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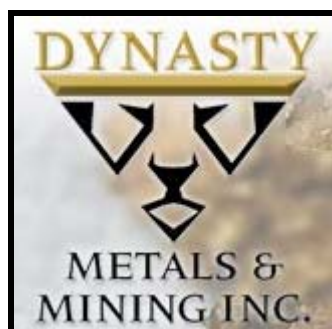
Your independent **Swiss** asset manager

THE TIMELESS PRECIOUS METAL FUND

DYNASTY METALS & MINING INC. (TSXV:DMM) FOLLOW-UP N° 7 / November 21, 2006

[Home Page of DMM](#)
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DYNASTY METALS & MINING.: RETURN ON CAD 20,000 INVESTMENT					
<u>Purchase Date</u>	<u>No. of Shares</u>	<u>Purchase Price</u>	<u>Cost (CAD)</u>	<u>Price Today</u>	<u>Value Today</u>
December 9, 2004	8'000	1.25	10'000.00		
June 16, 2005	12'000	0.85	10'200.00		
Total	20'000	1.01	20'200.00	5.95	119'000.00
Profit					98'800.00
Profit (in %)					584%



SHARES OUTSTANDING / FULLY DILUTED	MARKET CAP
24,443,888 / 28,278,388	CAD 146.2 Million
52 WEEK LOW / HIGH	AVERAGE TSXV
CAD 0.90 to 7.02	59,200 (200-day)
RECOMMENDATION	RISK RATING
BUY	HIGH

GOLD EXPLORATION IN SOUTHERN ECUADOR

Business Summary

Dynasty Metals and Mining is a Canadian based exploration company focused on gold exploration and development in **southern Ecuador**. Dynasty owns 100% of three gold discoveries, two within known mining districts and the third representing an entirely new discovery of considerable significance.

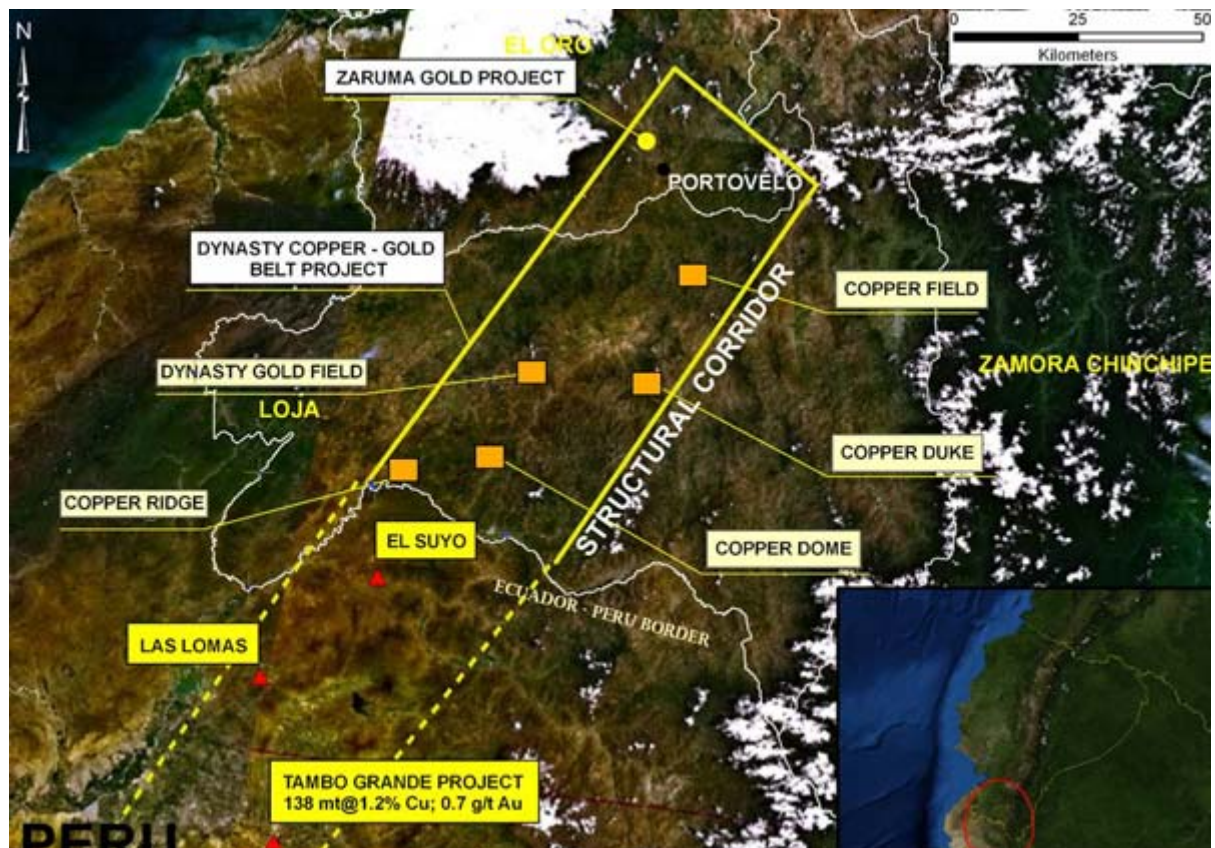
Why Explore for Gold in Ecuador?

There are a number of supporting factors that make Ecuador favorable for Gold Exploration and Mining.

In recent years Ecuador has done much to foster and encourage foreign investment in its mining industry. The Ecuadorian government introduced sweeping changes to the Mining Law, the highlights of which include:

- increasing the term of concessions to 30 years (renewable)
- streamlining the granting of title transfer from exploration to exploitation
- abolishing the 3% mineral royalty payable to the government
- allowing foreigners to hold concessions 100% without Ecuadorian partners
- introducing guarantees into law which secure the right to mine once a positive feasibility study has been carried out
- **Geological studies performed by the British, Swedish and Ecuadorian Geological Surveys through the late 1990's have suggested that Ecuador has tremendous potential for discovery of new economic ore deposits.**
- As part of the restructuring of the Ecuadorian economy, the World Bank opined that Ecuador should do its best to foster investment and development of the mining sector, in order to insulate it better from future El Niño weather cycles.
- **In April 2000, Ecuador took the extraordinary step of demonetizing its own currency and adopting the United States dollar. All business in Ecuador is now transacted in US currency. This step has restored stability to the economy, allowing foreign investment to once again take place.**
- The World Bank financed a project to put the mining tenement registry or cadastral on the internet, to make it more transparent and corruption free. In this way, Ecuador has now avoided the problems of concession overlap, which is prevalent in the rest of South America.

DYNASTY PROJECT



The Dynasty Copper-Gold Belt is a previously unexplored mineralized corridor, approximately 90 km long and 20 km wide, and runs along a north east trend that begins in Peru and extends to Dynasty's Zaruma project (see above).

The property is located in **Loja Province, south western Ecuador**, covers 969.16 km², and consists of fifty-two concessions at altitudes ranging from 600m to 1800m above sea level. Dynasty is 100% owned and the Company has no work or property payments with respect to it.

Key Highlights:

- Measured and Indicated Gold resource of 424,422, and additional Inferred resources of 427,017 ounces of gold
- Measured and Indicated Silver resource of 4,762,935, and Inferred resources of 5,521,474 ounces of silver
- Significant land position of approximately 970 km² located along a mineralized corridor
- Exploration plans for 2006 include an aggressive drilling program to expand and focus on developing the property

Management believes that the Dynasty Goldfield has significant potential to host a large bulk-mineable gold resource and in the near term, intend to focus on the development of the property. The exploration plan for 2006 includes an aggressive drill program to expand and define the resource.

The ("Company") received an independent, initial estimation of gold and silver resources at its Dynasty Goldfield project in southern Ecuador. The estimates are contained in a technical report (the "Technical Report") that is based upon the results of first-stage drilling on the project, completed in December 2005.

As detailed in the Table below, the Technical Report estimates initial **measured and indicated resources of 424,422 ounces of gold and 4,762,935 ounces of silver, with additional inferred resources of 427,017 ounces of gold and 5,521,474 ounces of silver.**

JERUSALEM PROJECT

The Jerusalem Gold Project comprises one, 100% owned, concession, located in the **Zamora Chinchipe Province of south eastern Ecuador**, about 40 km east of Zamora. The concession covers 2.25 km² at altitudes ranging from 1400m to 1900m. Dense rain forest and steep terrain characterize the area.

Key Highlights:

- Measured and Indicated Gold resource of 585,100 oz at an **average grade of 12.4 g/t (measured) and 12.4 g/t (indicated)**
- Inferred Gold resource of 710,130 oz at an average grade of 11.5 g/t
- The property covers approximately 2.2 km² in an active mining area
- Previous exploration included 10,825 metres of diamond drilling and 6,375 metres of tunneling
- Recent preliminary assessment report recommended a final feasibility study on the project

A preliminary assessment report (scoping study) on the Jerusalem project was recently published and concluded there is potential for the development of a profitable mining operation. The report will be

used to further the project's development and as a base document for discussions with potential development partners. The report includes a two-stage mining plan and projected cash flows, and recommends a final feasibility on the project.

The Company's plan for 2006 is to continue to advance the project toward a bankable feasibility study. Ongoing exploration will be guided by the preliminary assessment report and future work is expected to include surface drilling along strike and underground drilling from declines developed to mine the existing resource.

THE ZARUMA GOLD PROJECT

The Zaruma Gold Field comprises 44 concessions, located in the **El Oro Province of south western Ecuador**, in the vicinity of the towns of Zaruma and Portovelo. Forty-three of the concessions are 100% owned. Title to the remaining concession is subject to future option payments. The concessions cover 103 km² at an altitude of 650m to 1600m and have excellent exploration potential.

Key Highlights:

- Measured and Indicated Gold resource of 1,110,200 oz at an average grade of 13.93 g/t*
- Inferred Gold resource of 1,383,400 oz at an average grade of 12.72 g/t*
- Previous exploration on the field includes over 100,000 channel samples, 15,000 metres of drilling and over 1,705 line kms of aeromagnetic data
- Historic production estimated to be 5 million oz of Gold and 12 million oz of Silver
- Currently conducting an engineering scoping study as part of the Company's ongoing assessment of the field - scheduled for completion early Q2 of 2006

In the last quarter of 2005, the Company revised upwards the resource estimate for the Zaruma Gold Field in compliance with Canadian National Instrument 43-101, and commissioned a preliminary assessment (scoping study) of it. This report will be the basis for the further development of the project and for discussions with potential development partners. The report will include a mining plan and projected cash flows and is expected to be published early in the second quarter.

The Dynasty Project

The Dynasty Copper-Gold Belt is a previously unexplored mineralized corridor, approximately 90 km long and 20 km wide, and runs along a north east trend that **begins in Peru and extends to Dynasty's Zaruma project** (*see map*). The property is located in **Loja Province, south western Ecuador**, covers 969.16 km², and consists of fifty-two concessions at altitudes ranging from 600m to 1800m above sea level. Dynasty is 100% owned and the Company has no work or property payments with respect to it.

To date, the Company has identified **eight mineralized porphyry-style alteration zones** within this corridor, each with extensive hydrothermal alteration zones associated to stockworks and some high grade gold-silver vein swarms. In the last twelve months, exploration work at the Dynasty Copper-Gold Belt has focused on the Papayal and Cerro Verde sites, which cover an area 13 km by 4 km. In 2005 successful trenching and sampling were completed on twelve separate epithermal vein swarms, over 30 km², and 6843 meters of diamond drilling, in 58 holes were completed. Encouraging gold grades were at surface to depths of 250 meters. This past year, the larger area of quartz veins and stockworks, of which Papayal and Cerro Verde are part, was named the "Dynasty Goldfield" in recognition of the extensive gold and silver mineralization that has been identified.

The exploration plan for 2006 includes an aggressive drilling program to expand and define the Dynasty Goldfield resource.

The ("Company") has received an independent, initial estimation of gold and silver resources at its Dynasty Goldfield project in southern Ecuador. The estimates are contained in a technical report (the "Technical Report") that is based upon the results of first-stage drilling on the project, completed in December 2005.

COPPER MOUNTAIN PROJECT

The Copper Mountain copper-gold porphyry project is located approximately **110 km north-east of the Company's Zaruma Gold Project** and 40 km from Iamgold Corp.'s advanced Quimsacocha gold project. Copper Mountain is a 3 km x 6 km, porphyry-style system featuring advanced high-temperature argillic alteration.

The project encompasses a regional nine sq. km volcanic caldera structure in which previous explorers identified a **large copper, gold and molybdenum anomaly on porphyry**. Over 320 soil samples, on 100 metre spacings, over leached soils, outlined an anomaly of 1.2 km x 1.0 km in copper and molybdenum with values ranging from 33 to 105 ppm and 2 to 14 ppm, respectively.

Copper Mountain also includes a 200m x 1200m epithermal vein system comprising two major outcropping veins, 1.5 km to the west of the porphyry system. Previous exploration of these leached quartz-sulphide veins included a total of 15 channel rock samples with results ranged from 0.1 g/t to 1.0 g/t gold and 2 g/t to 10 g/t silver over an average width of 6 metres.

The Company plans to undertake exploration including geological mapping as the setting shows similarity with the iron oxide copper-gold Candelaria deposit in Chile.

Recent Developments: SAMPLING EXTENDS HIGH-GRADE GOLD MINERALIZATION AT COPPER DUKE PROJECT

Dynasty Metals & Mining Inc. reports that sampling of new areas in the Huato Zone at its 100% owned Copper Duke project has returned **high-grade gold, copper and molybdenum**. The high-grade gold veins were identified by a recent geophysical survey.

Highlights of rock chip channel sampling include 174 grams per tonne ("g/t") gold and 14.9 g/t of silver over 0.3 metres, and 43.6 g/t of gold and 24.6 g/t of silver over 1.0 metre.

The Copper Duke project comprises **25 mineral concessions** covering approximately 200 sq. kilometres ("km") in a largely-unexplored area of southern Ecuador. The Company began an aggressive exploration program at the project in January 2006. Initial sampling of the El Huato area, consisting of approximately two kilometers in 22 lines on 200 metre spacing, yielded strong results and was followed by detailed geological mapping (scale 1:5000) and a geophysical survey (magnetometry).

Three areas of high density veins and stockworks were identified by the geological mapping program. The geophysical survey revealed two anomalies in one of these areas. The Company has recently completed a program of systematic trench, tunnel, and outcrop channel sampling to investigate these anomalies.

Detailed Channel Sampling Results

Assay results have now been received from 481 rock chip channel samples taken over an area 3.5 km by 2.5 km on epithermal vein swarms at El Huato. **Results range from 174.0 g/t gold to 0.1 g/t gold and 249 g/t silver to 0.1 g/t silver over widths of 12.4 metres to 0.2 metres. The average sampled width of mineralization is 0.8 metres.**

Fundamental Considerations

Last year when this stock traded below one dollar, the company was unbelievably undervalued with a market cap of roughly \$ 5 per ounce of gold resource. Yet we still consider this company to be

undervalued considering that the company continues to come up with excellent grades and is able to continuously expand its resource base.

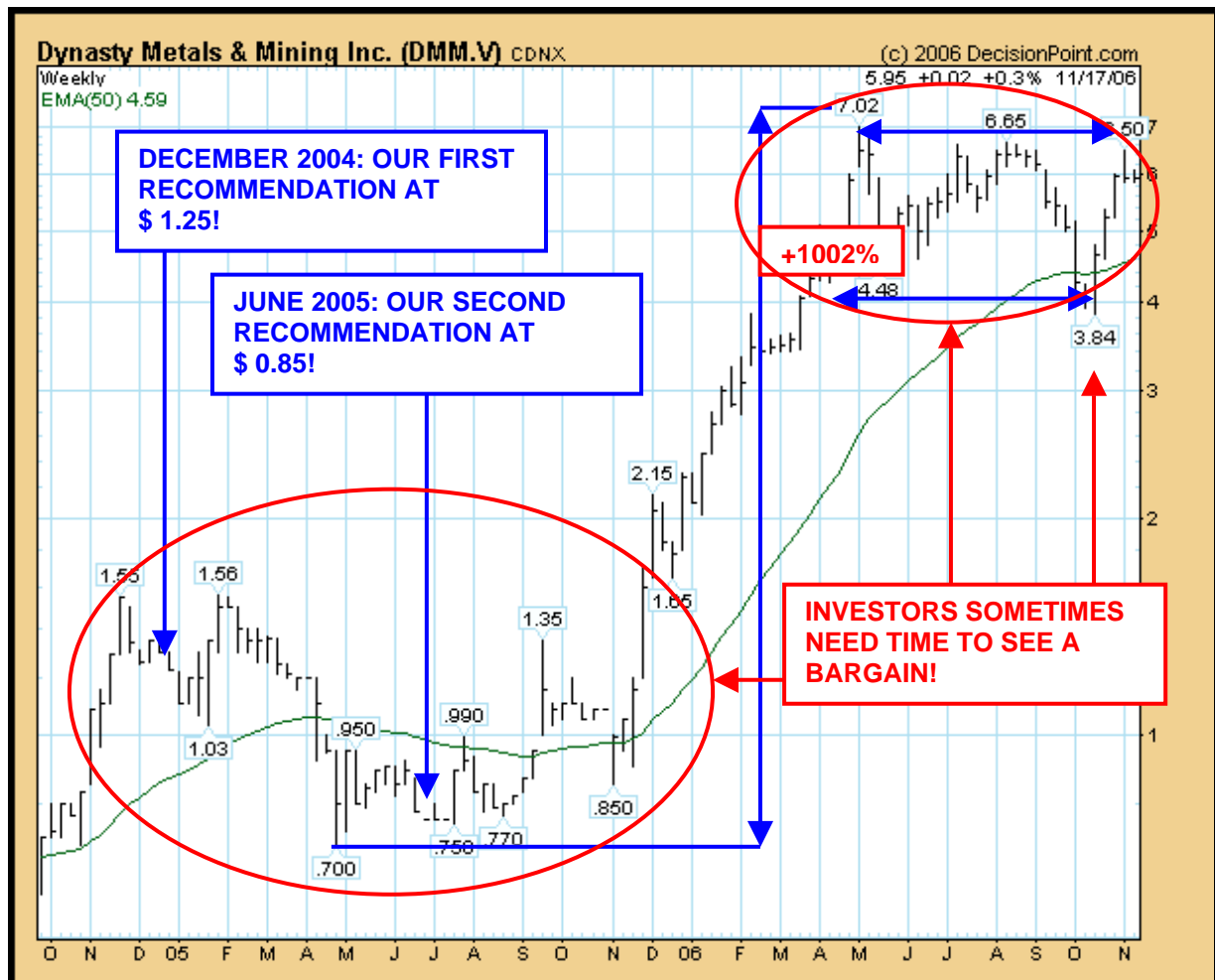
TOTAL GOLD OUNCES*			
	Measured	Indicated	Inferred
ZARUMA PROJECT	702,100	408,100	1,383,400
JERUSALEM PROJECT	239,730	345,370	710,130
DYNASTY GOLDFIELD	183,763	240,659	427,017
TOTAL	1,125,593	994,129	2,520,547
*NI 43-101 Compliant			

Today, with 4.64 million ounces NI 43-010 compliant in all categories, the valuation still does not exceed \$ 28/ounce in spite of an increase of the share price of close to 600% since our first recommendation.

As Dynasty has two advanced-stage gold projects nearing production, plenty of further exploration potential and is the largest concession holder in southern Ecuador, we believe that the company is still massively undervalued.

Technical Consideration





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THE TIMELESS PRECIOUS METAL FUND

is a shareholder in the company and will benefit from any increase in the company's share price.

Disclosure: The author has not been paid to write this article, nor has he received any other inducement to do so. The author is a shareholder in the company and will benefit from any increase in the company's share price.
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