

DYNASTY COMMENCES NEW DRILLING AT PRAIRIE DOWNS

Dynasty commences its 2010 exploration and drilling campaign to:

- Further test and expand its 453Mt JORC compliant Inferred Resource at the Spearhole Detrital Channel Iron Deposit in the Pilbara
 - Drill test “extension” areas to the south and south east of established resource
 - Drill for hidden hard-rock hematite (DSO) deposits
 - Drill iron-rich zones within the large Basal Conglomerate hard-rock formation.
 - Collect bulk samples for beneficiation test work
 - Drill test hidden Marra Mamba and Brockman Iron Formation targets identified through aerial geophysical survey completed in early May 2010
 - Establish an exploration and evaluation work schedule for 2010 which will form the basis of a Pre-Feasibility Study.
-

2010 Stage 1 Programs

Stage 1 of the 2010 program has commenced infill drilling of the current **453 million tonne** JORC compliant inferred resource to identify sites for bulk samples and to upgrade higher grade portions to Measured or Indicated Resource categories and identify areas to collect bulk samples for beneficiation test-work.

2010 Stage 2 Programs

Bulk samples: A sonic drill rig is planned to be mobilised to site in mid-June for Stage 2 of the program. This rig will drill large diameter holes to collect bulk samples “representative” of the in-situ material which will be composited into 5 tonne parcels for beneficiation test-work in Perth laboratories.

Resource Expansion: Stage 2 of the 2010 drilling program will include RC drilling to test undrilled areas to the south and south east of the current resource with the aim to identify extensions to the deposit identified to date.

Figure 1 below illustrates the distribution of iron grades within the current 453 million tonne resource zone and shows that the **iron grade generally increases to the south**. The Stage 2 RC drilling program is planned to infill gaps in the southern portion of the resource and to test for extensions.

Large Prospective Area Not Yet Drilled

Stage 2 RC drilling will systematically step-out from the drilled area above. Drilling for extensions of the Spearhole Detrital Channel Iron deposit is planned to continue approximately 4 km to the southeast within the large drainage system between outcropping Brockman and Marra Mamba Iron Formations.

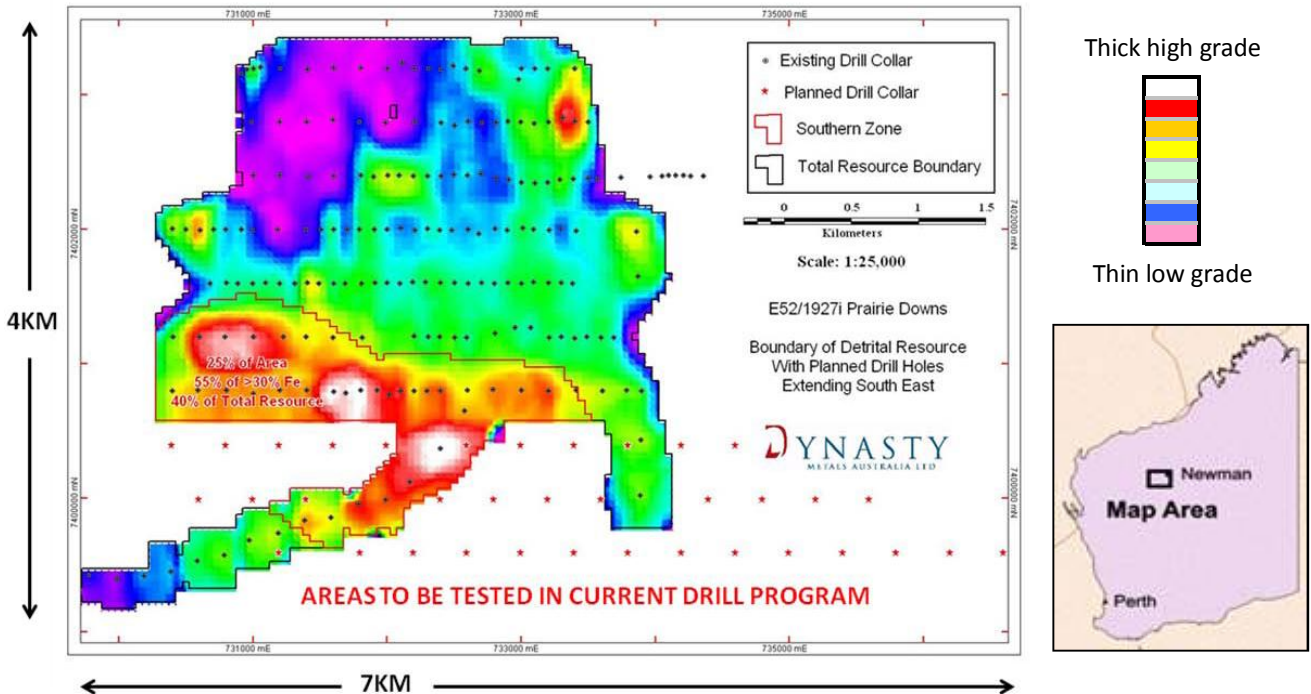


Figure 1, Current resource zone and planned Stage 2 RC drill sites.

2010 Stage 3 Programs

Stage 3 RC drilling of the 2010 program is planned to test hematite targets (Marra Mamba and Brockman Formation) anticipated to be identified from the May 2010 aerial geophysical programs. Interpretation of data from this aerial survey is expected to be completed during June 2010.

Stage 3 RC drilling of the 2010 program will also include initial drill testing of the massive Hamersley Basin derived “basal iron-rich conglomerate” immediately south of the Prairie Downs Fault on Dynasty’s tenements.

The following activities are also planned to be undertaken during May to September 2010:

- Commission expert metallurgical consultants to assist with beneficiation testwork, e.g. the design of the process (beneficiation flow sheet), interpretation of the results and determination of beneficiation costs.
- Complete beneficiation test-work of Spearhole Detrital bulk samples.
- Commission expert environmental consultants for seasonal base-line flora and fauna studies.
- Commission expert engineering consultants to analyse alternative mine plan, transport and ship-loading infrastructure options.

The planned drilling and other activities are systematically progressing towards commencing a pre-feasibility study on Dynasty's Prairie Downs Project later this year.

For further information please contact:

Malcolm Carson - Executive Director (Technical) on 02 9229 2704

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.*

APPENDIX 1, JORC COMPLIANT RESOURCES ANNOUNCED 28 MARCH 2010

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

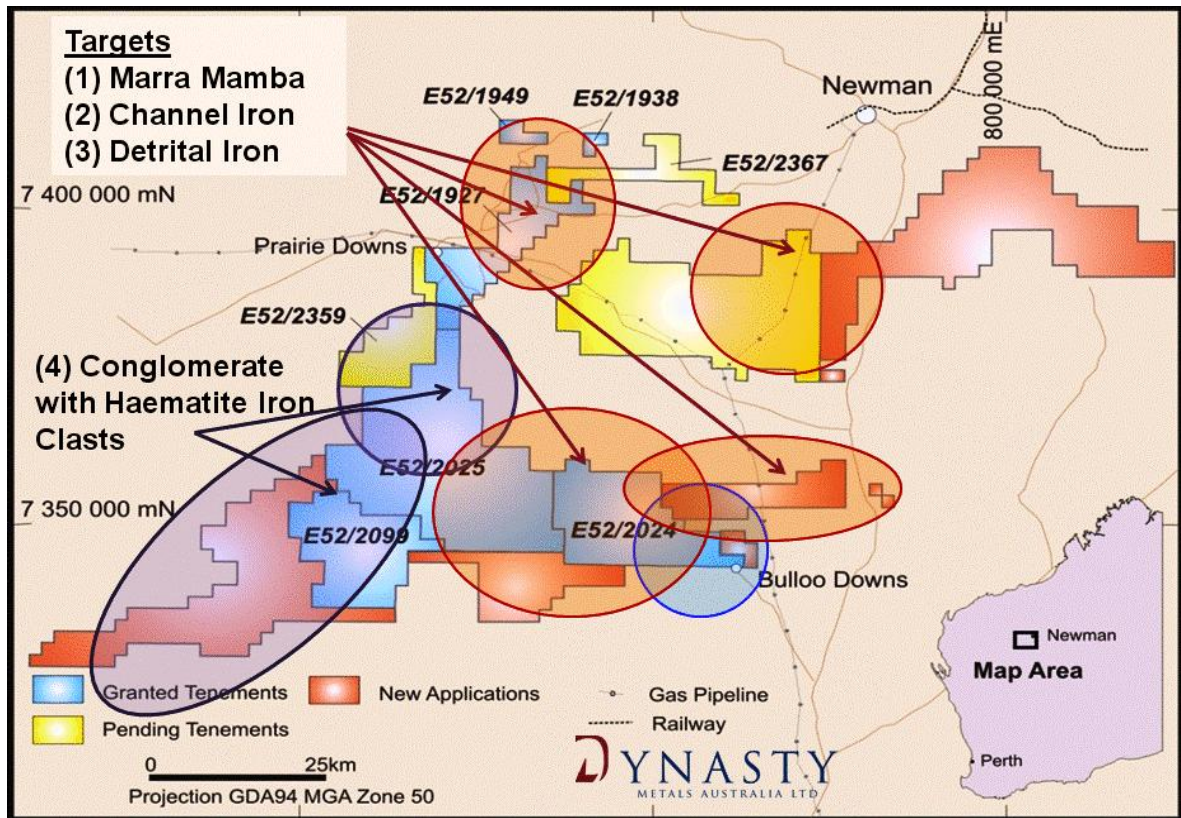
Table 2 – Inferred Resources Prairie Downs Marra Mamba Deposit

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

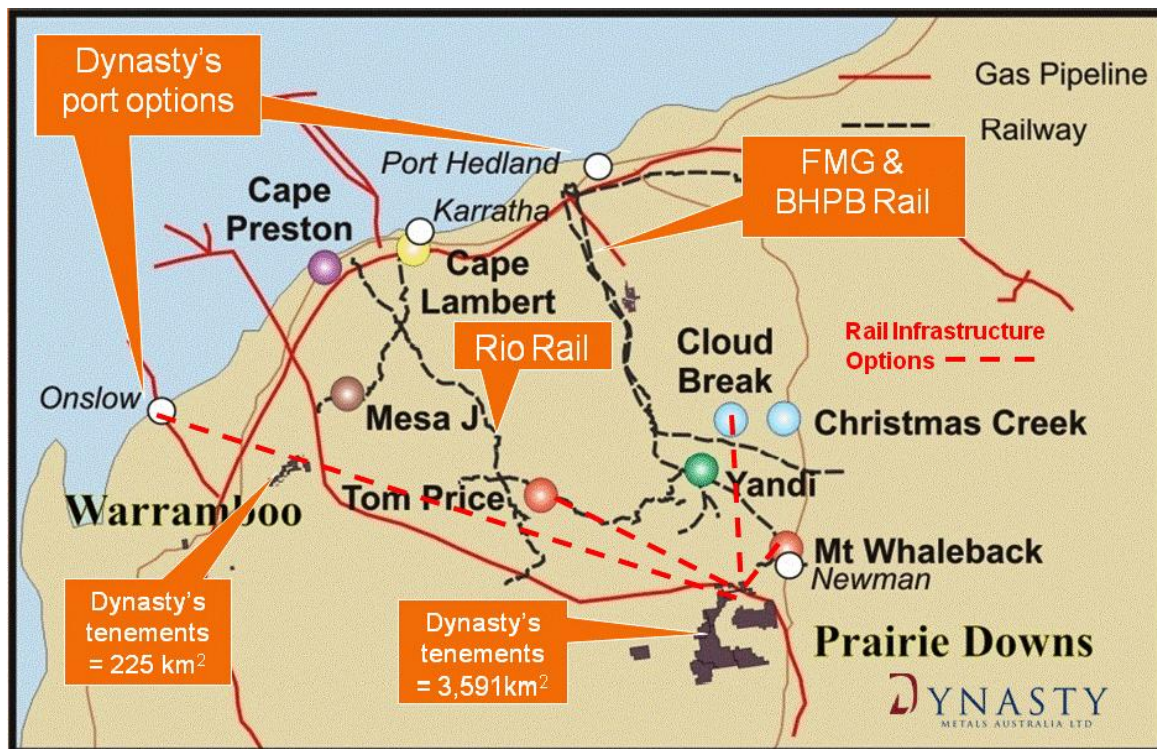
APPENDIX 2, Overview of the Prairie Downs Project

Dynasty’s 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.



APPENDIX 3, 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.



Dynasty is encouraged by 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. Western Australia recent announcement that it has selected Anketell Point near Onslow as the preferred site for a new dedicated 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.