



## RESOURCE AND RESERVE STATEMENT AS AT 30<sup>TH</sup> JUNE 2013

Doray Minerals Ltd (ASX: DRM, "Doray" or "the Company") is pleased to announce its estimate of Resources and Reserves as at the 30<sup>th</sup> June 2013.

Total Mineral Resources are estimated at **1.219 Mt @ 11.2g/t Au for 441,000 contained ounces**. The revised total Resource encompasses a depletion of the in-situ Wilber Indicated Resource due to mining of the stage 1 open pit, and a corresponding addition of Measured Resources in stockpiled ore, as no treatment of ore had commenced as at the 30<sup>th</sup> of June 2013. The resultant change in Resources due to mining is a decrease of 3,000 ounces Au from previously reported total Resources, which is due to losses derived from conversion of pre-mining Resource to grade controlled ore blocks in the stage 1 open pit, as well as some ore loss during the mining process. Total Mineral Resources are detailed in Table 1 below, with explanatory notes included in Appendix A.

**Table 1.** Doray Mineral Resource Inventory – 30<sup>th</sup> 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
Andy Well - Wilber	-	-	-	569,000	15.4	281,000	174,000	6.7	38,000	743,000	13.3	318,000
Andy Well - Judy	-	-	-	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
<b>TOTAL RESOURCE</b>	<b>83,000</b>	<b>5.8</b>	<b>16,000</b>	<b>794,000</b>	<b>13.7</b>	<b>351,000</b>	<b>342,000</b>	<b>6.7</b>	<b>74,000</b>	<b>1,219,000</b>	<b>11.2</b>	<b>441,000</b>

Note: No lower cut-off applied to Wilber and Judy lodes, 0.5g/t lower cut-off applied to Wilber "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.



Total Ore Reserves are estimated at **711 Kt @ 10.9g/t Au for 249,000 contained ounces**. The revised total Reserve inventory encompasses a depletion of the in-situ Wilber Reserve due to mining of the stage 1 open pit, and a corresponding addition of Proven Reserves in stockpiled ore, as no treatment of ore had commenced as at the 30<sup>th</sup> of June 2013. Total Ore Reserves are detailed in Table 2 below, with explanatory notes included in Appendix A. No recalculation of in-situ Ore Reserves has been undertaken since the Bankable Feasibility Study announced to the ASX on 30<sup>th</sup> July 2012. Note the 30<sup>th</sup> July 2012 announcement also refers to a *Total Mining Inventory* for the Andy Well Gold Project, which incorporates both JORC (2004) compliant Ore Reserves as well as additional mining inventory based on *Inferred Mineral Resources* immediately proximal to these Reserves.

**Table 2.** Doray Ore Reserve Inventory – 30th June 2013

	Proven			Probable			Total		
	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
Wilber - 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
<b>TOTAL RESERVE</b>	<b><u>83,000</u></b>	<b><u>5.8</u></b>	<b><u>16,000</u></b>	<b><u>628,000</u></b>	<b><u>11.6</u></b>	<b><u>233,000</u></b>	<b><u>711,000</u></b>	<b><u>10.9</u></b>	<b><u>249,000</u></b>

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.

-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%.

## Competent Person Statement

The information in this announcement that relates to Mineral Resources is based on information compiled by Mr Mark Cossom. The information in this announcement that relates to Ore Reserves is based on information compiled by Mr 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 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.



## APPENDIX A – Notes on Mineral Resource and Ore Reserve Inventory

In-situ Mineral Resources reported as at the 30<sup>th</sup> June 2013 for both the Wilber and Judy lodes are based on estimates previously released to the ASX (Wilber – 15<sup>th</sup> March 2012; Judy - 25<sup>th</sup> March 2013). For technical details pertaining to the estimation of these Mineral Resources, please refer to these announcements.

For the Judy Lode, there has been no alteration to the previously announced Resource estimate.

For the Wilber deposit, the in-situ Mineral Resource as stated at 30<sup>th</sup> June 2013 has been depleted for mining completed to that date, which is the entire stage 1 open pit. Resources were depleted by reporting the March 2012 Wilber Resource estimate outside of the mined pit area, as determined by Dorays in-house surveyors. Survey pick-up of the pit area was by Total Station methods.

In addition, the in-situ Wilber Ore Reserve as stated at the 30<sup>th</sup> June 2013 has been depleted for all mining completed on the stage 1 open pit. All previously reported Ore Reserves for this pit have been depleted.

However, as no processing of mined ore had commenced as at the 30<sup>th</sup> June 2013, an estimate of gold contained in stockpiles has been included in the 30<sup>th</sup> June 2013 inventory. The stockpiled ore has been reported as both Mineral Resource and Ore Reserve.

### **Wilber Open Pit Grade Control and Stockpile (Mine Claimed) Estimation Methods**

Stockpiled ore has been estimated by mine grade control methods, and constitutes a “mine claimed” grade and tonnage estimate, incorporating all mining loss and mining dilution.

Stockpile grade is based on an in-situ grade control estimate that has been diluted during the mining process. In-situ grade control grade is based on RC grade control drilling with drill spacing on a nominal 5m x 5m pattern. All Doray drilling has been geologically logged, with samples collected by cone splitting of RC chips on 1m intervals down hole. Samples were submitted to SGS Laboratories in Perth and analysed for Au by a 30g fire assay with AAS determination. All assays were required to conform to Doray Minerals QA/QC guidelines as well as internal laboratory QA/QC guidelines. All holes have been located by Real Time Kinetic GPS on surface, as well as multi-shot reflex tool surveys down hole.

Mineralised domains were interpreted from the geological and assay data received. The “Wilber Quartz Vein” was interpreted based on logged intervals in drill holes, irrespective of assay grade. The “Shear Zone” domain was interpreted based on a combination of logged geology and a nominal 0.3g/t Au grade boundary. A minimum downhole length of 1m was interpreted, with a nominal average true width of Quartz Vein intercepts estimated to be 2m. Additionally, geological domains were created for transported material, as well as oxide and transitional weathering domains. A geological domain was also created for the cross-cutting, late stage Proterozoic dolerite dykes, which was used to deplete the model as this dyke is interpreted to post-date, and thus stope-out mineralisation. All domains were interpreted in 3-dimensions utilising Surpac Software, and wire-framed into either solid 3dm's for grade domains, or dtm surfaces for transported and weathered domains.

Statistical analysis, grade interpolation and block modelling were undertaken by Doray Minerals staff. Grade domain data were extracted from the database and composited to 1m downhole intervals for the Quartz Vein domain. Data were statistically analysed for the selection of appropriate top cuts, with a 105g/t top-cut for the Wilber Quartz Vein domain data, and a 10g/t top-cut assigned to the Shear-Zone



domain. Geostatistical analysis of semi-variograms generated from the composite data was undertaken to provide kriging parameters for grade interpolation.

A block model was created for the Wilber Open Pit, with a block size of 1m x 2.5m x 2.5m (x, y, z) selected based on minimum mining parameters, orebody geometry and data density. Bulk density values were assigned to the model based on ore-zone and weathering domains. Bulk density values were generated by statistical analysis of down-hole Gamma probe data collected from 6 holes across the Wilber deposit, with values collected every 10cm down hole. These Gamma data were also checked against several values obtained by water displacement method from across the fresh-rock domain, in order to validate the detailed data.

Grade was interpolated for the Wilber Open Pit grade control model via 3-dimensional Ordinary Kriging. Several check runs were completed utilising different top-cuts and estimation parameters as validation checks of the grade estimate. The model was also validated by visual inspection of both the block model fill against the raw assay data, as well as the generation and inspection of grade-tonnage curves, and composite vs. block grade data by both elevation and northings through the deposit. Model classification as Measured (in accordance with the JORC Code 2004) was based primarily on data density and geological continuity.

Grade control block data were utilized to design ore mark-outs, which incorporate minimum mining widths and other mining constraints in order to define true mineable ore zones. Ore-blocks were categorized into High Grade (>5 g/t Au), Medium Grade (1-5 g/t Au) and Low Grade (<1 g/t Au) domains based on estimated in-situ grade incorporating all internal dilution. Ore blocks were mined on 2.5m flitches, and utilized intensive geological supervision of mining. Mine-claimed tonnages were based on a reconciled estimate between as-mined truck counts and a survey pick-up of the stockpile using Total Station methods, combined with estimated stockpile densities. Mine-claimed grade is based on the in-situ ore block mark-out grade adjusted for dilution as calculated from the mine-claimed resultant tonnage.

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