

Casey Investment Alert #232

Dynasty Metals & Mining

(V.DMM, C\$6.40, CIA Gain: 108.4%, 24.4mm SO, 28.3MM FD, C\$156.2MM MCap,

www.dynastymining.com)

On August 9, 2006, Dynasty Metals & Mining reported that ongoing exploration, and recently-commenced underground development, at its 100% owned Zaruma Gold Project in Southern Ecuador have discovered new, high-grade gold and silver mineralization. Systematic sampling has identified high gold and silver grades over approximately 80 meters of the new, Tres Diabolos Vein. In addition, development work on an underground tunnel, driving 270 meters along the Tamayo Vein, has uncovered a southerly extension that could more than double the known length of that vein. Highlights of rock chip channel sampling from these areas include 52.03 g/t gold and 38 g/t silver over 1.6 meters taken from the extension to the Tamayo Vein; and 29.53 g/t gold and 267 g/t silver over 1.0 meter at the Tres Diablos Vein.

Comments: This is pretty early stage stuff, and if it were reported on a grass roots project, we'd probably simply wait for more information before getting too excited. However, in the context of close proximity to the Zaruma project which already has a pre-feasibility study supporting a low-cost production scenario, the discovery of new high-grade blue sky well within economic distance of the current potential mill site, this news takes on a greater weight in our thinking. That basically being: "This story just keeps getting better and better." With the stock back near 52-week highs, we wouldn't chase it at today's prices--but if gold takes another dive before heading up and DMM dips with it, we might well back up the truck for more.

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