



SUCCESSFUL COMPLETION OF \$25M PLACEMENT

Doray Minerals Limited (“Doray” or “the Company”) (ASX:DRM) is pleased to announce that it has successfully raised \$25M through a two tranche placement to reduce its debt and accelerate exploration activities and underground development at its Deflector mine.

Capital Raising

The placement will comprise approximately 89.3M shares to be issued at \$0.28 to institutional and sophisticated investors.

The proceeds from the placement will primarily be used to:

- repay debt;
- undertake Resource definition drilling at Da Vinci and if successful, complete capital development for underground access; and
- explore for additional discoveries proximal to the Deflector mine.

The issue price represents a discount of 12.5% to the last close of \$0.32 per share and a 6.7% discount to the 5 day volume weighted average price of \$0.30 per share.

The placement will be undertaken in two tranches. The first tranche will comprise 53,538,000 shares that will be issued under Doray’s existing 15% ASX Listing Rule 7.1 capacity.

Shareholder approval will be required for the issue of the second tranche of 35,747,715 shares. An Extraordinary General Meeting, to ratify the second tranche, will be held on or around Thursday, 5 April 2018.

The placement was oversubscribed and received strong participation from new and existing shareholders. Petra Capital Pty Ltd acted as sole lead manager and book-runner to the placement.

Capital Management

As at 31 December 2017 Doray had \$47.5M in debt and \$23.9M in cash and metals. In addition to using approximately \$14M raised from the placement to reduce debt, Doray intends to use an additional \$4.5M from its existing cash balance to bring the total debt repayment to \$18.5M and its gross debt balance to \$29M.

Managing Director Leigh Junk said “We have worked tirelessly to turn the Company around over the last fourteen months and are pleased with the response from the investment markets to the capital raising. We have been fortunate to have the support of some very loyal shareholders during this turnaround and we appreciate the contribution they have made to the Company. We also welcome several new institutional shareholders to the register.

The Deflector production ramp-up is now complete and the operation is running at steady state. The funds raised will provide a strengthened balance sheet giving us the flexibility to expedite our growth plans.

The Company looks forward to completing an underground drilling program from within Da Vinci, which is intended to provide sufficient information to estimate an Indicated Mineral Resource. Should this occur, the Company will have funds to commence the capital development to access Da Vinci with the aim of increasing total production. Doray will also continue to explore for additional discoveries proximal to the Deflector mine.

We are excited by what the numerous opportunities for growth at Deflector including Da Vinci represent for the Company and are looking forward to completing the required work to bring them to fruition”.

Timetable

An indicative settlement timetable is set out below:

Indicative Timetable	
Settlement of Tranche 1 shares	Tues, 27 Feb
Expected allotment	Wed, 28 Feb
Extraordinary General Meeting to approve issue of Tranche 2 shares	Thurs, 5 Apr
Settlement of Tranche 2 shares	Wed, 11 Apr
Expected allotment Tranche 2 shares	Thurs, 12 Apr

-ENDS-

For further information, please contact:

Mark Hepburn
Corporate Development Manager
 Doray Minerals Ltd
 +61 8 9226 0600