



DECEMBER QUARTER PRODUCTION EXCEEDS BUDGET – ON TRACK FOR UPPER END OF 2016FY GUIDANCE

- **December Quarter gold production of 21,507 ounces beats budget by 8%**
- **Production for year to date puts Doray on track for upper end of full year guidance**

Doray Minerals Limited (ASX:DRM, Doray) is pleased to advise that it has achieved production above budget for the December Quarter and half year, setting up the Company to achieve full year production towards the upper end of guidance (78-85,000oz).

Production from the Company's Andy Well Gold Project ("Andy Well") for the December 2015 Quarter totalled 21,507 ounces at an average head grade of 8.2g/t Au, resulting in December 2015 half year production of 47,460 ounces (@ 9g/t Au), both approximately 8% above budgeted production figures.

Doray's annual production and profit margins are set to increase substantially once the Deflector Gold Project ("Deflector") commences production in mid-2016. The Company is forecasting annual production of 140,000 ounces (plus copper and silver) between Andy Well and Deflector, from the 2017 financial year, and is targeting all-in sustaining costs (AISC) of <A\$1,000/oz.¹ across the two operations.

Doray's Managing Director, Allan Kelly, said the excellent production performance at Andy Well over the first six months of the 2016 financial year put the Company in a strong position as it moves towards commissioning of its second high-grade WA gold operation at Deflector.

"Andy Well has delivered another strong quarter of high-grade gold production in excess of our expectations," Mr Kelly said.

"Production from the high-grade Wilber Lode Stage 2 and Suzie Lode open pits has been very successful, with both open pits over-reconciling against forecasts."

"We are also very excited about the results from some of the recent deeper drill testing of the Wilber and Judy Lodes and look forward to continuing these programmes, and the potential impact they may have in extending the mine life at Andy Well," he added.

Further information on production costs, along with an update on Deflector construction progress and Doray's various exploration programs will be provided in the Quarterly Activities Report for the December Quarter.

-ENDS-

¹ After by-product credits

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About Doray Minerals Limited

Doray Minerals Limited is an Australian gold producer, developer and explorer with two high-grade Western Australian gold assets: the operating Andy Well Gold Project (Andy Well); and the Deflector Gold Project (Deflector), which is due to commence production in mid-2016.

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 a proven track record in discovery, development, and production.

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