DORAY MINERALS LIMITED

ASX Announcement

28 May 2014

HIGH-GRADE RESULTS EXTEND SUZIE ZONE AND INDICATE POTENTIAL EXTENSION TO ANDY WELL MINE LIFE

- **Step-out RC drilling increases depth extent of the Suzie Zone by over 150m**
- **Numerous high grade intersections confirm and reinforce Suzie Zone mineralisation**
  - **MNRC265 - 3m @ 25.9/t Au, including 1m @ 58.8g/t Au**
  - **MNRC268 - 1m @ 64.4g/t Au**
- **Extensions to third high-grade gold deposit discovered by Doray reinforces near term potential to increase mine life at Andy Well**
- **Drilling intersects an additional high-grade footwall lode to Suzie Zone**
- **Follow-up diamond drilling program underway**

Doray Minerals Limited (**ASX: DRM**, Doray, the Company) is pleased to announce that recent drilling has returned a number of high-grade results from the southern Suzie Zone, at the Company's high-grade Andy Well Gold Project in the Northern Murchison region of Western Australia.

The Suzie Zone is the third high-grade gold deposit to be discovered by Doray at Andy Well and is located parallel to the Wilber Lode, currently being mined, and the Judy Lode, which contains a second high-grade gold Resource.

RC drilling targeted the southern end of the Suzie Zone, around previous drilling completed by Doray, in order to both infill drill spacing as well as step out the extents of known mineralisation. The drill program was successful, with all holes intersecting the Suzie Zone and associated mineralisation, confirming the interpretation of this mineralised structure. A location plan illustrating holes drilled in this program is included in Figure 1.

Hole **MNRC265**, the deepest hole drilled at Suzie to date, intersected the Suzie Zone structure with significant coarse visible gold at a depth of approximately 270m below surface, and returned a result of **3m @ 25.9g/t Au including 1m @ 58.8g/t Au**, a step out of over 150m below the deepest previous drilling (Figure 2).

Significant results returned from this program include:

- MNRC265 - **3m @ 25.9/t Au** from 309-312mdh, including **1m @ 58.8g/t Au**
- MNRC268 – **1m @ 64.4g/t Au** from 175-176mdh
- MNRC257 – **2m @ 11.1g/t Au** from 154-156mdh, including **1m @ 21.1g/t Au**
- MNRC262 – **2m @ 5.3g/t Au** from 195-197mdh

Several of the RC holes that were drilled deeper beyond the Suzie Zone also intersected what appears to be a small footwall lode of similar geological makeup to the Suzie Zone. This footwall zone is situated approximately 30m east of and below Suzie, and has been intersected over a strike length of approximately 60m. At this stage, the number of data points is insufficient to allow a confident interpretation to be made.

Significant results returned from holes that intersected this footwall lode include:

- MNRC259 – **1m @ 11.8g/t Au** from 125-126mdh
- MNRC266 – **1m @ 17.7g/t Au** from 122-123mdh
- MNRC269 – **2m @ 10.4g/t Au** from 128-130mdh, including **1m @ 13.0g/t Au**

All drill-hole details, including significant assays, are included as Appendix A of this announcement. Figures 2 and 3 illustrate the mineralisation intersected at Suzie to date, as both long section and cross section view.

Doray's Managing Director, Allan Kelly, said the latest results confirm the significant upside potential being uncovered at Andy Well through systematic and targeted exploration.

"These new high-grade drill intersections confirm and extend the previous high-grade results from the Suzie Zone and reinforce our belief that Andy Well represents a new high-grade gold camp with multiple gold deposits" Mr Kelly said.

"Apart from one hole, the drilling within the Suzie Zone to date has still been relatively shallow compared with the Wilber Lode, with most intersections less than 200m below surface. We therefore look forward to deeper drill testing of this new high-grade gold deposit with a diamond drill rig in the near future," he added.

Ongoing Work

A follow up diamond drill program, testing the depth extents of the Suzie Zone mineralisation has been planned and approved, with drilling of pre-collars commenced.

An RC rig will continue at Andy Well completing the previously described systematic drilling of the various parallel footwall structures (Suzie, Margaret and Kirsty). The current drilling targets the strike length between the previously announced horizontal underground diamond hole in the north, and the limit of surface drilling at Suzie, Kirsty and Judy in the south. In addition, a field geophysical crew is mobilising to site to extend the coverage of Sub-audio magnetic ("SAM") data on the Andy Well Mining Lease. The data will be used as part of the targeting for the ongoing near-mine exploration programme.

-ENDS-

For further information, please contact:

Allan Kelly
Managing Director
Doray Minerals Limited
+61 (08) 9226 0600
info@dorayminerals.com.au

Luke Forrestal
Account Manager
Cannings Purple
+61 (0)411 479 144
lforrestal@canningspurple.com.au

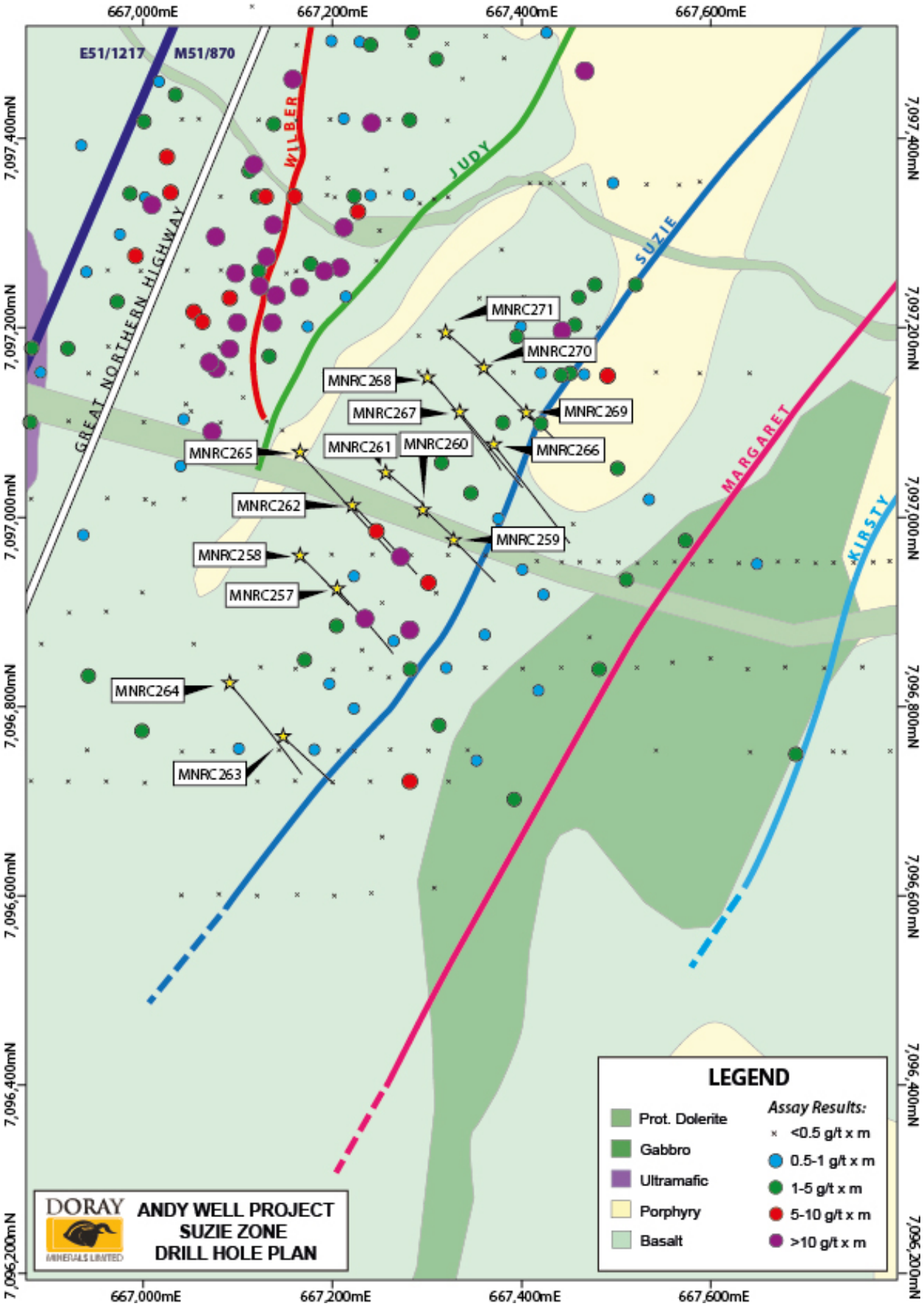

Figure 1. Plan view of Suzie Zone, showing recent RC drilling and previous drilling.

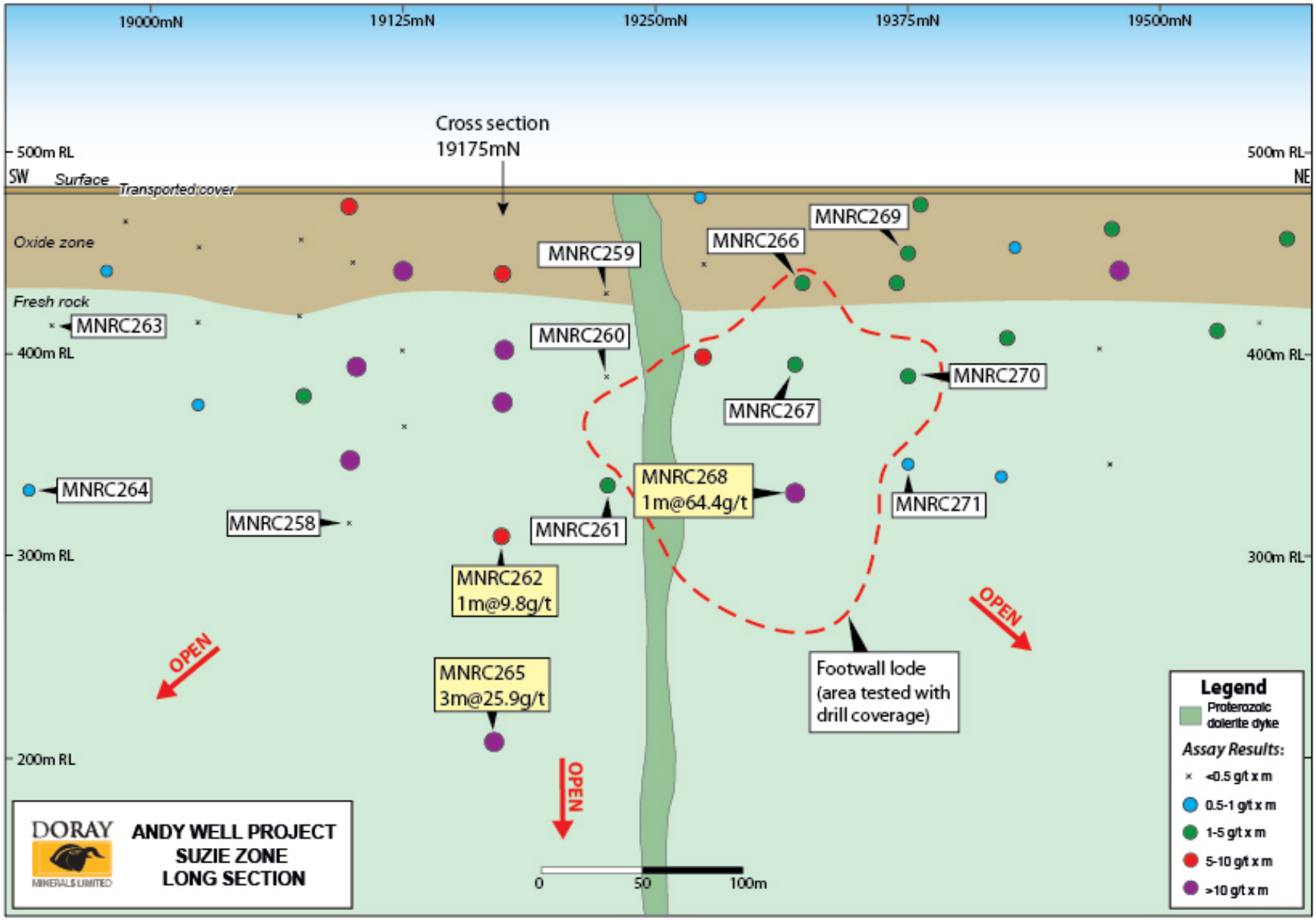

Figure 2. Long Section of Suzie Zone, highlighting recent drilling results, with previous drilling.

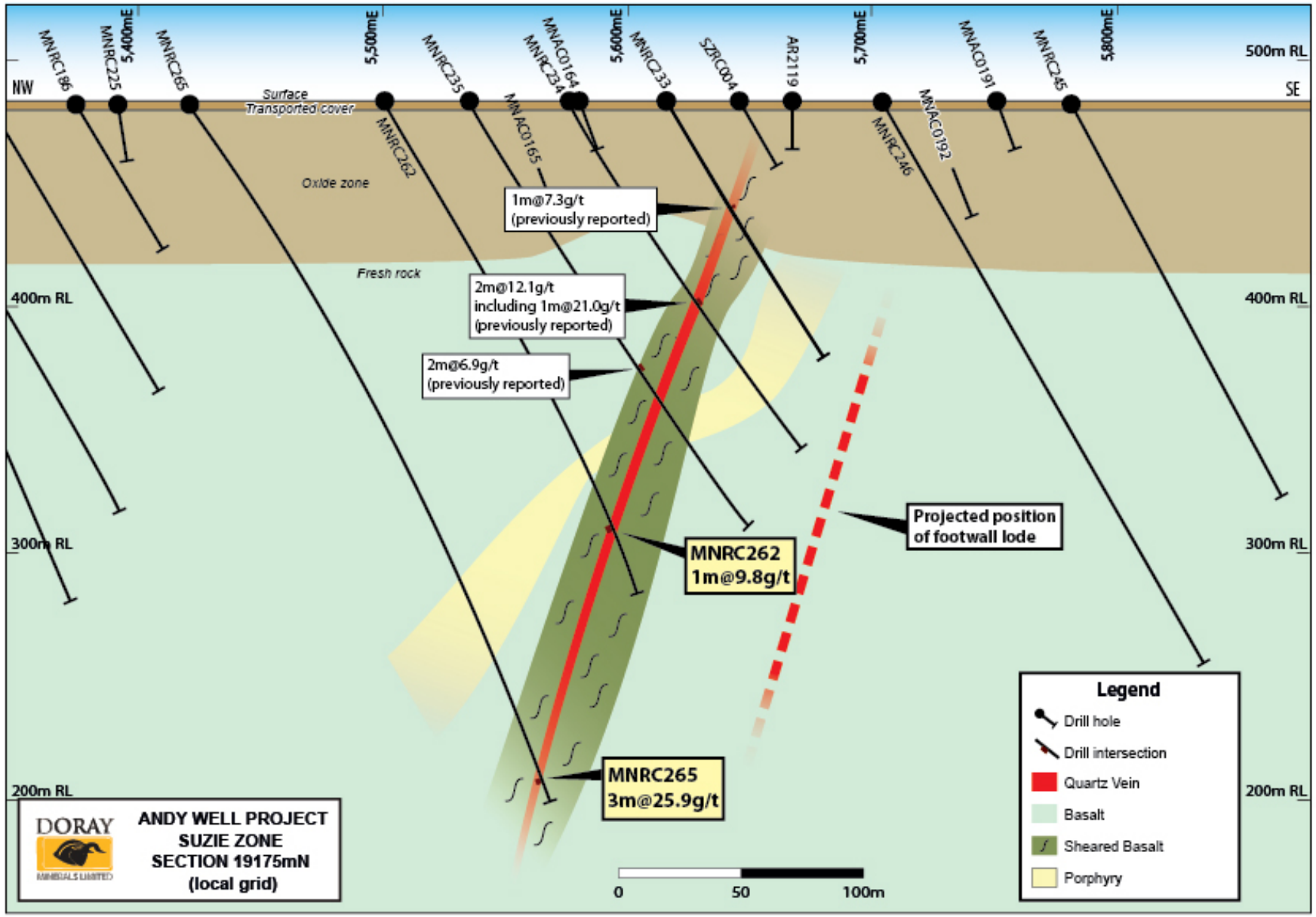

Figure 3. Suzie Zone cross section 19175mN (local grid).

About Doray Minerals Limited

Doray Minerals Limited (**ASX: DRM**) is Western Australia's newest high-grade and low-cost gold producer. The Company began mining its high-grade Wilber Lode deposit at the Andy Well Gold Project in the northern Murchison region of Western Australia in November 2012 and commenced gold production in August 2013, approximately 3.5 years after the initial discovery.

Doray has a strategic portfolio of gold exploration properties within Western Australia and South Australia and each presents multiple discovery opportunities. The Company's Board and management team has expertise in discovery, development and production.

About the Andy Well Gold Project

Doray's 100%-owned Andy Well Gold Project is located approximately 45km north of Meekatharra, in Western Australia's northern Murchison region. In March 2010, Doray announced the discovery of the very high-grade "Wilber Lode" gold deposit, adjacent to the Great Northern Highway. Since announcing a maiden high-grade JORC-compliant gold Mineral Resource for the Wilber Lode in February 2011, the Company has announced subsequent increases to the Wilber Lode Resource in December 2011 and again in March 2012.

During 2012, Doray announced the maiden high-grade open pit and underground Mining Reserve for the project, completed a positive Bankable Feasibility Study, made a formal decision to mine, increased its ownership of the project to 100%, secured a project finance facility from the Commonwealth Bank of Australia and completed a capital raising to fund all operating, exploration and corporate costs prior to first gold production. Mining and site works commenced in November 2012 with first gold production in August 2013, approximately 3.5 years after the initial discovery.

In March 2013 Doray announced a maiden high-grade JORC-compliant gold Mineral Resource for the Judy Lode, a second high-grade gold deposit within the project, increasing the overall Andy Well Project resource inventory by 30%. In October 2013 the Company announced a third high-grade parallel zone, named the Suzie Zone, which has the potential to further add to the mine life of the Andy Well Gold Project.

Appendices

Table 1. Drill hole Summary Table – Suzie Zone

Hole ID	Easting	Northing	RL	Dip /Azi	Total Depth	From (m)	To (m)	Interval (m)	Au Grade (g/t)	Comment
MNRC257	667203	7096925	483	-60/135	177	**154**	**156**	**2**	**11.1**	
		including				**154**	**155**	**1**	**21.1**	
MNRC258	667167	7096960	483	-60/135	270				NSA	
MNRC259	667326	7096978	483	-60/135	135	**125**	**126**	**1**	**11.8**	**Suzie FW**
MNRC260	667294	7097010	483	-60/135	153				NSA	
MNRC261	667256	7097048	483	-60/135	195	167	171	4	1.0	
MNRC262	667220	7097013	483	-60/135	225	195	197	2	5.3	
MNRC263	667146	7096769	483	-60/135	141				NSA	
MNRC264	667089	7096826	483	-60/135	243				NSA	
MNRC265	667164	7097070	483	-60/135	321	**309**	**312**	**3**	**25.9**	
		Including				**310**	**311**	**1**	**58.8**	
MNRC266	667369	7097077	483	-60/135	231	54	56	2	2.4	
						122	**123**	**1**	**17.7**	**Suzie FW**
MNRC267	667333	7097112	483	-60/135	177	109	110	1	1.27	
MNRC268	667298	7097147	483	-60/135	249	**175**	**176**	**1**	**64.4**	
MNRC269	667404	7097112	483	-60/135	135	**128**	**130**	**2**	**10.4**	**Suzie FW**
		including				**128**	**129**	**1**	**13.0**	**Suzie FW**
MNRC270	667358	7097158	483	-60/135	165				NSA	
MNRC271	667319	7097197	483	-60/135	249				NSA	

Note:

- All coordinates are MGA (GDA94 Zone 50). Azimuth is Magnetic Degrees.
- Intervals reported using minimum 1g/t cut-off for multi-sample intersections with maximum 1m of internal dilution.
- All assays are 25g Fire Assay assayed at Minanalytical Laboratories, Perth.
- NSA – No Significant Assays

Competent Person 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.

JORC Code 2012 Edition Summary (Table 1) – Suzie Prospect

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	Reverse circulation (RC) percussion drill chips collected through a cyclone and cone splitter. Samples are collected on a 1m basis.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	RC chips undergo a mass decrease through cone splitting to approximately 3kg. Splitter is levelled at the beginning of each hole
	Aspects of the determination of mineralisation that are Material to the Public Report.	Mineralisation determined qualitatively through: nature and abundance of sulphide/native gold in quartz; internal structure (massive, brecciated, laminated) of quartz. Mineralisation determined quantitatively via fire assay.
	In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	RC samples pulverized to 75 µm and All samples analysed by 25g Fire Assay and AAS finish. All assays returned in excess of 5g/t, have a re-split requested for analysis. When visible gold is observed in RC chips, this sample is flagged by the supervising geologist for the benefit of the laboratory.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	150mm Reverse Circulation drill chips, to a maximum vertical depth of ~250m.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	RC drill chip recoveries recorded at the time of logging and stored in DRM database
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	RC Drilling: sample splitter is cleaned at the end of each rod to ensure no sample hang-ups have occurred. Sample bag weights are recorded and in general should be approximately 3kg. Wet samples due to excess ground water were noted when present.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	As sample recoveries are generally very high, there is no known relationship between sample recovery and grade.

Criteria	JORC Code explanation	Commentary
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Holes logged to a level of detail to support mineral resource estimation: lithology; alteration; mineralization; structural.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Qualitative: lithology, alteration, foliation Quantitative: vein percentage; mineralization (sulphide) percentage; assayed for gold All RC holes are chipped and archived.
	The total length and percentage of the relevant intersections logged.	All holes logged for the entire length of hole.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	N/A
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	RC chips cone split, sampled dry where possible and wet when excess ground water could not be prevented. Sample condition (wet, dry or damp) is recorded at the time of logging.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The entire ~3kg RC sample is pulverized to 75µm (85% passing) Gold analysis is determined by a 25g charge fire assay with an AAS finish.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Pulp duplicates taken at the pulverising stage and selective repeats conducted at the laboratories discretion.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	RC chips: field duplicates have been completed on a campaign basis – i.e. entire hole duplicated
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample size appropriate for grain size of samples material.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Fire assay (25g), total technique, appropriate for gold AAS determination, appropriate for gold.
	For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical data used.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Certified reference material standards, 1 in 50 samples. 9 standard types between an Au grade range of 0.36 to 34.18 ppm. Blanks: A lab barren quartz flush is requested following a predicted high-grade sample (i.e. visible gold). Duplicates: Field: RC – Duplicates taken from selected mineralized intervals on a

Criteria	JORC Code explanation	Commentary
		campaign basis Lab: Random pulp duplicates are taken on average 1 in every 10 samples.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Senior geological staff routinely inspects all sampling. . 2% of samples returned > 0.1g/t Au are sent to an umpire laboratory on a quarterly basis for verification.
	The use of twinned holes.	No twinned holes
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	DRM data are hard keyed into LogChief data capture software and synchronized with Datashed SQL based database on internal company server. Data are validated by DRM Database Administrator, import validation protocols in place. Visual checks of data are completed within Micromine or Surpac software by company geologists
	Discuss any adjustment to assay data.	No adjustments made to assay data. First gold assay is utilized for any resource estimation.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collars: surveyed with RTK GPS with expected relative accuracy of 0.02m E and N Downhole: surveyed with in-rod Reflex tool every 40m
	Specification of the grid system used.	Holes are located on Wilber Local grid initially; Plane transformation from Wilber Local Grid to MGA Zone 50
	Quality and adequacy of topographic control.	Topographic control uses flight data obtained from data capture conducted by Fugro Spatial Solutions PTY LTD in September 2011. Resolution has produced 0.5m contours.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drill hole spacing is nominally 50 x 50m
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	N/A
	Whether sample compositing has been applied.	Samples taken on a 1m basis for RC drilling. No Sample composites taken.
Orientation of data in	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Drill holes oriented at right angles to strike of deposit, dip optimized for drill capabilities and dip of orebody, sampling believed to be unbiased.

Criteria	JORC Code explanation	Commentary
relation to geological structure	*If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	N/A
Sample security	*The measures taken to ensure sample security.*	All samples are bagged in a tied numbered calico bag, grouped into larger polyweave bags and cable tied. Polyweave bags are placed into larger Bulky Bags with a sample submission sheet and tied shut. Consignment note and delivery address details are written on the side of the bag and delivered to Toll Express in Meekatharra. The bags are delivered directly to MinAnalytical in Canning Vale, WA who are NATA accredited for compliance with ISO/IEC17025:2005.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Performance meetings held between a DRM and MinAnalytical representative are conducted monthly. QAQC data are reviewed with each assay batch returned, and on regular monthly intervals (trend analysis).

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	M51/870 is 100% owned by Andy Well Mining Ltd, which is a wholly owned subsidiary of DRM. M51/870 is located within the Yugunga-Nya Native Title Claim. M51/870 Heritage surveys have been conducted over active mining and exploration areas M51/870 is valid until 2033
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	No previous exploration has been completed at the Suzie Prospect.
Geology	*Deposit type, geological setting and style of mineralisation.*	Project scale geology consists of Archean aged high Mg Basalt units intruded by north-south striking porphyry intrusives. These are cross cut by east-west striking Proterozoic dolerite dykes. The mineralized quartz vein cross cuts the Archaen units but not the Proterozoic dykes.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Summary of all new drillhole data is attached to this release Previous drilling completed by Doray was released to the ASX on 17th October 2013.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	No top-cuts have been applied when reporting results. Average of all assays from the interval in question is reported (i.e. Au1, Au2, Au3). Intercepts are reported on a geological basis (i.e. where quartz veining is present) or above a nominal 1g/t lower cut-off with a maximum of 1m internal dilution included. No metal equivalent values are used for reporting exploration results

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	Drill holes oriented at right angles to strike of deposit, dip optimized for drilling purposes and dip of ore body. Mineralised intersections should approximate true widths. Strike of Suzie Lode is 45° dipping to the west at 65°
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to plan and longitudinal section attached
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All holes drilled are reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All meaningful and material data is reported
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Further drilling is to be conducted along strike to the north and south of the existing drill pattern, as well as extending the drill pattern at depth. Areas for suture targeting are indicated on the longitudinal section as areas where the orebody is open.