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Press Release 09-01

Trading Symbols: TSX-V: **DYG**
FWB: **D5G**

Dynasty Gold Re-Assigns Interest in Qi-2 Development Agreement

January 12, 2009

Vancouver, Canada: Dynasty Gold Corp. (TSX-V: DYG) (FWB: D5G) (the "Company") announces that its wholly-owned subsidiary, Terrawest Minerals Inc. ("TMI"), has entered into an Assignment Agreement with Chimo Gold Corp. wherein Chimo will receive TMI's 70% interest in the Qi-2 Property, located on the Hatu property in Xinjiang Autonomous Region of Northwest China. The remaining 30% interest continues to be held by three Chinese-based companies.

Chimo has agreed to make a cash payment of US\$100,000 and up to US\$35,000 in transaction costs. An additional US\$800,000 is payable to TMI in the event that Chimo re-assigns the 70% interest. TMI will retain a 2.75% net smelter return royalty.

In April of 2006, TMI entered into a Framework for Development Mining and Exploration Agreement at Qi-2 in which TMI retained a 70% interest in the Qi-2 Property. This agreement gave TMI the right to develop this resource. Under this new agreement, TMI has transferred 70% interest in Qi-2 resource to Chimo.

Chimo Gold Corp. is a privately held, Vancouver-based mining company. Chimo is lead by a management and technical team with many years of experience in mine development and production, including within China.

About Dynasty Gold Corp.

Dynasty Gold Corp. is a Canadian gold exploration and development company that is aggressively seeking out new opportunities.

ON BEHALF OF THE BOARD OF
DYNASTY GOLD CORP.

"Ivy Chong"

Ivy Chong, President & CEO

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