

DORAY MINERALS LIMITED

Australia's newest high-grade/low-cost gold producer



Andy Well Gold Project

Investor Update – March 2014

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Investment Highlights



Australia's newest high-grade/low-cost gold producer

- Doray Minerals Limited's Andy Well Gold Project is a new high-grade gold operation, currently amongst the highest grade and lowest cost gold operations in Australia
- Significant project upside exists at Andy Well with proven potential for resource extensions and multiple parallel high-grade gold lodes
- Doray is well funded for future exploration programmes and is poised to take advantage of current market conditions
- Doray has a strategic gold exploration project portfolio in WA and SA and an experienced Board and Management Team with track record of successful discovery, development and production



Key Advantages



1. High-grade

- High-grade **Wilber Lode** underground gold mine
- **>12g/t head grade - highest grade gold operation in Australia**
- 2nd high-grade Resource at **Judy South** (86koz @ 19.3g/t)*
- 3rd high-grade gold discovery at **“Suzie Zone”**

2. Low-cost/high-margin

- Simple geology and mining methods, very high gravity recoveries
- **Lowest cost gold operation in WA, 2nd lowest in Australia**
- Margins further enhanced by hedging

3. Significant upside

- Potential near-term increase to Andy Well mine life from Judy South
- Potential for further resource extensions
- Indications of additional high-grade lodes (Margaret/Kirsty)
- Strategic exploration portfolio in WA and South Australia

* See appendices

2013/14 to date...

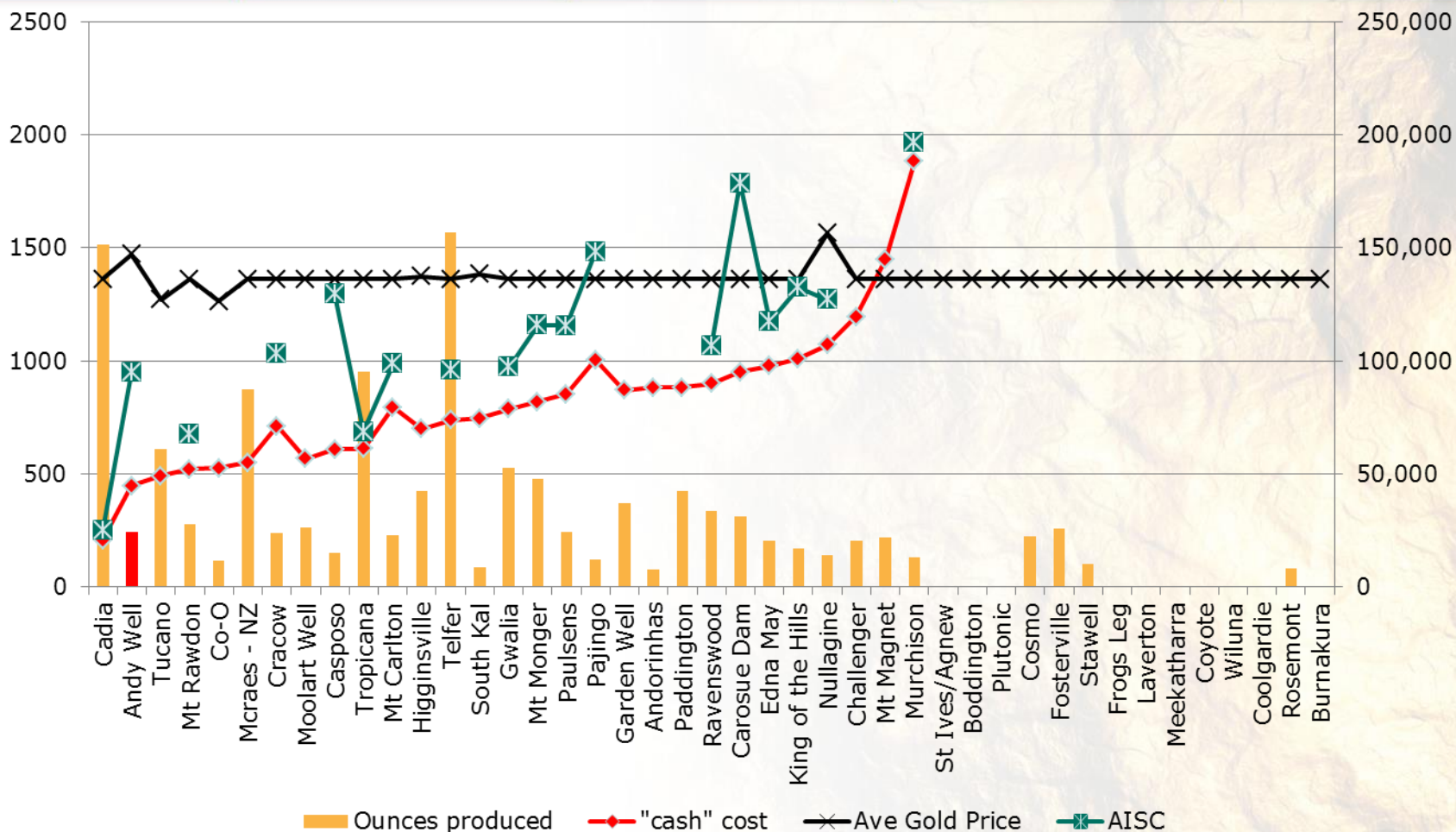


Notes

1. Aug-Sept only
2. Includes mining, processing, site admin and refining costs less silver credits
3. Includes royalties, net bank charges and attributable corporate costs

| | Units | Sept Qtr ¹ | Dec Qtr | YTD | FY Guidance |
|---|----------|-----------------------|---------------|--------|-------------|
| Ore Mined | (t) | 21,316 | 39,374 | 60,690 | |
| Mined grade | (g/t) | 14.0 | 11.7 | 12.5 | |
| Ounces mined | (oz) | 9,604 | 14,783 | 24,387 | |
| | | | | | |
| Ore processed | (t) | 35,391 | 57,663 | 93,054 | |
| Head grade | (g/t) | 12.30 | 13.09 | 12.45 | |
| Recovery | % | 98.0 | 99.0 | 98.5 | |
| Gold recovered | (oz) | 13,718 | 24,026 | 37,744 | |
| GIC change | (oz) | 227 | -136 | 91 | |
| Gold produced | (oz) | 13,802 | 24,162 | 37,653 | 75-83koz |
| Cash Operating Cost (C1)² | (A\$/oz) | 510 | 448 | 470 | 480-530 |
| Total Cost (C3)³ | (A\$/oz) | 880 | 847 | 859 | |
| "All-in Sustaining Cost" | (A\$/oz) | 971 | 949 | 957 | 970-1050 |
| Gold sold | (oz) | 10,277 | 25,719 | 35,997 | |
| Revenue from gold sales | (A\$M) | 15.9 | 37.9 | 53.9 | |
| Average price received | (A\$/oz) | 1,548 | 1,472 | 1,494 | |

December Quarter Gold Production

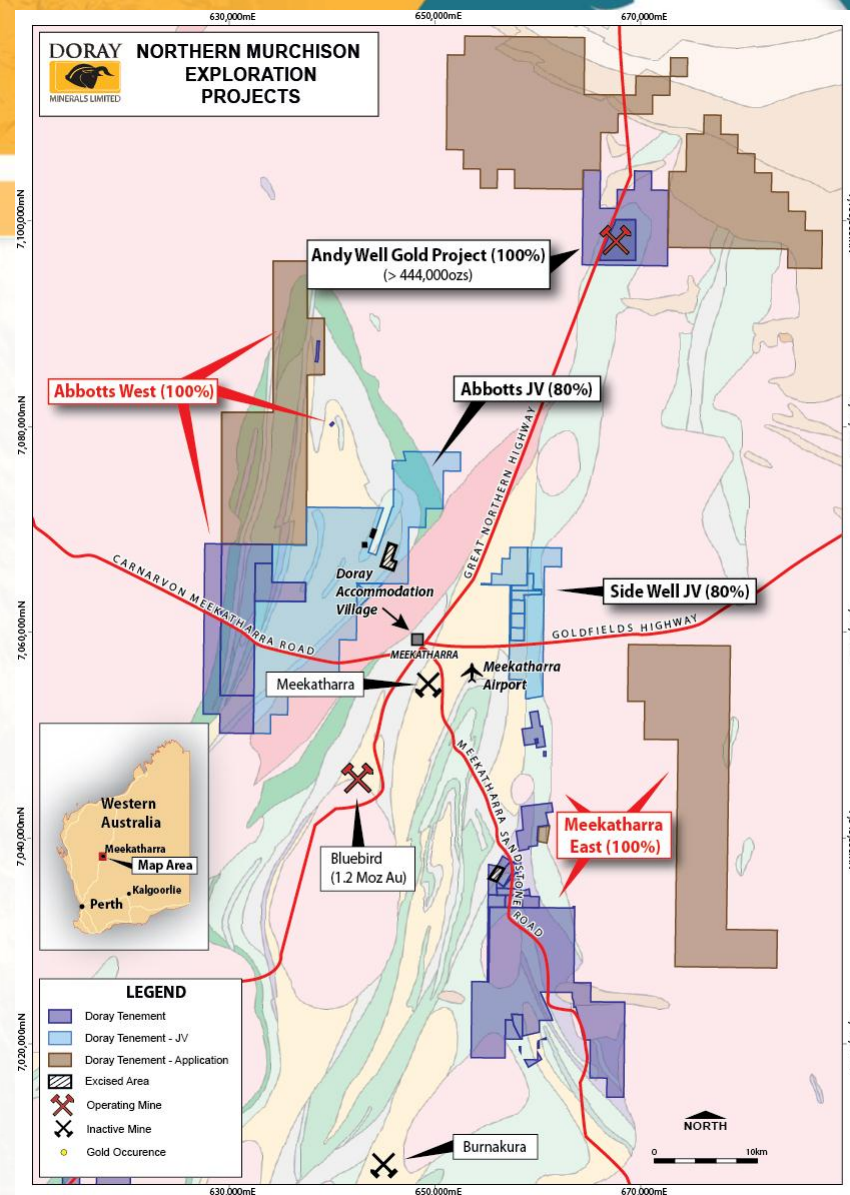


Source: ASX Announcements

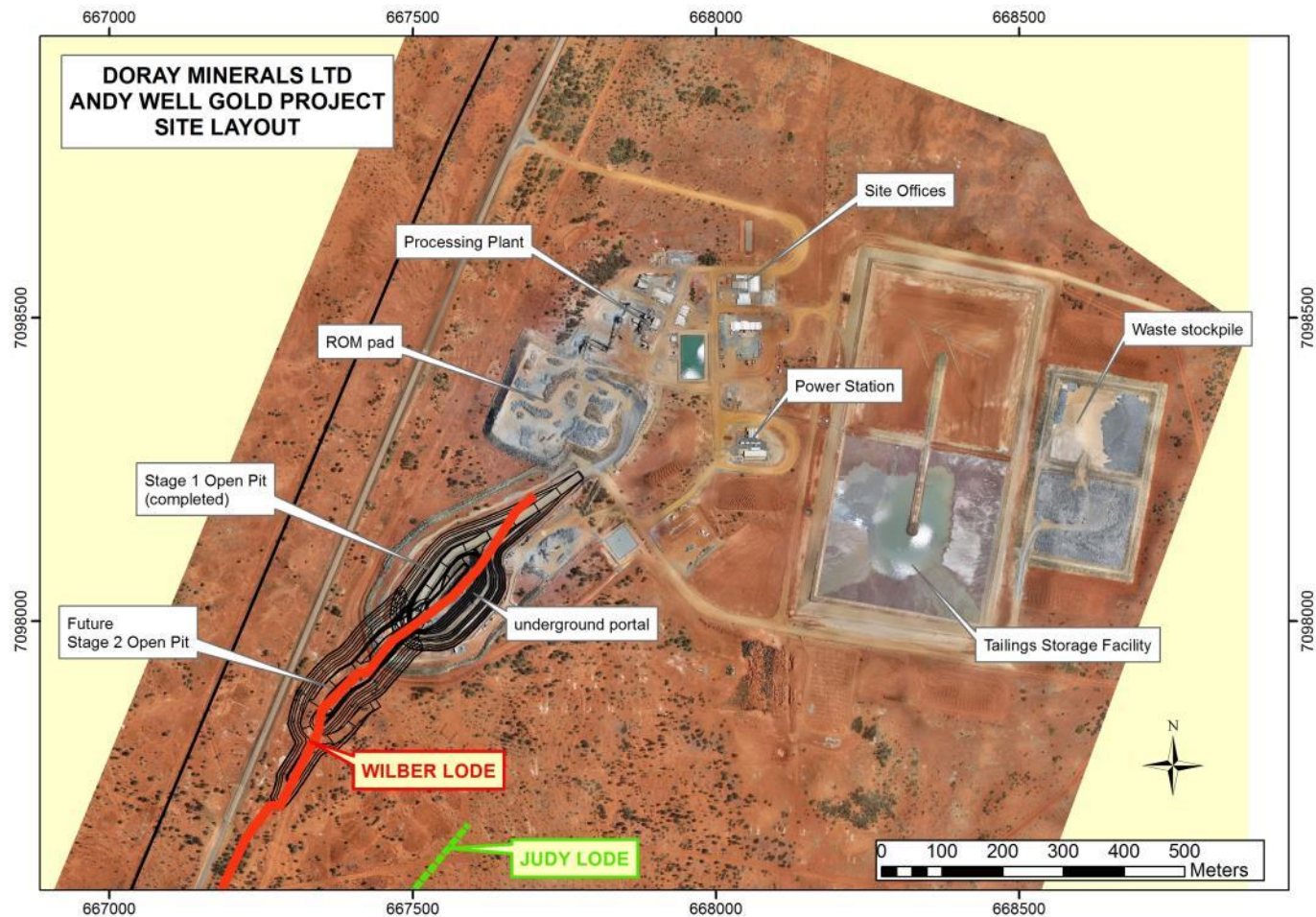
Andy Well Gold Project

Australia's newest high-grade/low-cost gold operation

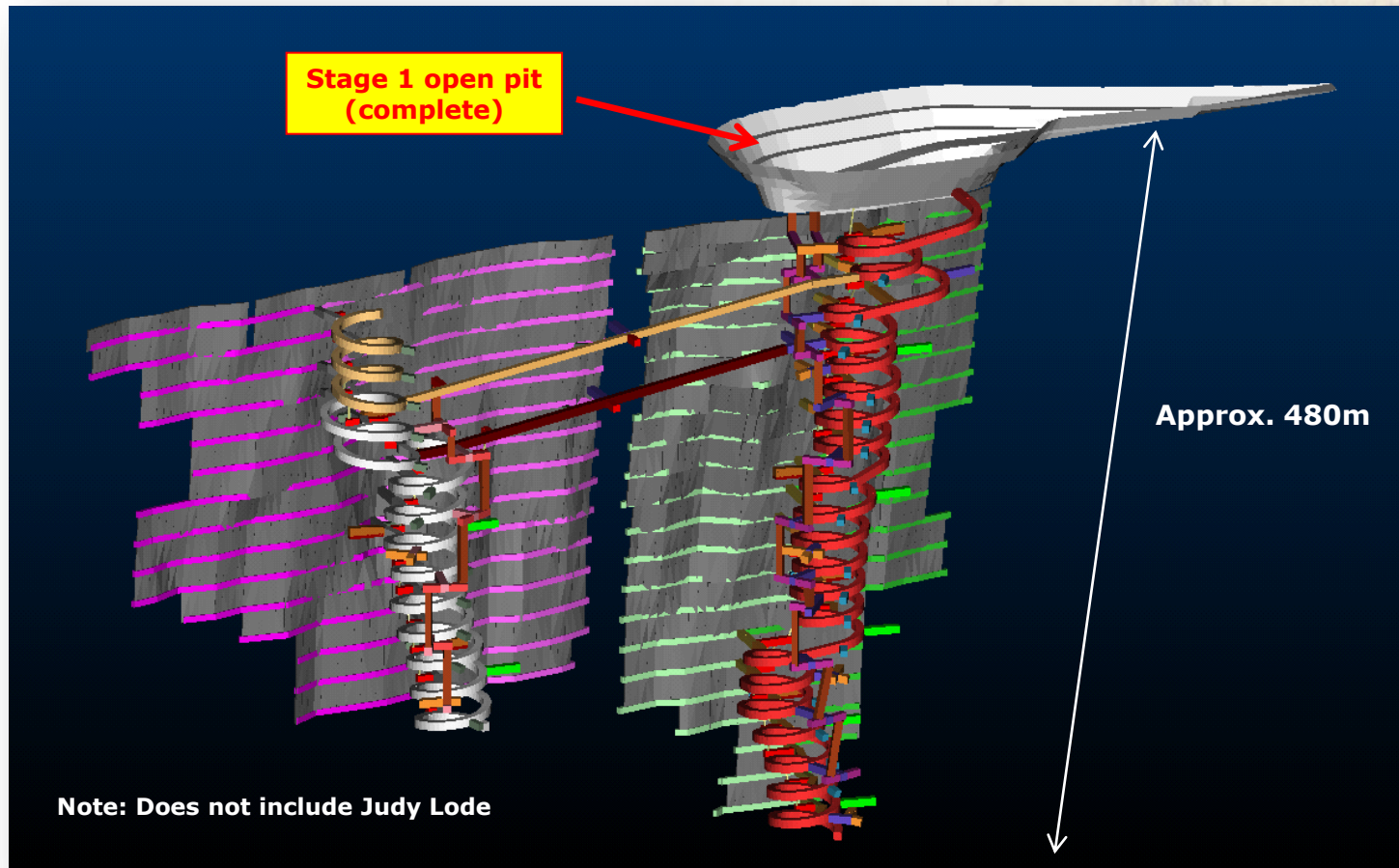
- Standalone, high-grade underground gold mine and processing plant
- First new gold operation in the Murchison region in over 10 years
 - Wilber Lode discovery - March 2010
 - Mining commenced - Nov 2012
 - First gold pour - Aug 2013
- Potential for multiple deposits and substantial exploration upside
- Flagship of Doray's Murchison region landholding



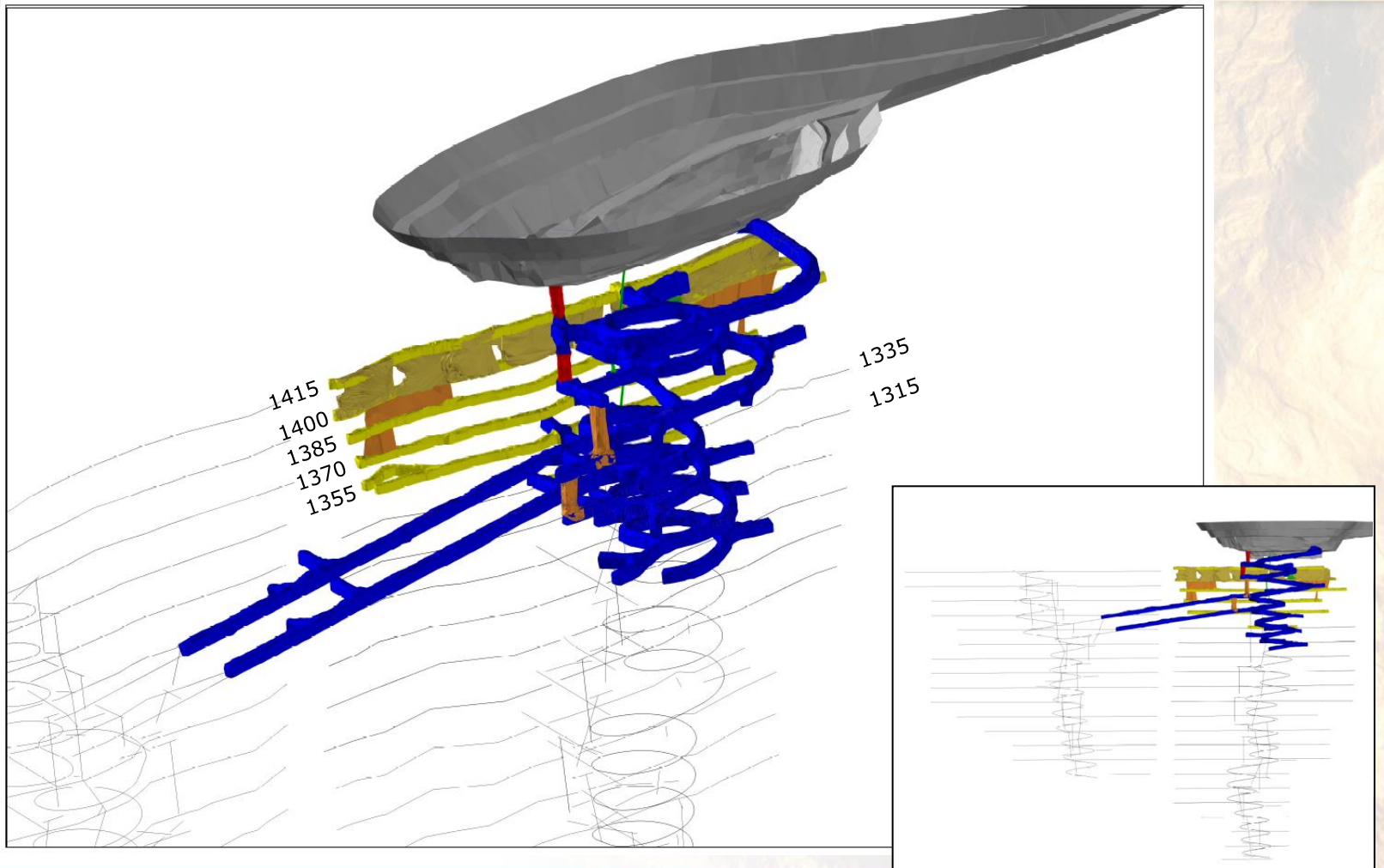
Andy Well - Site Layout



Wilber Lode - Mine Design



Underground Progress (at 31 Dec)



Underground Mining/Development



1370 Level - North Ore Drive



1355 Level - South Ore Drive

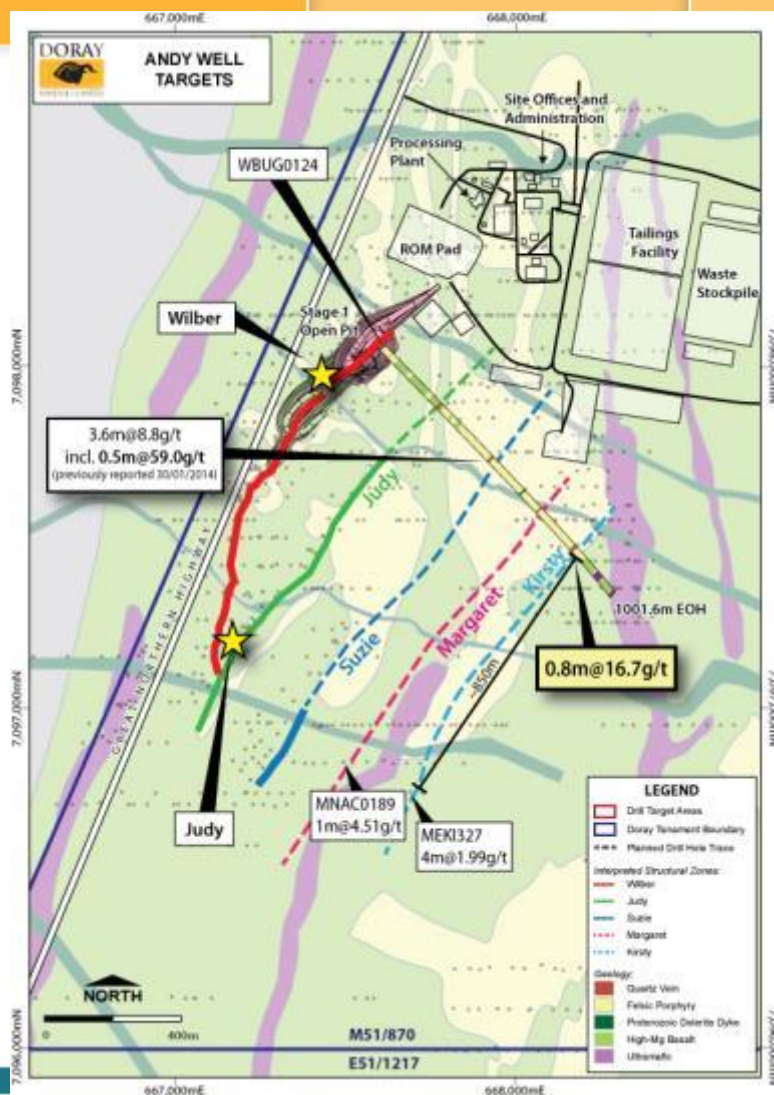
Andy Well - Exploration Upside



Potential for a significant new high-grade gold camp

- Numerous potentially mineralised structures identified beneath shallow cover
- Lack of existing deep drilling
- Key targets:
 - Wilber Lode extensions
 - Judy Lode extensions
 - Suzie
 - Margaret
 - Kirsty
- Successful horizontal underground diamond hole completed

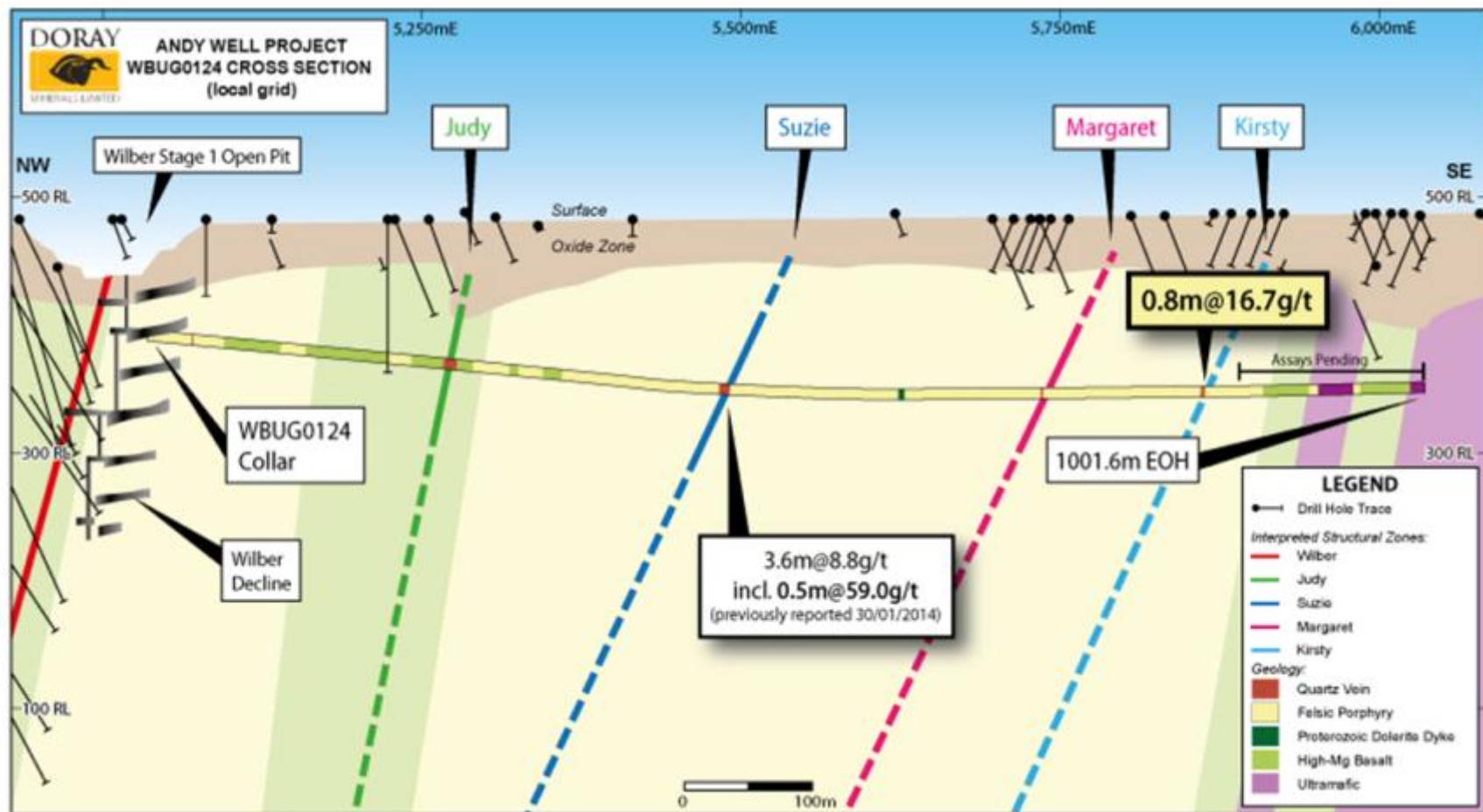
Andy Well - Exploration Upside



Potential for a significant new high-grade gold camp

- Horizontal underground diamond hole confirms multiple mineralised structures providing added confidence for near-term extensions to Andy Well mine life
- Key structures intersected so far:
 - Judy
 - Suzie - 0.5m @ 59g/t Au
 - Margaret
 - Kirsty - 0.8m @ 16.6g/t Au
- \$17M Capital raising to accelerate drill testing at Andy Well

Andy Well - Exploration Upside



Regional Exploration

Murchison

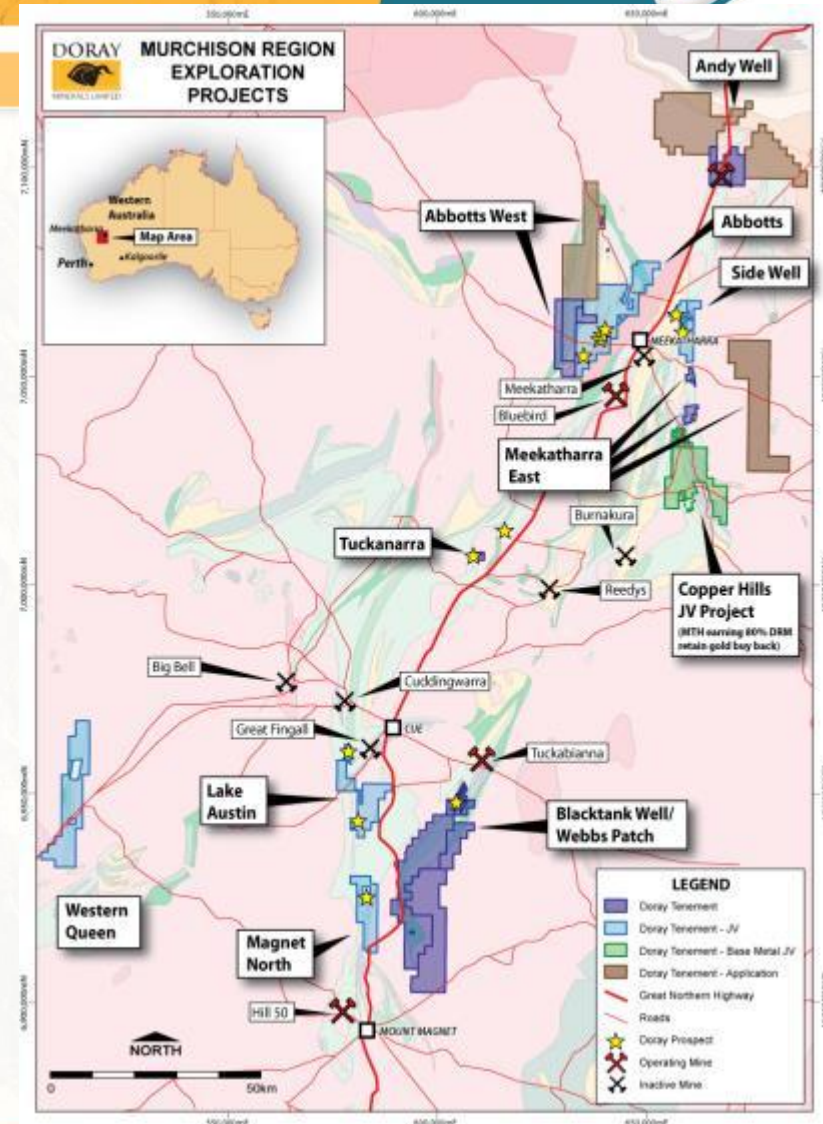
- Strategic exploration footprint with substantial upside
- New Copper Hills JV with Mithril (Doray retains gold-only clawback)

South Australia

- Strategic landholding in Central Gawler Gold Province
- Surface geochem and PACE-funded drilling completed during 2013

New Opportunities

- Current market conditions provide opportunities for well-funded companies



Corporate Snapshot



ASX Code: DRM

| | |
|-----------------------------------|-----------------|
| Shares on issue (post raising) | 163M |
| Options (\$0.20 - 2.08) | 11.1M |
| 12 month Share Price range | \$0.35 – \$1.10 |
| Market Cap (@ \$1.00) | \$163M |
| Cash (post raising) | \$33M |
| Debt (Dec 2013) | \$42M |
| # of shareholders | ~2,700 |

Substantial Shareholders

| | |
|----------------------------|-------------|
| Directors/Management | 11.3% |
| Renaissance Asset Mgt | 7.0% |
| Paradise Investment Mgt | 6.6% |
| Lion Selection | 5.5% |
| Top 20 shareholders | ~56% |



Analyst Coverage

| | |
|-------------|-------------|
| Argonaut | GMP |
| Black Swan | Macquarie |
| Bell Potter | Pattersons |
| Commsec | RFC Ambrian |

Experienced Board/Management



Board

Peter Alexander - *Non-Executive Chairman*

Geologist, former MD of Dominion

“Gold Miner of the Year” three years in a row

Allan Kelly - *Managing Director*

Geologist, formerly WMC and Avoca Res.

Heath Hellewell - *Exec. Director,*

Exploration and New Business

Geologist, formerly Resolute and IGO

Jay Stephenson - *Non Executive Director*

Accountant

Leigh Junk - *Non Executive Director*

Mining Engineer

Management

Peter Bamford -

General Manager, Operations

Mark Cossom -

Business Development Manager

Brad Drabsch -

Exploration Manager

Jon Latto -

Chief Financial Officer

Iain Garrett -

Financial Controller/Company Secretary

Andy Well Gold Project

Peter Sperring - *Operations Manager*

Chad Moloney - *U/G Mine Manager*

Richard Hingston - *Chief Mine Geologist*

Barrie Clarke - *Chief Mine Surveyor*

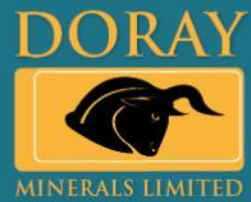
Steve Howson - *Mill Superintendent*

Summary



Doray Minerals Limited is Australia's newest high-grade/low cost gold producer

- Doray's Andy Well Gold Project is the first new gold mining operation in the Murchison in over 10 years and is amongst the highest grade and lowest cost gold projects in Australia
- The project has substantial upside and should easily surpass the initial 3.7 year mine life indicated by the BFS
- Doray is well funded, has an experienced Board and Management Team and a highly prospective strategic exploration portfolio within the Murchison goldfields region and South Australia.
- **Doray offers unmatched leverage to near-term rerating as a high-grade/low-cost gold producer, extensions to mine life and further exploration success.**



www.dorayminerals.com.au

ASX:DRM



Appendices



Andy Well Ore Reserve Inventory - 30 June 2013

| Reserve | Proven | | | Probable | | | Total | | |
|--|---------------|--------------------|---------------|----------------|--------------------|----------------|----------------|--------------------|----------------|
| | <i>Tonnes</i> | <i>Grade (g/t)</i> | <i>Ounces</i> | <i>Tonnes</i> | <i>Grade (g/t)</i> | <i>Ounces</i> | <i>Tonnes</i> | <i>Grade (g/t)</i> | <i>Ounces</i> |
| Open Pit Stage 2 | - | - | - | 28,000 | 15.3 | 13,000 | 28,000 | 15.3 | 13,000 |
| Wilber Underground | - | - | - | 600,000 | 11.4 | 220,000 | 600,000 | 11.4 | 220,000 |
| HG stockpiles | 36,000 | 12.0 | 14,000 | | | | 36,000 | 12.0 | 14,000 |
| MG stockpiles | 12,000 | 2.0 | 1,000 | | | | 12,000 | 2.0 | 1,000 |
| LG stockpiles | 35,000 | 0.7 | 1,000 | | | | 35,000 | 0.7 | 1,000 |
| TOTAL ANDY WELL RESERVE | - | - | - | 733,000 | 10.6 | 250,000 | 733,000 | 10.6 | 250,000 |

Note: Open Pit Reserves are based on a nominal 1.4g/t Au lower cut-off grade. Stockpiles are based on grade control claimed grade and survey pickup. Rounding errors may occur.

Appendices



Andy Well Mineral Resource Inventory - 30 June 2013

| | Measured | | | Indicated | | | Inferred | | | Total | | |
|------------------------|---------------|------------|---------------|----------------|-------------|----------------|----------------|------------|---------------|------------------|-------------|----------------|
| | Tonnes | Grade g/t | Ounces | Tonnes | Grade g/t | Ounces | Tonnes | Grade g/t | Ounces | Tonnes | Grade g/t | Ounces |
| Wilber Lode | - | - | - | 569,000 | 15.4 | 281,000 | 174,000 | 6.7 | 38,000 | 743,000 | 13.3 | 318,000 |
| Judy Lode | - | - | - | 225,000 | 9.7 | 70,000 | 168,000 | 6.7 | 36,000 | 393,000 | 8.4 | 106,000 |
| HG stockpiles | 36,000 | 12.0 | 14,000 | - | - | - | - | - | - | 36,000 | 12.0 | 14,000 |
| MG stockpiles | 12,000 | 2.0 | 1,000 | - | - | - | - | - | - | 12,000 | 2.0 | 1,000 |
| LG stockpiles | 35,000 | 0.7 | 1,000 | - | - | - | - | - | - | 35,000 | 0.7 | 1,000 |
| TOTAL ANDY WELL | 83,000 | 5.8 | 16,000 | 794,000 | 13.7 | 351,000 | 342,000 | 6.7 | 74,000 | 1,219,000 | 11.2 | 441,000 |

Note: No lower cut-off applied to Wilber and Judy lodes, 0.5g/t lower cut-off applied to "Shear Zone". Upper cut-off applied as follows: Shear Zone - 3g/t, Wilber Lodes - 10g/t and 75g/t, Judy Lode 75g/t. Rounding errors may occur. All Mineral Resources are inclusive of those used to determine Ore Reserves.

Appendices



COMPETENT PERSONS STATEMENT

The information in this announcement that relates to Exploration Results is based on information compiled by Mark Cossom. Mr Cossom is a full-time employee of Doray Minerals Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Cossom has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which he is undertaking. This qualifies Mr Cossom as a “Competent Person” as defined in the 2012 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Cossom consents to the inclusion of information in this announcement in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources is based on information compiled by Mark Cossom. The information in this announcement that relates to Ore Reserves is based on information compiled by Peter Bamford. Mr Cossom and Mr Bamford are full-time employees of Doray Minerals Ltd and are a Member and Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) respectively. Both Mr Cossom and Mr Bamford have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which they are undertaking. This qualifies Mr Cossom and Mr Bamford as “Competent Persons” as defined in the 2004 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Cossom and Mr Bamford both consent to the inclusion of information in this announcement in the form and context in which it appears.

The information that refers to Ore Reserves and Mineral Resources in this announcement was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since last reported.