



DORAY SECURES FUNDING FOR DEFLECTOR

- **Heavily oversubscribed placement completed raising \$13.8M**
- **Announcement of fully-underwritten non-renounceable entitlement issue**
- **Westpac to provide corporate finance facilities including up to \$65M new debt funding for Deflector construction**
- **Doray fully-funded for Deflector construction, development and working capital**
- **Construction underway with first gold production targeted mid-CY2016**
- **Production expected to double to 160kozpa (AuEq) with AISC <A\$1,000/oz**

Doray Minerals Limited (ASX: DRM, Doray) today announces it has secured debt and equity funding to enable the construction and development of the Company's 100% owned Deflector Gold Project (Deflector) in the southern Murchison Region of Western Australia.

The financing comprises new corporate finance facilities with Westpac Banking Corporation ("Westpac"), a recently completed equity placement of \$13.8 million and a fully underwritten non-renounceable entitlement issue to raise approximately \$12.9 million.

Doray's Managing Director, Mr Allan Kelly, said that the level of interest in providing funding for Deflector reflected not only the quality of the Project, but also recognised Doray's recent track record at successfully funding, developing and operating the Andy Well Gold Project.

"With existing cash reserves, projected cash flows from Andy Well over the next 12 months, and the proceeds from the Westpac facility and equity raising announced today, we are now fully-funded for all construction, development and working capital expenditures to bring Deflector into production."

"We can now focus on growing the Company through the development and commissioning of our second high-grade, low-cost gold operation at Deflector," he added

The Deflector Gold Project is a high-grade, gold-copper deposit with an initial mine life of six years and significant exploration potential. Doray will leverage its recent development expertise from the Andy Well Gold Project to optimise the construction, development and operation of Deflector.

Heavily Oversubscribed Placement Completed Raising \$13.8M

The Company advises it has received firm commitments from existing and new sophisticated and institutional investors, including a major UK resources fund, for a heavily oversubscribed placement of approximately 34.4 million fully paid ordinary shares in the issued capital of the Company (Shares) at \$0.40 per Share to raise approximately \$13.8 million (Placement).

GMP Securities acted as the Lead Manager to the Placement.



Fully Underwritten Non-Renounceable Entitlement Offer

The Company today also announces it will undertake a fully underwritten two-for-seventeen (2:17) non-renounceable entitlement issue to eligible Shareholders to raise approximately \$12.9 million at an offer price of \$0.40 per Share (Entitlement Issue). The Record Date for the Entitlement Issue is expected to be **Tuesday, 8 September 2015**.

Further information on the Entitlement Issue will be provided in future announcements.

GMP Securities is acting as Underwriter to the Entitlement Issue.

Westpac Corporate Facilities Credit Approved

Following a process involving a number of domestic and international banks, Doray recently mandated Westpac to provide corporate finance facilities for construction of the Deflector Gold Project.

Westpac has now confirmed credit approval for these facilities totalling \$90 million (including a \$5 million contingency facility) and has commenced documentation with financial close expected towards the end of September, subject to a number of terms and conditions typical of a facility of this nature, including completion of the equity raisings referred to in this announcement.

The balance of Doray's existing project finance facility will be rolled into the new facilities. The new corporate finance facility will therefore provide debt funding of approximately \$60 million to \$65 million (including the contingency facility) to fund construction and development of Deflector.

The new corporate finance facilities offer greater flexibility for the movement of cash between the Company's operations and exploration programmes as required.

The key terms of the facilities are as follows:

- Loan amount – \$90 million (including \$5 million contingency facility)
- Loan term – 5 years from financial close (final payment 30 June 2020)
- Principal repayments commencing post-completion of Deflector

The facilities will require additional hedging to be put in place. Doray has therefore negotiated a window to execute this hedging to take advantage of increases in the AUD gold price and has recently added an additional 30,000 ounces at an average forward price of approximately A\$1,610/oz.

PCF Capital Group acted as the sole financial adviser to the facilities.

Deflector Construction Update

The Company provides the following update on development of the Deflector project:

- Final remaining approval received
- Site works ongoing at processing plant and new village site
- Temporary accommodation being installed at Gullewa (construction) camp
- Commencement of concrete works – pouring footings for various plant components
- Recruitment of key staff commenced
- Discussions with potential off-take partners advanced

Open pit mining and underground mining will commence in the first half of 2016 and first production is scheduled for mid-CY2016.

-ENDS-



Teleconference details:

Doray Minerals' Managing Director Allan Kelly and Chief Financial Officer Jon Latto will host a conference call for investors, analysts, and media at **12:00 AEST (10:00 WST) on Monday, 31 August 2015** to discuss today's announcement.

- Dial-in number from an Australian landline: **1800 804 595**
- International dial-in numbers: **+61 (0)3 8687 0650**

Please note: There is no Pin Number required

For further information, please contact:

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About Doray Minerals Limited

Doray Minerals Limited is a high-grade 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) currently under construction.

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.

