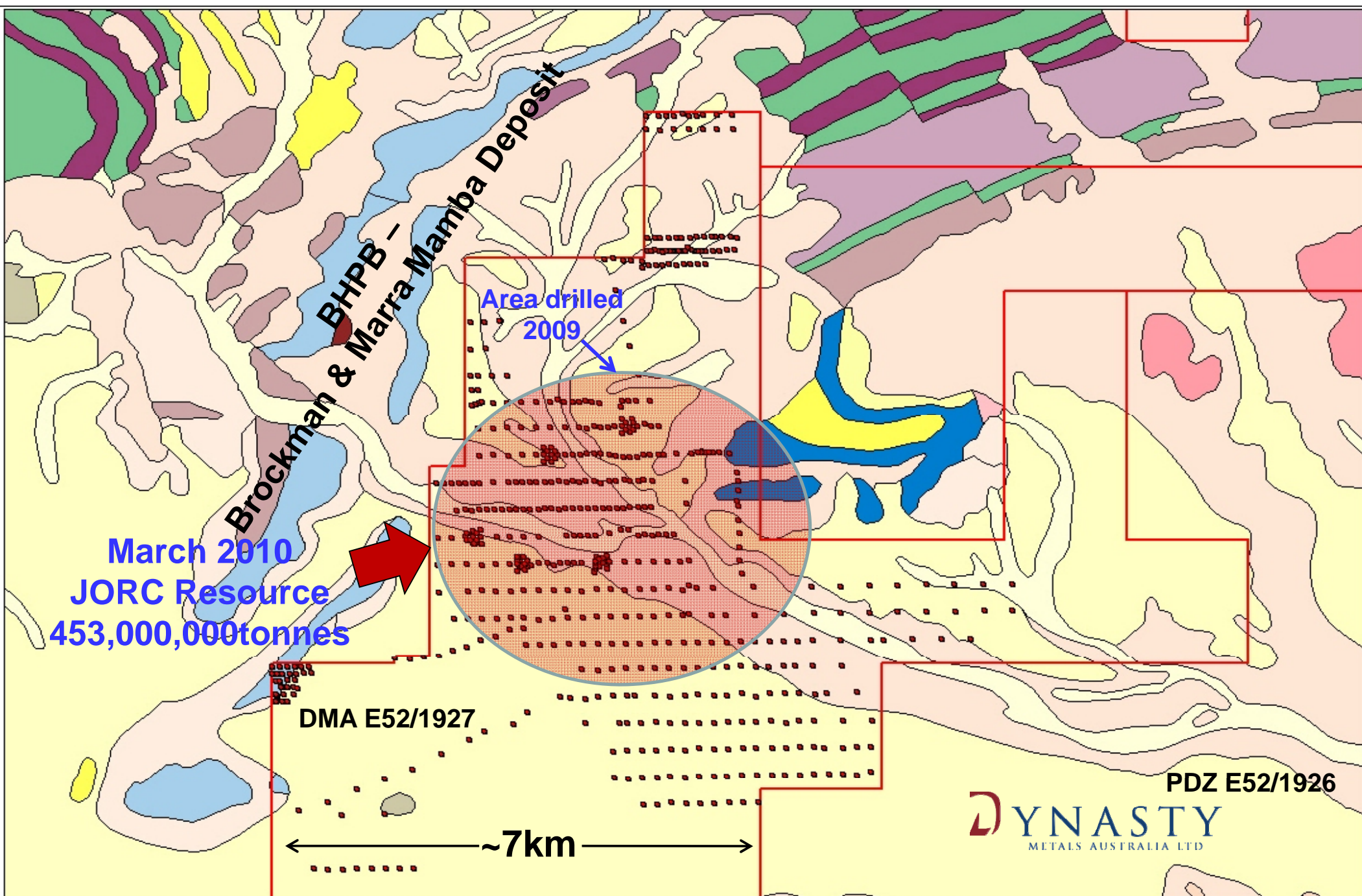
Tonnes	Fe	CaFe	SiO ₂	Al ₂ O ₃	P ₂ O ₅	LOI	Cut-Off Grade
Mt	%	%	%	%	%	%	%
129.0	30.5	33.0	30.6	13.9	0.03	7.8	>27% Fe
264.6	27.4	29.7	33.0	14.8	0.03	8.0	>22% Fe
369.5	25.2	27.4	35.5	15.5	0.03	8.3	>17% Fe
452.8	23.1	25.2	37.0	15.8	0.04	8.7	Total Resource

October 2010

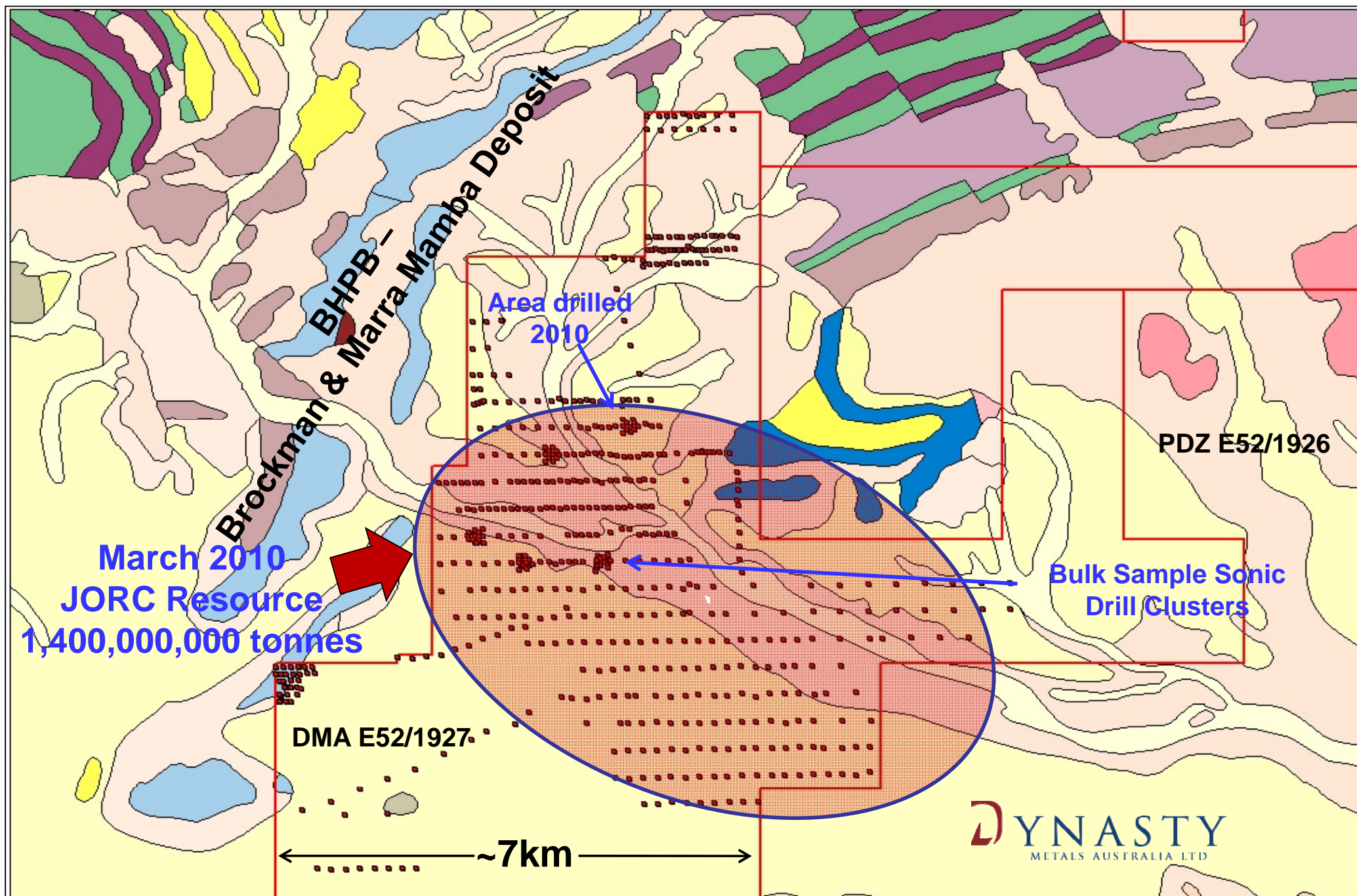
Tonnes	Fe	CaFe	SiO ₂	Al ₂ O ₃	P ₂ O ₅	LOI	Fe Cut-Of Grade
(Mt)	%	%	%	%	%	%	
448.6	31.5	34.0	30.2	13.6	0.038	7.5	>27%
585.6	30.2	32.7	31.6	13.9	0.037	7.6	>25%
800.4	28.4	30.7	33.5	14.4	0.036	7.7	>22%
932.0	27.4	29.6	34.6	14.7	0.036	7.8	>20%
1,117.6	25.9	28.1	36.1	15.0	0.035	7.9	>17%
1,400.3	23.5	25.5	38.6	15.5	0.034	8.1	Total Resource

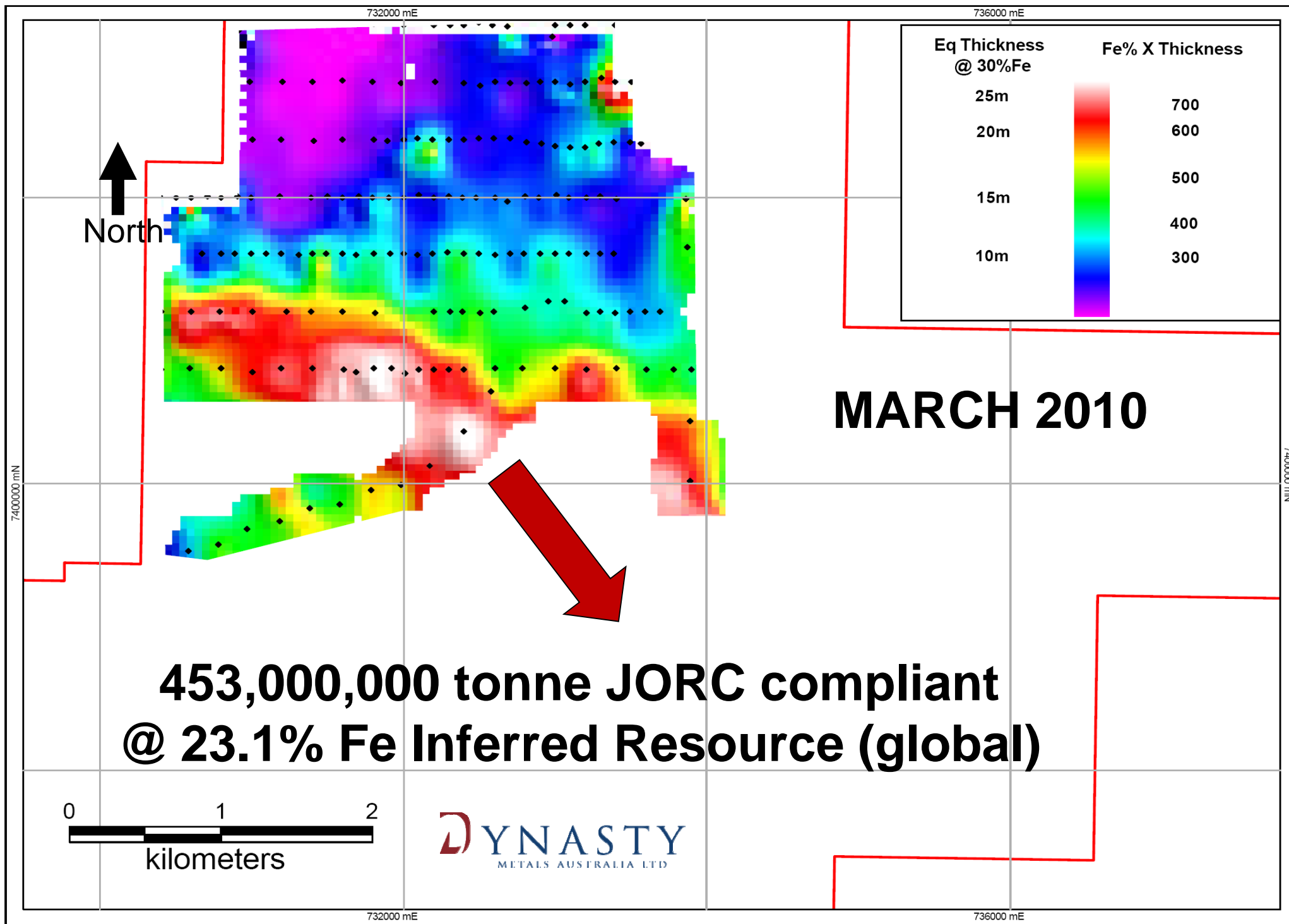
JORC Compliant Inferred Resources estimated by TerraSearch & released 18 March 2010 and 27th October 2010

SPEARHOLE IRON PROSPECT – 2009 RESULTS



SPEARHOLE IRON PROSPECT – 2010 RESULTS





DYNASTY
METALS AUSTRALIA LTD

North

4km

0 1 2
kilometers

JULY 2010

**Confirmation of direction and
thickening of channel**

**Eq Thickness
@ 30%Fe**

25m

20m

15m

10m

Fe% X Thickness

700

600

500

400

300

7400000 mN

7400000 mN

732000 mE

736000 mE

732000 mE

736000 mE

**Eq Thickness
@ 30%Fe**

25m

20m

15m

10m

Fe% X Thickness

700

600

500

400

300

OCTOBER 2010

**1,400,000,000 tonnes
JORC compliant Inferred Resource
@ 24% Fe (global)**

0 1 2
kilometers

**Eq Thickness
@ 30%Fe**

25m

20m

15m

10m

Fe% X Thickness

700

600

500

400

300

7399600N

7398300N

Long Section

0 1 2
kilometers

732000 mE

736000 mE

732000 mE

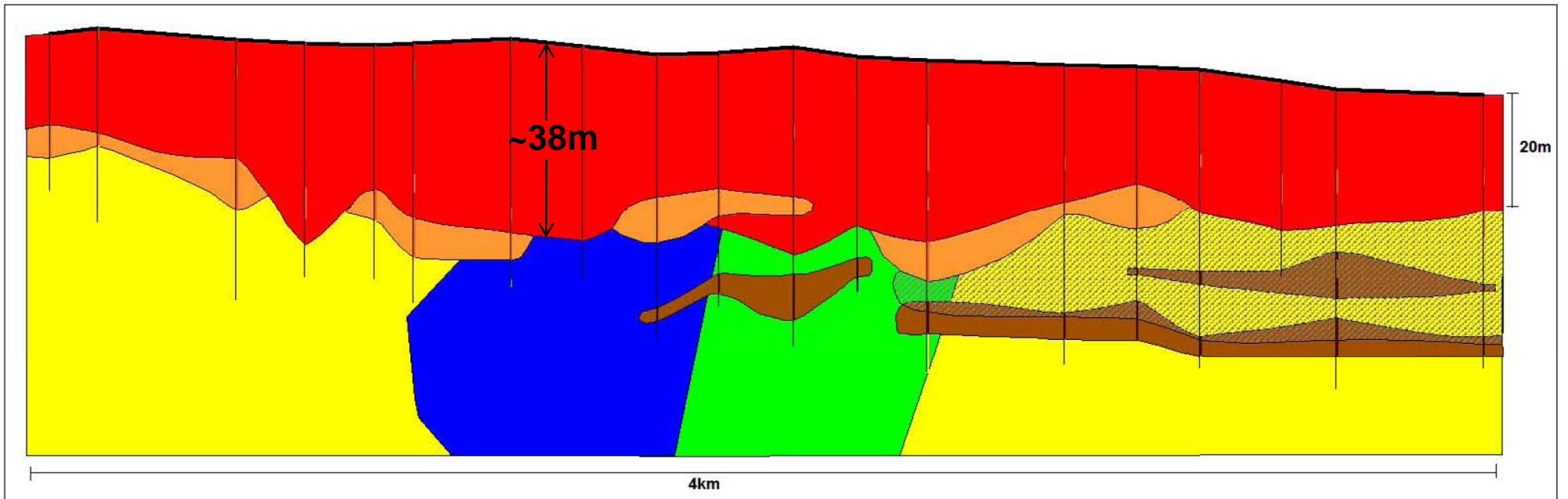
736000 mE

740000 mN

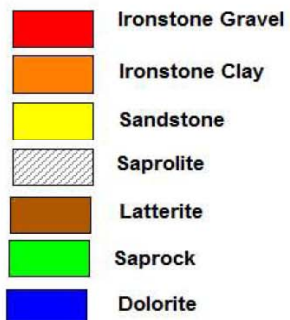
740000 mN

CROSS SECTION

LINE 2 7399600N



Legend

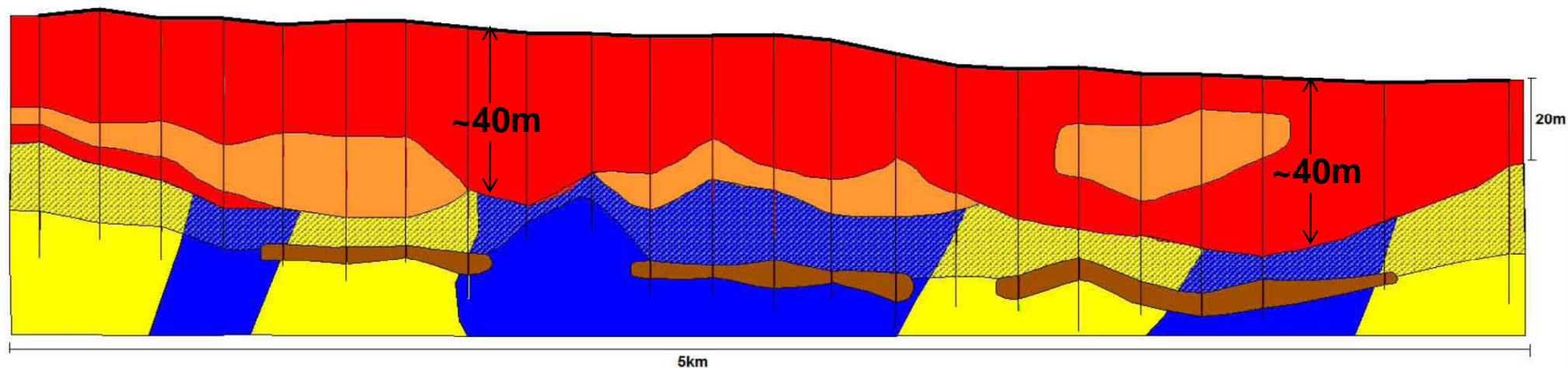


 **DYNASTY**
METALS AUSTRALIA LTD



CROSS SECTION

LINE 2 7398800N



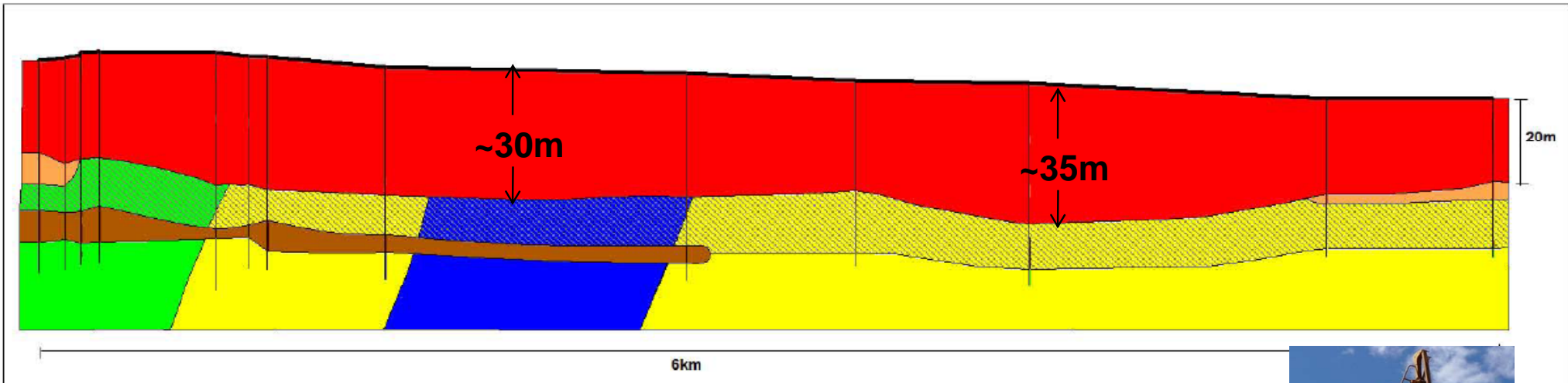
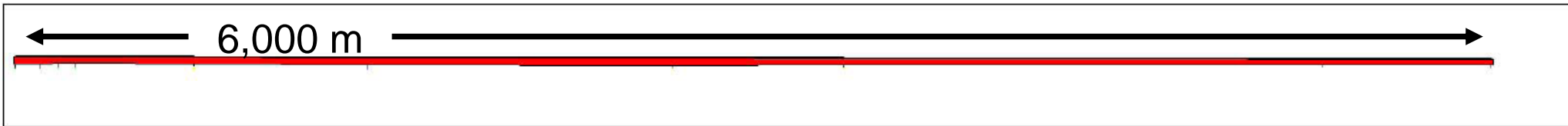
Legend




DYNASTY
METALS AUSTRALIA LTD



LONG SECTION



Legend

-  Ironstone Gravel
-  Ironstone Clay
-  Saprock
-  Saprolite
-  Sandstone
-  Dolomite
-  Laterite

DYNASTY
METALS AUSTRALIA LTD



Prairie Downs Iron Resources

JORC Compliant – Inferred

March 2010

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JORC Compliant Inferred Resources estimated by TerraSearch & released 18 March 2010 and 27th October 2010

BENEFICIATION



Courtesy/source - FMG

BENEFICIATION TEST-WORK

- Advanced stage, towards developing optimum flow-sheet
- Trommel, screening shows clay <1.18mm fraction >50% (<25% Fe)
- >1.18 mm fraction head grade 37-39% Fe
- Crushing yet to be tested
- Petrological work indicates a 3mm crush may liberate the majority of the high grade material (*petrological polished sections below*)

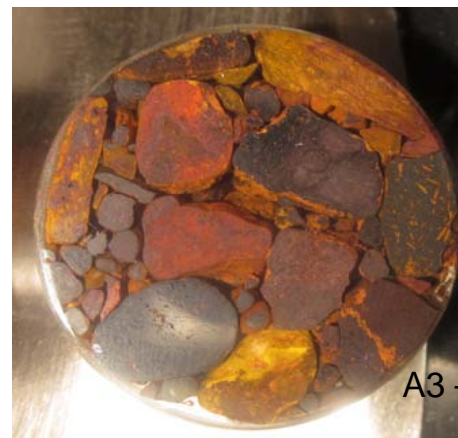
Preliminary beneficiation test-work has shown that Dense Media Separation (DMS) at SG 3.4 from Area 3 has returned grades up to

61%Fe with 2.7%SiO₂, 0.7% Al₂O₃ and <0.03 P₂O₅

“Work is continuing to define overall yields and product grades”



A2 – PDSN013



A3 – PDSN011

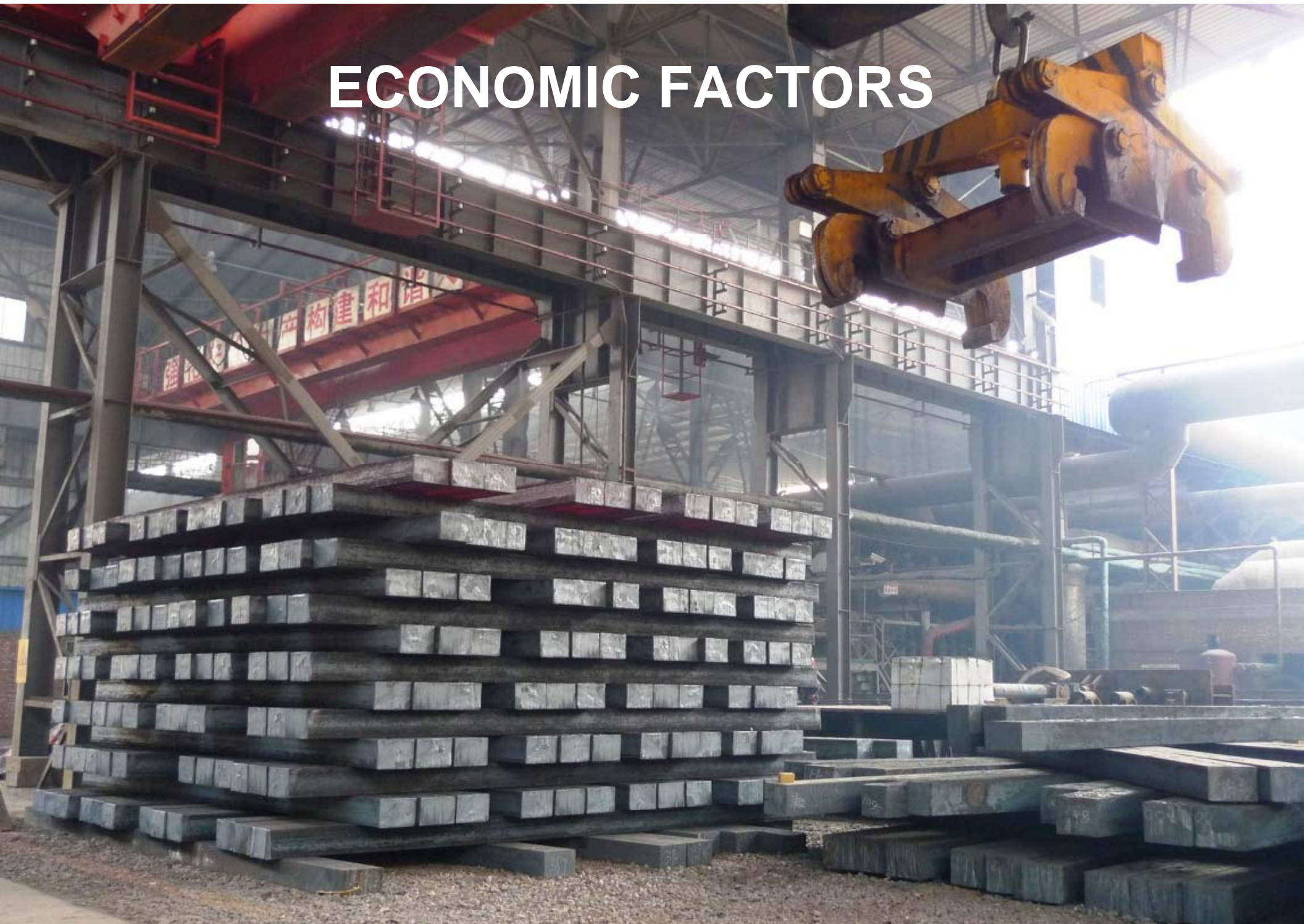


Bulk Sample – Test Grades ~ 27%Fe



Typical Department

ECONOMIC FACTORS



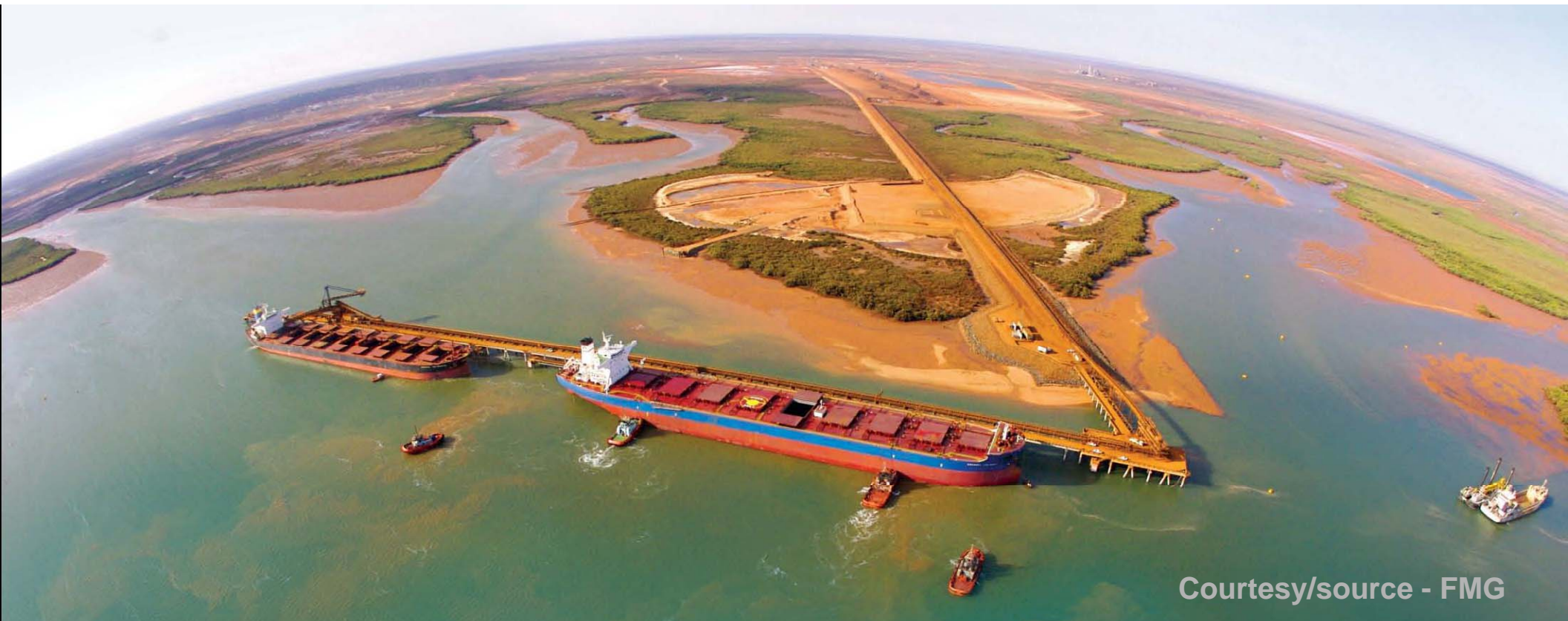
LOW COST OPERATION

- ✓ Overburden nil
- ✓ Free digging **“drilling, blast, pre-crush & grind” will not be required**
- ✓ Simple low-cost trommel and screen to upgrade for beneficiation
- ✓ Simple physical beneficiation processes
- ✓ Economies of scale (>15 Mtpa operation)

TOP OF IRON ORE
BODY

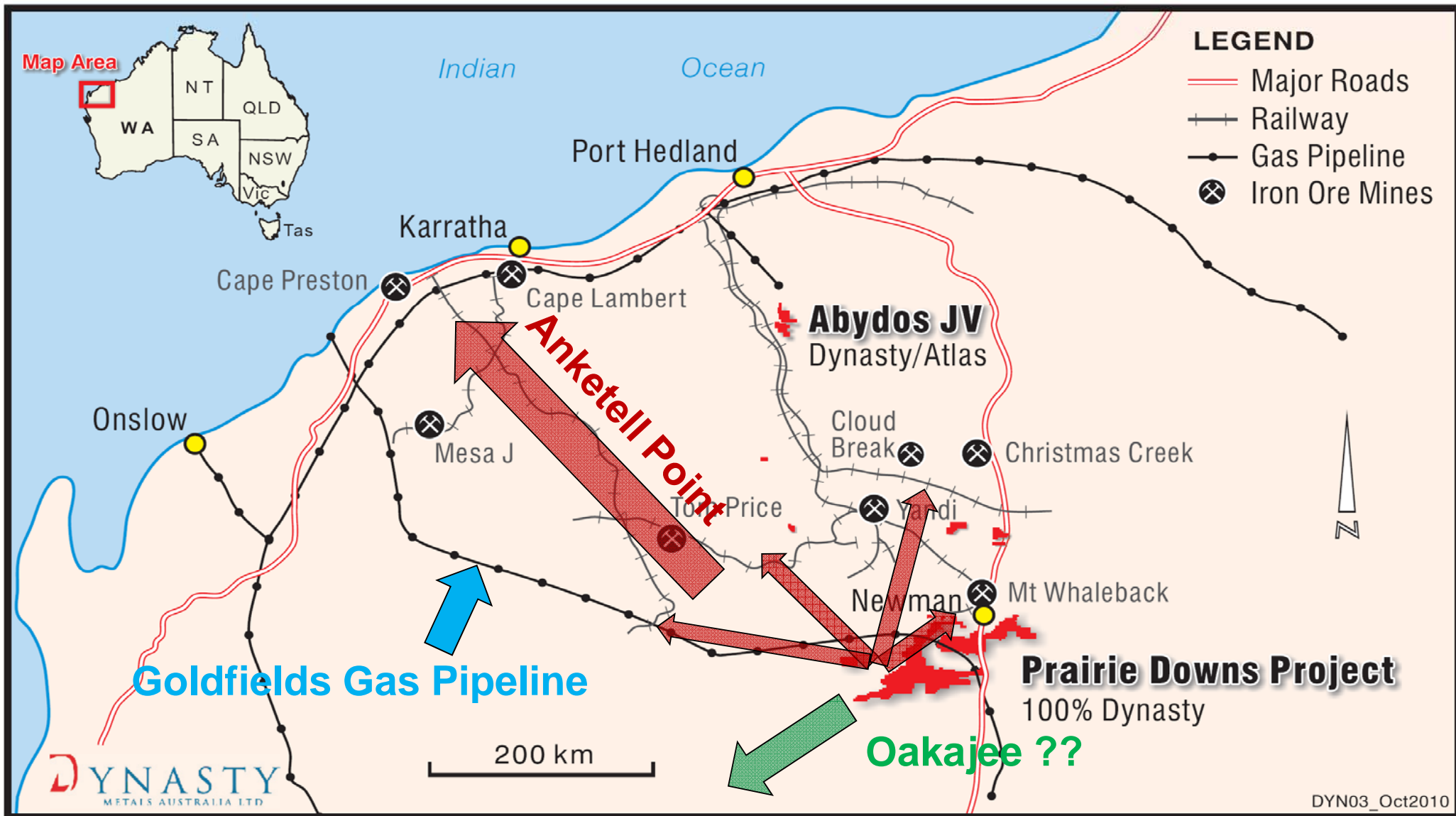


INFRASTRUCTURE



Courtesy/source - FMG

Prairie Downs – Pilbara Iron Project Strategic Location



2011 EXPLORATION PRE-FEASIBILITY

DYNASTY
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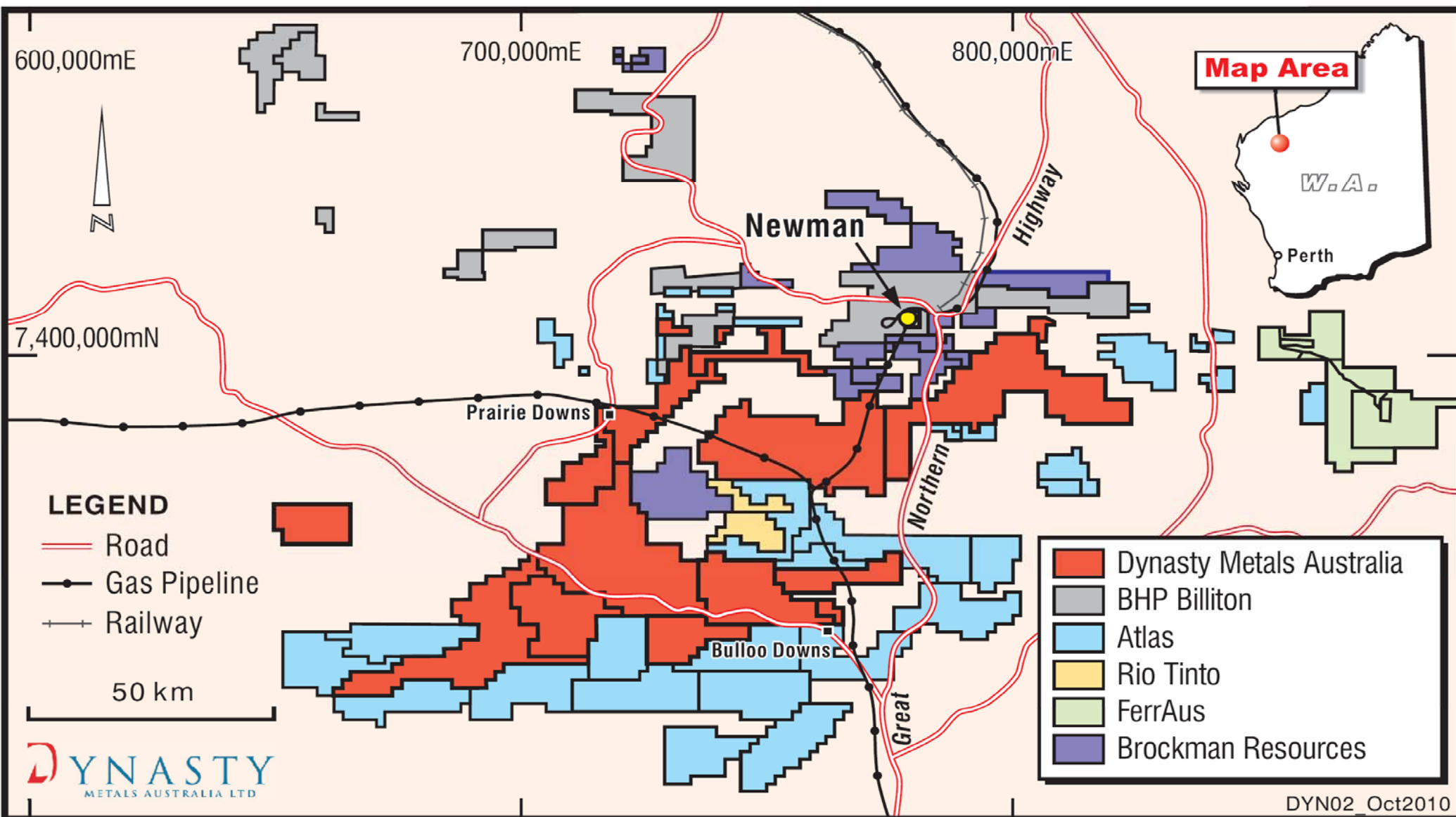
2011

- **Resource Drilling to upgrade resources, define reserves**
- **Begin mine planning and pit-optimisation**
- **Beneficiation – larger bulk samples design and cost process flow sheet**
- **Transport - explore infrastructure options, commence negotiations with government and various parties**
- **Commence steps for mining lease and approvals**
- **Financing – progress negotiations with off-take parties**

PEER COMPARISON



DYNASTY PRAIRE DOWNS TENEMENTS (100%) AND IMMEDIATE NEIGHBOURS



Pilbara Iron Ore Companies - Snapshot

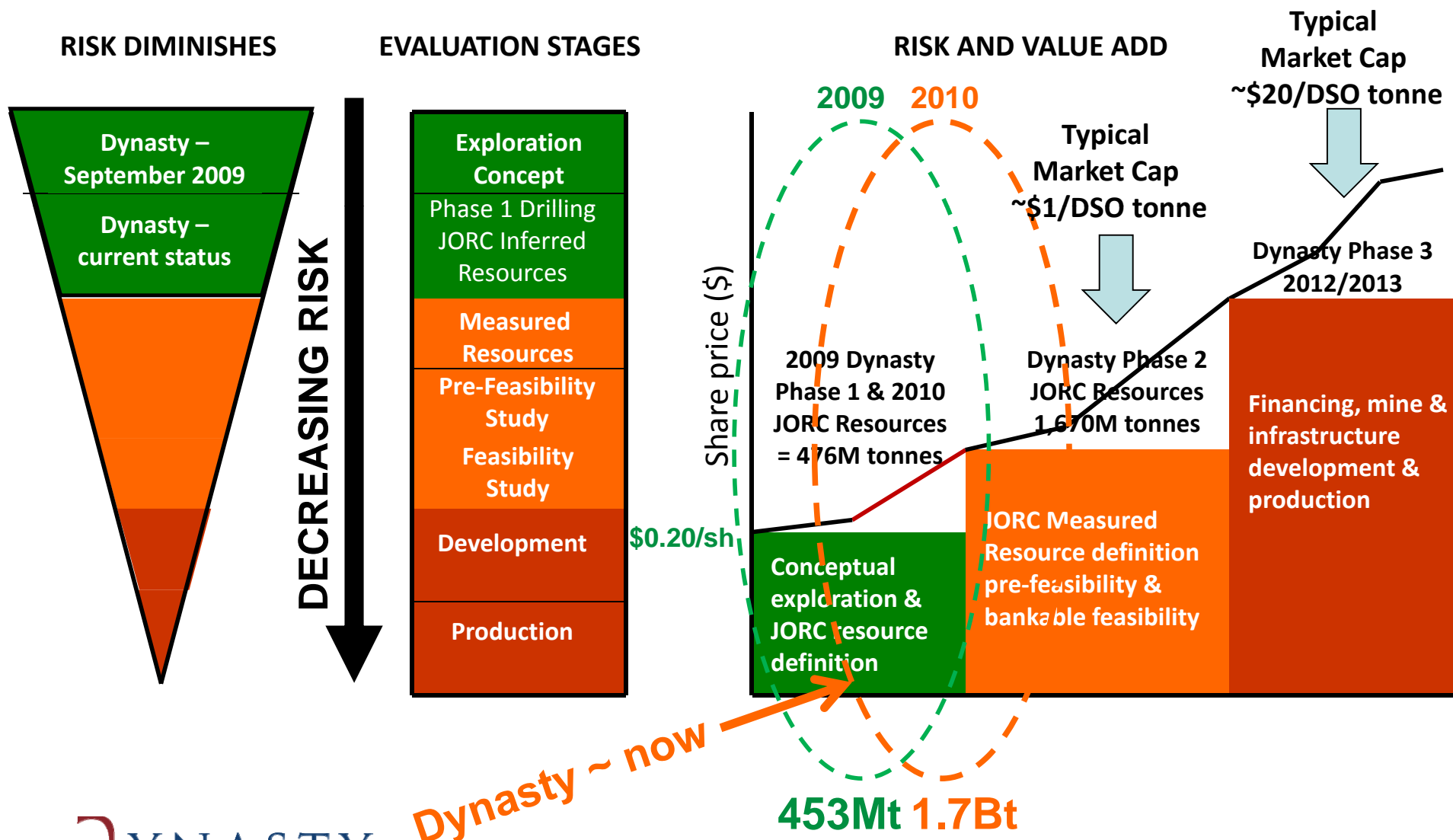
(22nd October 2010)

Company	JORC Resource tonne	Fe Grade	Enterprise Value	Share Price	E.Value/ Resource Tonne
Atlas Iron (AGO)	205M	57%	\$1,003M	\$2.50	\$5.00
BC Iron (BCI)	51M	54%	\$488M	\$2.10	\$2.95
Red Hill Iron (RHI) [40%]	169M	56%	\$124M	\$2.90	\$0.73
Feraus (FRS)	316M	57%	\$137M	\$0.80	\$0.43
Brockman Resources (BRM) [50%]	1,600M	43%	\$492M	\$4.00	\$0.31
BRM DSO product tonnes	419M	61%	\$492M	\$4.00	\$1.18
Iron Ore Holdings (IOH)	400M	59%	\$325M	\$2.10	\$0.16
Iron Road (IRD)	277M	17%	\$136M	\$1.85	\$0.18
Dynasty Metals (DMA)	1,400M	24%	\$20M	\$0.25	\$0.01
DMA TARGET product tonnes	200M	>56%	\$20M	\$0.25	\$0.09

** Estimates from 1st Phase 2010, beneficiation test-work*

Share Price - Value Add Curve

Exploration Phases - Risk, Asset Creation & Shareholder Value



A dark industrial setting featuring a bright welding or cutting process in the center, which produces a large volume of glowing orange sparks. The scene is framed by dark, heavy machinery and structural elements.

Thank You

Glossary – Geological Terms

Marra Mamba Formation - Iron formation from the early Hamersley group - approximately 250m thick and hosts several major world class iron ore deposits

Brockman Iron Formation - Iron formation from the Hamersley group - approximately 620m thick and hosts several major world class iron ore deposits

Hamersley Formation Group - Sequence of over 2500m of chemical and clastic sedimentary rocks of Archaean to Early Proterozoic age including significant thicknesses of Iron formation.

Detrital Channel Iron - Quaternary Iron Oxide accumulations.

Channel Iron - iron rich fluvial sedimentary deposits occupying meandering paleochannels in the Early to Mid-Tertiary Hamersley palaeosurface of Western Australia.

Conglomerate - a rock consisting of individual clasts within a finer-grained matrix that have become cemented together

Palaeochannels - deposits of unconsolidated sediments or semi-consolidated sedimentary rocks deposited in ancient, currently inactive river and stream channel systems. (i.e. a palaeochannel is an ancient usually buried or hidden river system)

JORC Compliant - Compliant with the definitions in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (www.jorc.org)

Hematite - iron oxide mineral of the form Fe_2O_3

Magnetite - iron oxide mineral of the form Fe_3O_4

Beneficiation - is a variety of processes whereby extracted ore from mining is screened and the ore minerals (e.g. Fe) and the gangue minerals (waste) are separated to produce a commercial grade concentrates (e.g. Fe >58%,).

Calcined Fe - Iron content following heating of material to 900-1000 degrees Celsius

Tertiary – Geological period ~65Ma (millions years ago) to ~1.8Ma.

Proterozoic - a period before the first abundant complex life on Earth (2,500Ma to ~550 Ma)

Archaean – a geological period older than 2,500Ma.

In-situ - Not reworked, removed or redeposited by weathering processes, in place.

RC- Reverse Circulation Percussion Drilling.

Strip Ratio or Overburden Ratio – is the ratio of waste material to mineable (commercial) mineral deposit (ore).