MATERIAL CHANGE REPORT

FORM 51-102F3

1. Name and Address of Company

Dynasty Gold Corp. (the "Company")
735 – 1489 Marine Drive
West Vancouver, B.C. V7T 1B8

Telephone: 604 633-2100

2. Date of Material Change

July 12, 2004

3. News Release

A news release was issued on July 12, 2004, and disseminated through the facilities of Canada Stockwatch and Market News.

4. Summary of Material Change

The Company announces that it has entered into a non-brokered private placement of up to 2,000,000 units at a price of $0.50 per unit, for gross proceeds of up to $1,000,000. In addition, the Company has granted stock options to purchase up to 155,000 shares of the Company at an exercise price of $0.54 per share under its Stock Option Plan.

5. Full Description of Material Change

The Company is pleased to announce that it has entered into a non-brokered private placement of up to 2,000,000 units at a price of $0.50 per unit, for gross proceeds of up to $1,000,000. Each unit will consist of one common share and one non-transferable share purchase warrant. Each share purchase warrant will entitle the holder to purchase an additional common share of the Company at a price of $0.75 for a term of one year. Proceeds of the private placement will be used towards the Company's contribution to its Terraxin Sino-Foreign Joint Venture in respect of its Xinjiang property located in the Xinjiang Autonomous Region of the People's Republic of China, for investigation and exploration of the Gansu property and the Qinghai property in China, and for general working capital.

Additionally, the Company announces that it has granted stock options to purchase up to 155,000 shares of the Company at an exercise price of $0.54 per share for a term of five years under its Stock Option Plan.

Dynasty is a Canadian based junior resource company focused on acquiring, exploring and developing gold prospects in China

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable

7. **Omitted Information**

Not Applicable

8. **Executive Officer**

Jonathan George
Telephone**:** 604 633-2100

9. **Date of Report**

July 12, 2004

DYNASTY GOLD CORP.
Per:

"Marilyn Wong"

Marilyn Wong, Assistant Secretary