



**DYNASTY REPORTS FINANCIAL RESULTS FOR THE THREE AND NINE MONTHS
ENDED SEPTEMBER 30, 2012**

Vancouver, B.C., November 14, 2012 – Dynasty Metals & Mining Inc. ("Dynasty" or the "Company") (TSX: DMM, OTCQX: DMMIF) announces that it has released its consolidated financial statements for the three and nine months ended September 30, 2012. The selected financial information presented herein is qualified in its entirety by, and should be read in conjunction with, the Company's unaudited condensed interim consolidated financial statements as at and for the three and nine months ended September 30, 2012 and the related notes thereto and the Company's management's discussion and analysis, which are available on the Company's website (www.dynastymining.com) and on SEDAR (www.sedar.com).

All dollar amounts in United States dollars unless otherwise stated.

The following tables show selected comparative consolidated financial information as at and for the three and nine months ended September 30, 2012 and September 30, 2011.

Condensed Interim Consolidated Statements of Financial Position, as at:

(Unaudited)	September 30 2012	June 30 2012	December 31 2011
ASSETS			
Current assets			
Cash and cash equivalents	\$ 771,389	\$ 1,143,750	\$ 6,238,514
Receivables	113,249	163,570	53,479
Prepaid expenses	456,679	389,547	394,450
Inventory	<u>3,852,960</u>	<u>4,503,902</u>	<u>4,575,976</u>
	5,194,277	6,200,769	11,262,419
Advances and deposits	369,506	251,433	76,688
Mine properties, plant and equipment	53,036,555	52,413,848	52,109,644
Exploration and evaluation properties	<u>13,141,104</u>	<u>13,080,467</u>	<u>11,993,371</u>
	\$ 71,741,442	\$ 71,946,517	\$ 75,442,122
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	\$ 4,914,314	\$ 3,724,454	\$ 4,870,324
Provision for closure and restoration	<u>1,308,158</u>	<u>1,295,687</u>	<u>1,270,746</u>
	<u>6,222,469</u>	<u>5,020,141</u>	<u>6,141,070</u>
Shareholders' equity			
Capital stock	89,059,365	89,059,365	89,059,365
Contributed surplus	13,477,683	13,377,179	12,848,842
Deficit	<u>(37,018,078)</u>	<u>(35,510,168)</u>	<u>(32,607,155)</u>
	<u>65,518,970</u>	<u>66,926,376</u>	<u>69,301,052</u>
	\$ 71,741,442	\$ 71,946,517	\$ 75,442,122

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss):

(Unaudited)	For the nine Months Ended September 30 2012	For the nine Months Ended September 30 2011	For the Three Months Ended September 30 2012	For the Three Months Ended September 30 2011
EXPENSES				
Amortization and accretion	\$ 427,455	\$ 422,568	\$ 214,128	\$ 114,428
Management fees	342,256	185,916	125,188	62,398
Office and general	1,925,279	1,933,744	668,007	549,420
Professional fees	638,016	720,451	155,535	354,445
Shareholder communication	64,783	45,323	20,600	8,519
Stock-based compensation	628,841	751,382	100,503	209,770
Transfer agent and filing fees	45,522	57,207	1,753	6,751
Travel and entertainment	225,498	364,568	57,179	211,767
	<u>(4,297,650)</u>	<u>(4,481,159)</u>	<u>(1,342,873)</u>	<u>(1,517,498)</u>
OTHER ITEMS				
Interest income	2,154	11,645	-	3,062
Foreign exchange gain (loss)	<u>(115,424)</u>	<u>35,404</u>	<u>(165,035)</u>	<u>(11,574)</u>
	<u>(113,270)</u>	<u>47,049</u>	<u>(165,035)</u>	<u>(8,512)</u>
Loss and comprehensive loss for the period	(4,410,920)	(4,434,110)	(1,507,908)	(1,526,010)
Production and Sales				
Troy ounces of gold sold	12,634 ^(a)	16,086	3,178 ^(a)	3,130
Troy ounces of silver sold	27,034 ^(a)	64,549	11,615 ^(a)	17,797
Total Sales^(b)	<u>\$ 21,590,197</u>	<u>\$ 25,878,934</u>	<u>\$ 5,547,122</u>	<u>\$ 5,108,780</u>

^(a) - Excludes approximately 1,300 ounces of gold and 4,000 ounces of silver stolen from the Zaruma plant on July 23, 2012 for which insurance proceeds of approximately \$2.2 million have been recovered.

^(b) - Since operations at the Company's Zaruma Gold Project are in the pre-commercial phase, the proceeds from the sale of precious metals, net of production expenses and taxes, are credited to mine development costs and not recorded in the Company's consolidated statements of operations as permitted under International Financial Accounting Standards.

Production and Sales

For the nine months ended September 30, 2012, the Company received proceeds of \$21.6 million from the sale of approximately 12,600 ounces of processed gold and 27,000 ounces of processed silver derived from intermittent operations at its processing plant in Zaruma while continuing testing and making improvements to the facility. In addition, during the three months ended September 30, 2012 the company received insurance proceeds of \$2.2 million relating to approximately 1,300 ounces of gold and 4,000 ounces of silver that was stolen from the Zaruma plant during an armed robbery on July 23, 2012.

The installation of the gravity concentration circuit at the Zaruma processing plant has now been completed. The gravity concentration circuit increases the efficiency and recovery from the plant and by using the Falcon concentrator allows the Company to produce dore from concentrate on site rather than having to ship concentrate to a third party to be processed. The benefit of this circuit is expected to become increasingly important once the "Cabo de Hornos" mine has been

dewatered (see discussion below) and the Company has access to higher grade material for mining.

Small Mining Licenses

On October 16, 2012 the Company announced that it had been granted small scale mining licenses for five concessions at its Zaruma Gold Project.

These five concessions are the focus of the Company's current mine development plans at Zaruma. Under the current Mining Law of Ecuador such licenses permit the Company to mine up to 300 tonnes per day from each concession at a royalty of 3%, payable to the Ecuador government, and no windfall tax on the extraction and sale of precious metals. Other corporate taxes are unaffected.

Mining

The Company is developing three separate mines, of which one mine, "Cabo de Hornos", currently supplies the majority of material to the plant for processing. A significant proportion of material processed to date has been excavated during mine development and is not part of the Company's estimated resource set out in its Technical Reports on the Zaruma Gold Project.

During the second quarter of 2012, as the declines at "Cabo de Hornos" progressed to further depths to access the higher grade material it became necessary to commence dewatering the lower levels of Dynasty's mine as well as the adjacent area. A primary cause of the accumulation in the water is believed to be the existence of the old abandoned mine workings in close proximity at the current level. Once the declines get beneath the level of the old mine workings the water intake to the mine is expected to subside. This dewatering process resulted in a decrease in both the tonnage and grade of material that has, and continues to be, accessible to mine.

Recently, the Company successfully dewatered the southern decline at "Cabo de Hornos" and has recommenced decline development in this area to gain access to the region where the higher grade material is believed to reside. The Company expects to have dewatered the northern decline at "Cabo de Hornos" in due course.

Liquidity

As at September 30, 2012, the Company had approximately \$2.1 million in cash and gold dore available for sale, compared to approximately \$9.0 million as at December 31, 2011.

The majority of the proceeds from the sale of precious metals continue to be re-invested in the Zaruma Gold Project to continue the advancement of the three declines and develop the project towards commercial production. The cash provided from gold and silver sales has allowed for the continued development of the project without the need for equity financing and further dilution to shareholders. As at June 30, 2012 the Company had 42.5 million shares outstanding and, with the exception of the exercise of incentive stock options, has not undertaken an equity financing since April, 2010.

Subsequent to September 30, 2012, and up to the date of this report, the Company produced and

exported dore bars containing approximately 2,500 ounces of gold and 6,400 ounces of silver of which 1,766 ounces of gold and 3,400 ounces of silver have been sold to date for aggregate proceeds of approximately \$3.2 million. The balance of the unsold gold of approximately 730 ounces, with a market value of approximately \$1.3 million, is expected to be sold in the coming week.

Furthermore, on November 9, 2012 the Company received proceeds of \$600,000 from entering into a loan agreement with a local Ecuadorian bank. The Loan is secured by the Company owned office premises in Quito.

About Dynasty Metals & Mining

Dynasty Metals & Mining Inc. is a Canadian based mining company involved in the exploration and development of mineral properties in Ecuador.

The Company has the producing Zaruma Gold Project, the advanced-stage Jerusalem Project, and a highly prospective exploration project, the Dynasty Copper-Gold Belt, which includes the advanced-stage Dynasty Goldfield.

For further information regarding the Company's Zaruma project readers should refer to the Company's Independent Technical Report entitled "Independent Preliminary Assessment – Zaruma Project – El Oro Province" dated August 21, 2006, available on SEDAR at www.sedar.com.

For further information please visit the Company's website at www.dynastymining.com, or please contact:

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Forward-Looking Statements

This news release contains statements which are, or may be deemed to be, "forward-looking statements" which are prospective in nature, including, without limitation, statements regarding Dynasty's future plans, the expected benefits derived from the utilization of new equipment, and expectations relating to the Cabo de Hornos mine. Forward-looking statements are not based on historical facts, but rather on then current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which the Company operates, including assumptions that the Company will be able to continue its progress in respect of its mines as planned, that the Falcon concentrator will be installed as described, that the Company will continue to sell processed gold and silver at levels that allow it to fund the continued development of its mining projects, and that the Company's equipment will operate at expected levels. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "scheduled", "estimates", "forecasts", "projects", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Dynasty's actual results, revenues, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Important risks that could cause Dynasty's actual results, revenues, performance or achievements to differ materially from Dynasty's expectations include, among other things: (i) risks related to being an early stage producer; (ii) risks related to Dynasty's lack of history in producing metals from Dynasty's mineral exploration properties and its ability to successfully establish mining operations or profitably produce precious metals; (iii) that Dynasty will be unable to successfully negotiate agreements with the holders of surface rights on areas

covered by Dynasty's project concessions; (iv) changes in the market prices of gold, silver, and other minerals, which, in the past, have fluctuated widely and which could affect the profitability of Dynasty's operations and financial condition; (v) risks related to governmental regulations, including taxation statutes; (vi) risks related to Dynasty's primary properties being located in Ecuador, including political, economic, and regulatory instability; (vii) uncertainty in Dynasty's ability to obtain and maintain certain permits necessary to the Company's current and anticipated operations and risks disclosed in Dynasty's Annual Information Form for the year ended December 31, 2011 and other filings which are available on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. Other than in accordance with its legal or regulatory obligations, Dynasty is not under any obligation and Dynasty expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable securities law.