



DEBT REFINANCING AND RESTRUCTURE IMPROVES ACCESS TO PROJECT CASHFLOWS

- **Project Finance Facility refinanced with Westpac Bank**
- **Term of new facility matches increased mine life at Andy Well**
- **Ability to fund near-mine and selected regional exploration from project cashflows**
- **Additional hedging completed to take advantage of increased \$AUD gold price**

Doray Minerals Limited (ASX: DRM, Doray) advises that it has agreed to a refinancing and restructure of its project finance facility to enable improved access to cash flow from its high-grade Andy Well Gold Project in Western Australia for exploration and business development activities.

Following discussions with a number of domestic and international lenders, Westpac Banking Corporation has agreed to a refinancing and restructure of Doray's existing project finance facility.

Doray's Managing Director, Mr Allan Kelly said that the existing A\$55 million project finance facility was put in place in 2012 to assist with the construction and commissioning of Andy Well.

"Since commencement of production at Andy Well, back in August 2013, we have effectively paid off \$43 million of the original \$55 million we borrowed to build the project. The terms of that original debt facility are much more restrictive than what is now available to Doray as a proven gold producer." Mr Kelly said.

"We are pleased that Westpac have recognised Doray's track record to date and look forward to working with them as we continue to grow the Company."

As part of the refinancing and restructure, Westpac will pay out the \$17 million outstanding balance of the existing project finance facility and provide an additional \$6 million to assist with costs relating to the takeover of Mutiny Gold Ltd and expenses relating to commencement of the high-grade Stage 2 open pit.

The repayment term of the new debt facility has been extended from 30 September 2015 to 30 June 2016, which recognises the recent extension in the mine life at Andy Well. This has the effect of reducing the average quarterly debt repayments, despite the increase in the overall loan tenor.

The minimum required balance in the existing Debt Service Reserve Account ("DSRA") will be reduced from \$5 million and set at the equivalent of one quarter of principal and interest charges going forward, initially freeing up an additional \$1 million in the short term.

Westpac has allowed for near-mine exploration and selected regional exploration to be funded directly from Andy Well project cash flow and has also introduced a cash sharing mechanism to allow access to project cashflows for further regional exploration and corporate activities.



Hedging

As part of the refinancing, Doray is required to hedge approximately 35% of forecast production between October 2015 and June 2016. The Company has taken advantage of the recent increase in the \$A gold price and hedged 9,600 ounces across October, November and December 2015, at a weighted average price of A\$1,510/oz, and 9,000 ounces across January, February and March 2016 @ A\$1,562/oz. The remaining amount to be hedged, as per Westpac's requirements, is approximately 5,000 ounces.

Doray now has approximately 55,263 ounces hedged from January 2015 until March 2016 (approximately 47% of forecast production for the same period) at a weighted average price of approximately A\$1,506/oz and will continue to evaluate opportunities to hedge future gold production in order to reduce the impact of the current volatility in the spot gold price on the Company's earnings.

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About Doray Minerals Limited

Doray Minerals Limited (ASX: DRM) is a Western Australian high-grade gold producer, developer and explorer. The Company began mining at its Andy Well Gold Project in the northern Murchison region of Western Australia in August 2013 and recently announced a recommended Takeover Offer for ASX-listed Mutiny Gold Ltd.

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 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. Doray commenced production at Andy Well in August 2013, approximately 3.5 years after the discovery of the high-grade Wilber Lode gold deposit and the Project was one of the highest grade and highest margin gold operations in Australia for the 2014 financial year.

Doray has recently updated the production guidance for the 2015 financial year, with production increased to 85,000-90,000 ounces (previously 77,000-85,000 ounces) and cash operating costs (C1) reduced to A\$600-700/oz (previously A\$700-800/oz).

