



## ANDY WELL OPERATIONAL UPDATE

- **Underground development and mining progressing on schedule**
- **Primary ventilation fan installed**
- **Processing plant operating to expectations with capacity additional to design criteria**
- **August gold production in line with budget**
- **Exploration drilling programme ongoing at Andy Well**

**Doray Minerals Ltd (ASX: DRM, Doray)** is pleased to provide an update on operations at the Company's high-grade Andy Well Gold Project, in the northern Murchison region of Western Australia.

On 5 August 2013, Doray announced the first gold pour for the Andy Well Gold Project, following construction and commissioning of the 200,000 tonne per annum gravity and CIL/CIP processing plant.

### **Safety**

As of 31 August 2013, the Andy Well project has achieved 288 days without a lost time injury (LTI), since commencing mining operations in November 2012.

### **Underground Mining and Development**

Underground development is progressing on schedule with the Wilber decline advanced to the 1370 level, approximately 110m below surface. Ore drive development of the northern area is ongoing, in preparation for the commencement of stoping activities in October, with ore drives completed on the 1415 level, and underway on the 1400 and 1385 levels. An escapeway to the first stoping level, providing a second personnel egress from the mine, has also been raise bored ready for initial stoping.

Development of the southern access ramp will commence in upcoming weeks, eventually giving access to the southern portion of the Wilber Lode reserve concurrent with the northern area.

### **Vent Fan installation**

A 600kW single axial flow, primary extract fan was installed and is being commissioned to ventilate the full reserve of the Wilber lode. Ventilation and power operating costs will be minimised using a variable speed drive and optimising the pitch of the fan blades.

### **Power Station**

The permanent 4.2MW power station was commissioned on site at the beginning of the month releasing temporary generating sets used through the construction and commissioning phase.



## Processing and Gold Production

The processing plant is currently treating a mixture of stockpiled open pit and underground ore, along with development ore being actively mined from underground. The head grade was gradually increased during the month as part of the ramp-up phase.

During the month, the processing plant ramped up to full production and was optimised to achieve an annualised rate of 210,000 tonnes per year (compared with the design capacity of 200,000tpa). Reagent and dissolved oxygen levels have been stabilised, with plant availability exceeding 94.6%.

During August, a total of 15,576 tonnes of ore were processed with an average head grade of 10.1g/t, resulting in gold production of 4,886 ounces for the month, in line with the budget. Gold recovery averaged 96.4% which included approximately 65% recovered from the gravity circuit. Both head grade and gold recoveries are forecast to increase now that the plant ramp-up phase is complete.

The laboratory was commissioned on site and is providing timely assays for the plant and underground development.

## Andy Well Exploration

Exploration drilling within the Andy Well project area continues. The aim of the current programme is to test for strike and depth extensions to the high-grade Judy Lode and to test additional targets with the potential to host further parallel high grade quartz lodes. This programme should take approximately three months to complete.

-ENDS-

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## About Doray Minerals Limited

Doray Minerals Limited (**ASX: DRM**) is Australia's newest high-grade 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 (WA) 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 WA 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%.



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