



DORAY COMMENCES UNDERGROUND MINING AT ANDY WELL

- **Portal established and underground development commenced**
- **Processing plant and site construction continues on schedule**

Doray Minerals Ltd (ASX: DRM, "Doray" or the "Company") is pleased to announce that it has commenced underground development and mining at the Company's 100%-owned high-grade Andy Well Gold Project in the northern Murchison region of Western Australia.

The first portal trim blast was completed on 26 April (Figure 1) and, as of 1 May, the decline had advanced a distance of approximately 16 metres underground (Figure 2).

Doray's Managing Director, Allan Kelly, said the commencement of the underground development was another key milestone in Doray's aim to become Western Australia's next high-grade gold producer.

"The completion of the open pit and transition to underground mining is another significant milestone for Doray, again met on schedule, and is the beginning of a new phase for the Company" Mr Kelly said.

"While the open pit mining has been exciting in itself, within the next month or so, we will commence mining the high-grade Wilber Lode from underground and this makes up the bulk of the deposit"

"Importantly, we are still well on track for the first gold production from Andy Well to occur in the September Quarter" he added.

The decline will initially be developed down to the "1415 level", approximately 65 metres below surface (and 25 metres below the bottom of the open pit), where the first cross cut will be developed to access the high-grade Wilber Lode from underground (Figure 3). As with the Stage 1 open pit, ore from underground will be stockpiled for future treatment once the processing plant is commissioned in the September Quarter.

Development Progress

Doray advises that construction of the processing plant and other site infrastructure is progressing on schedule, with first gold production forecast to follow commissioning of the processing plant in the September Quarter. The Company has been advised that the ball mill has arrived in Fremantle and will be transferred to site within the next week.

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Figure 1. First portal trim blast to establish the underground access.



Figure 2. Portal and underground development as of 1 May 2013.

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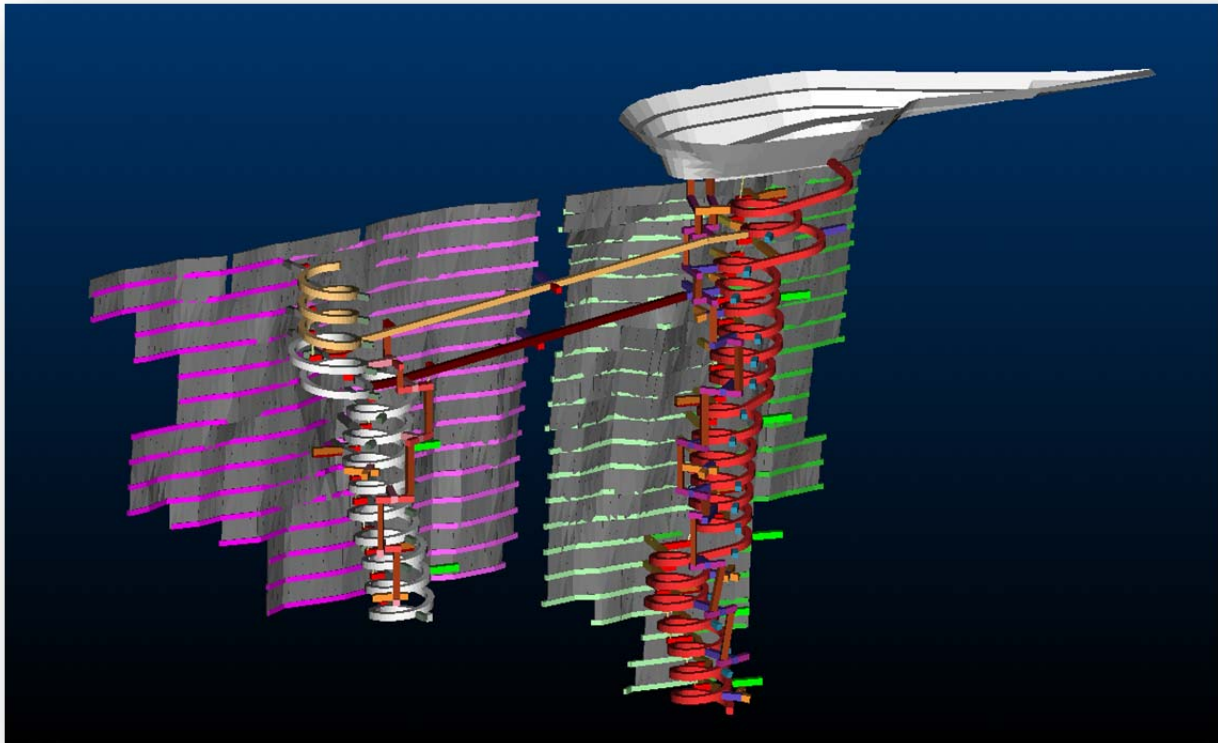


Figure 3. Wilber Lode mine design showing stage 1 open pit and planned underground development.

About Doray Minerals Limited

Gold miner and explorer **Doray Minerals Limited (ASX: DRM)** listed on the ASX in February 2010, was one of Australia's best performing IPOs in 2010 and was named "Gold Explorer of the Year" by the Gold Mining Journal in December 2011. Doray has a strategic portfolio of gold exploration projects within WA and South Australia and has recently commenced mining at the high-grade Andy Well Gold Project, north of Meekatharra.

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.

Open pit mining commenced in November 2012 and first gold production is scheduled for the Sept Quarter of 2013.

In March 2013 Doray announced a maiden high-grade JORC-compliant gold Mineral resource for the "Judy Lode", a second high grade deposit within the project, increasing the overall Andy Well Project resource inventory by 30%.

