

Building  
Australia's next  
great gold  
company



# Results Presentation

6 Months ending 31 December 2015

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**Gold Equivalent Ounces:** This presentation also refers to Gold Equivalent Ounces (AuEq). The Resource oz (AuEq) shows estimated AuEq ounces which relates specifically to the time the resource estimate was done and the metal prices quoted in those estimates. Slide 30 and slide 31 of this presentation shows a graph of "Mine Peers, Reserve Grade and Production". This graph uses AuEq oz for comparative purposes only against gold only mines. Doray advises that the use of metal equivalents is not recommended for detailed financial analysis.

## Profitable high-grade gold production

265% increase in NPAT to A\$14.5M

A\$32.2M cash flow from operations

117% increase in EPS to 5.2cps

## Near-term production and profit growth

Deflector on track for mid-2016CY production

Production increasing to 140kozpa

Targeting AISC <A\$1,000/oz

## Ongoing exploration success

Wilber North drilling suggests mine life extensions

New gold discovery at Horse Well

Maiden drill campaign at West Gawler

## Prudent capital management

A\$63M cash and gold

Deflector fully-funded

Hedging at ~A\$1600/oz

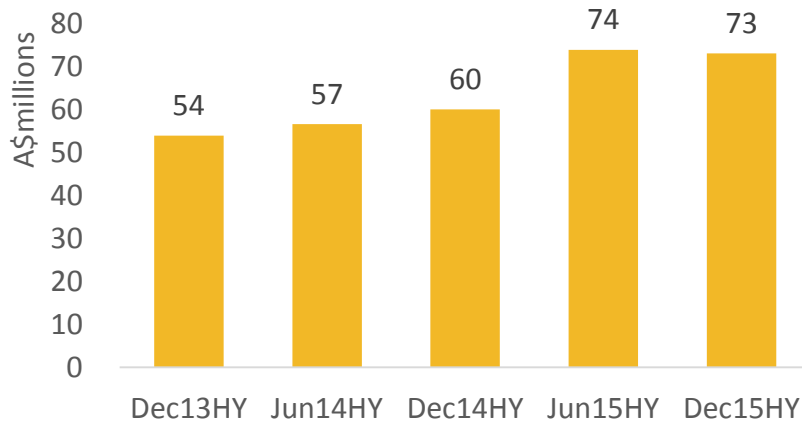
# December 2015 Half Year Results Summary



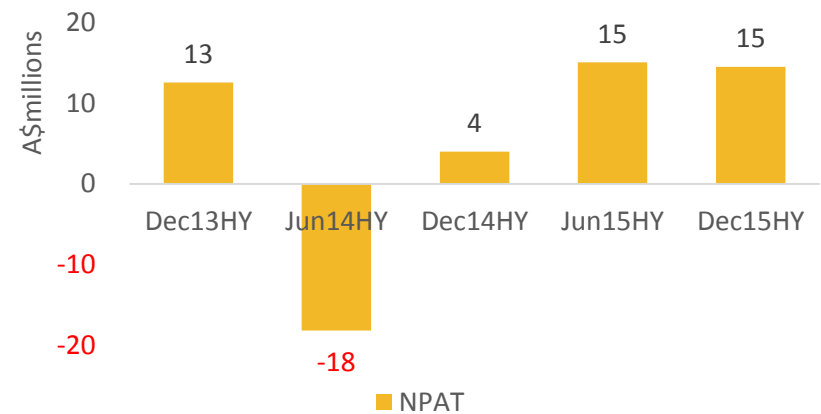
	Units	6 months to 31 Dec 2015	6 months to 31 Dec 2014	% change
<b>Production</b>	<b>oz</b>	<b>47,197</b>	<b>39,228</b>	<b>+20</b>
<b>Revenue from gold sales</b>	<b>A\$M</b>	<b>73.1</b>	<b>60.1</b>	<b>+22</b>
<b>Gross profit</b>	<b>A\$M</b>	<b>18.8</b>	<b>8.5</b>	<b>+121</b>
Net profit/(loss) before tax	A\$M	14.7	5.1	+188
Tax (expense)/benefit	A\$M	(0.2)	(1.1)	
<b>Net profit/(loss) after tax</b>	<b>A\$M</b>	<b>14.5</b>	<b>4.0</b>	<b>+263</b>
Earnings per share	cents	5.2	2.4	+117
<b>Net cash flow from operations</b>	<b>A\$M</b>	<b>32.2</b>	<b>27.2</b>	<b>+18</b>

# Revenue, Earnings and Profit Growth

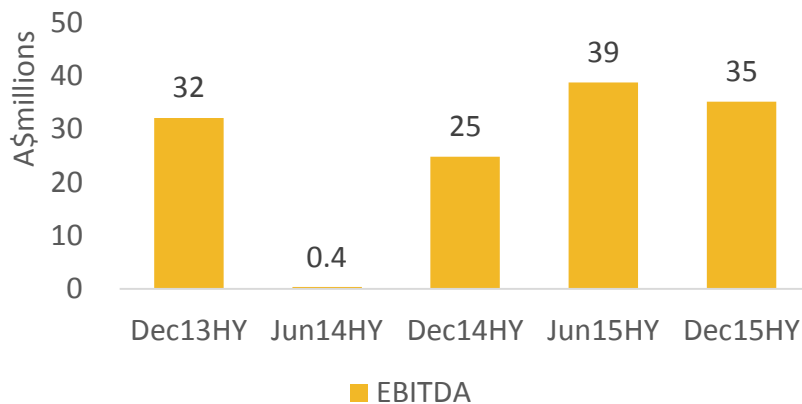
## Revenue



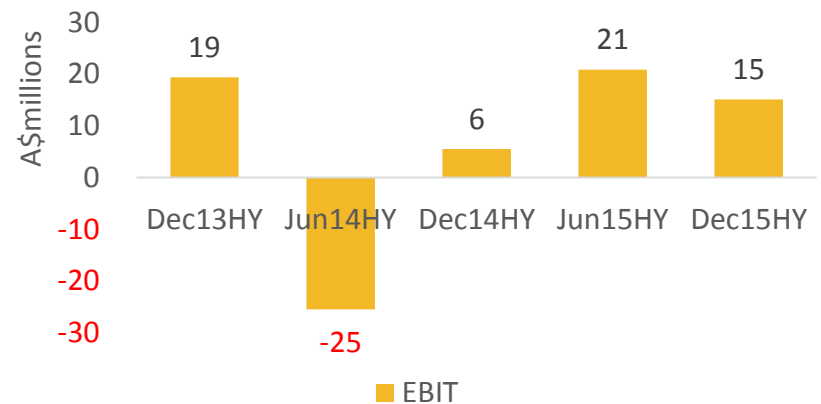
## NPAT



## EBITDA



## EBIT



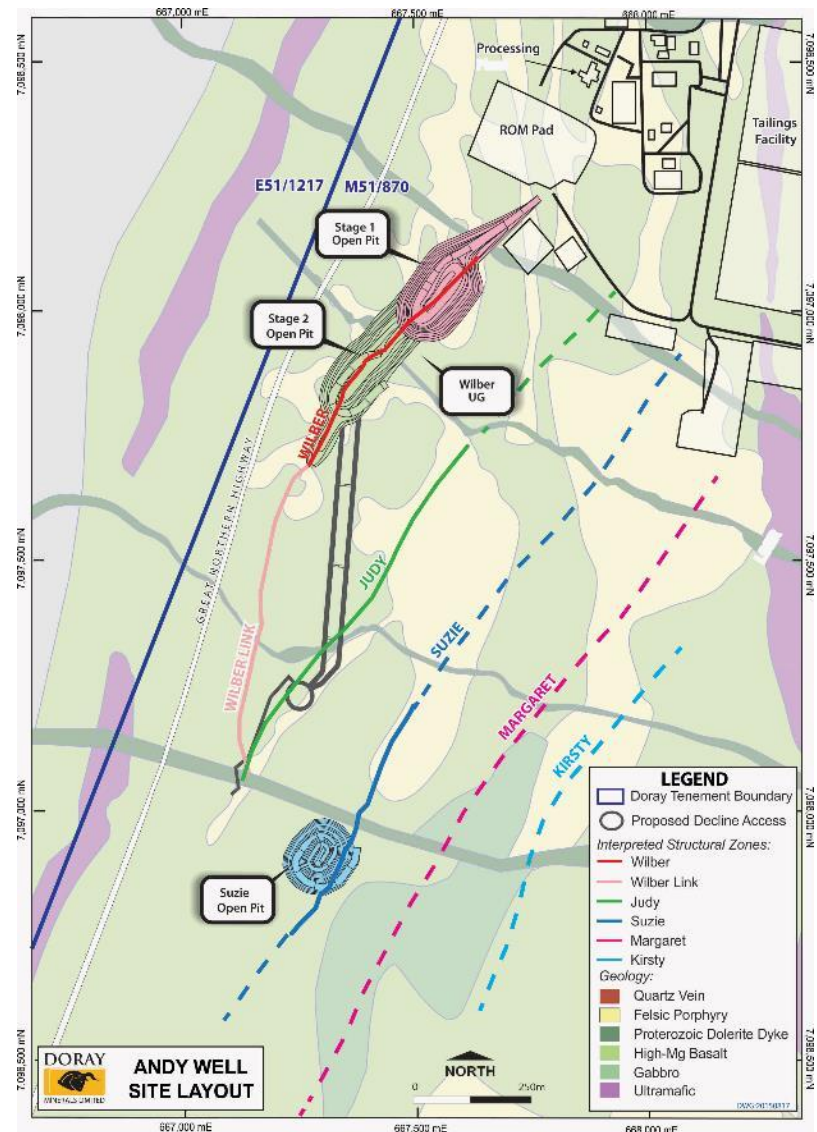
Note: Jun14HY included A\$32M impairment

Australia's  
highest  
grade gold  
operation

# Andy Well Gold Project

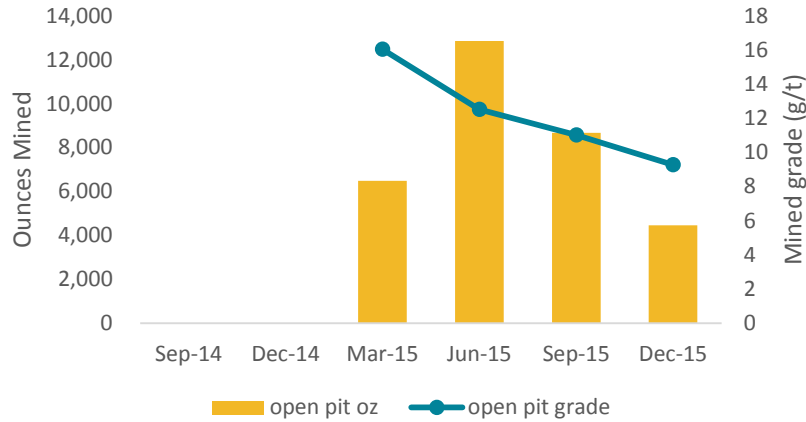
# Andy Well - Australia's highest grade gold operation

- From discovery to production in 3.5 years
- “Australian Mine of the Year – 2015”
- Parallel high-grade gold veins with very high gravity and total gold recoveries
- Production to date exceeds BFS (74kozpa):
  - 2014FY – 76,785koz @ AISC A\$1,044/oz
  - 2015FY – 88,736oz @ AISC A\$1,165/oz
  - 2016FY – guidance 78-85koz
- Currently producing from:
  - Wilber Lode u/g
  - Judy Lode u/g
- Substantial near-mine upside being uncovered
- XX Days LTI-free to 31 December 2015

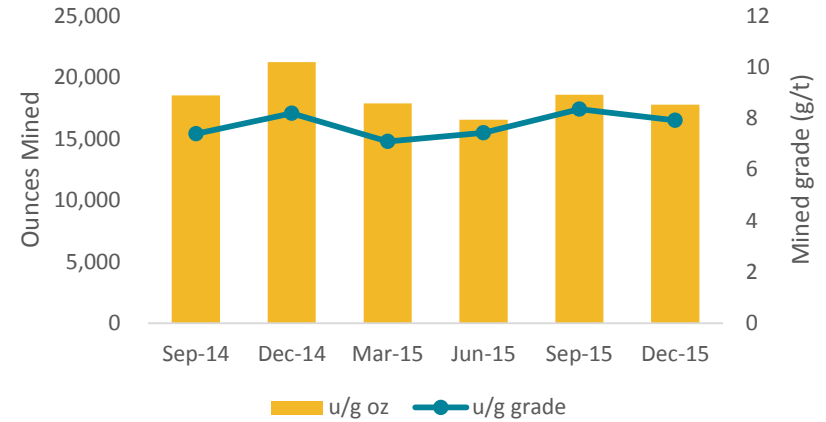


# Andy Well - Production Summary

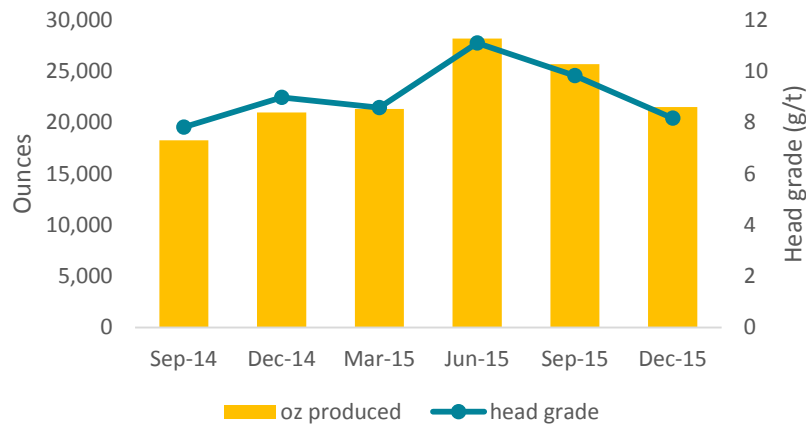
## Open Pit Mining



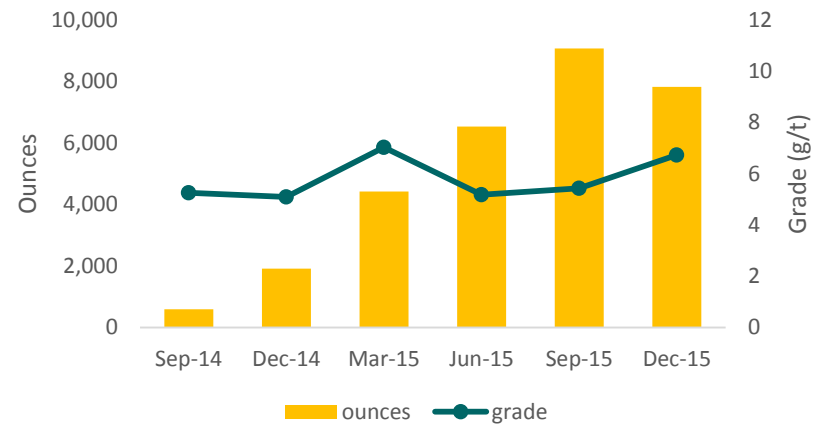
## Underground Mining



## Production

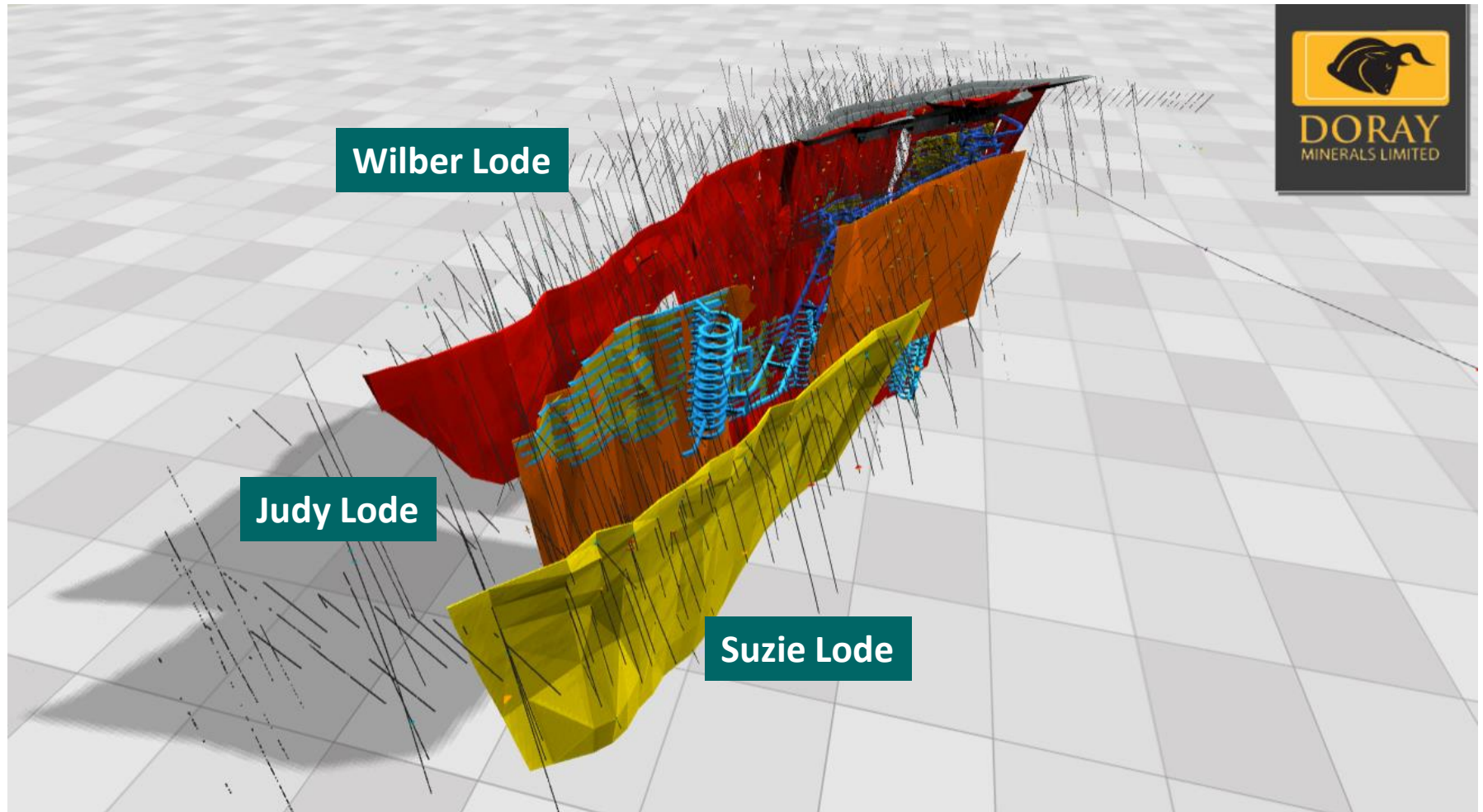


## Stockpiles





# Andy Well - high-grade gold lodes open at depth





High-grade  
gold with  
by-product  
credits

# Deflector Gold Project

# Deflector – a transformational acquisition

## Removes single-asset risk, increases production and margin and extends mine life

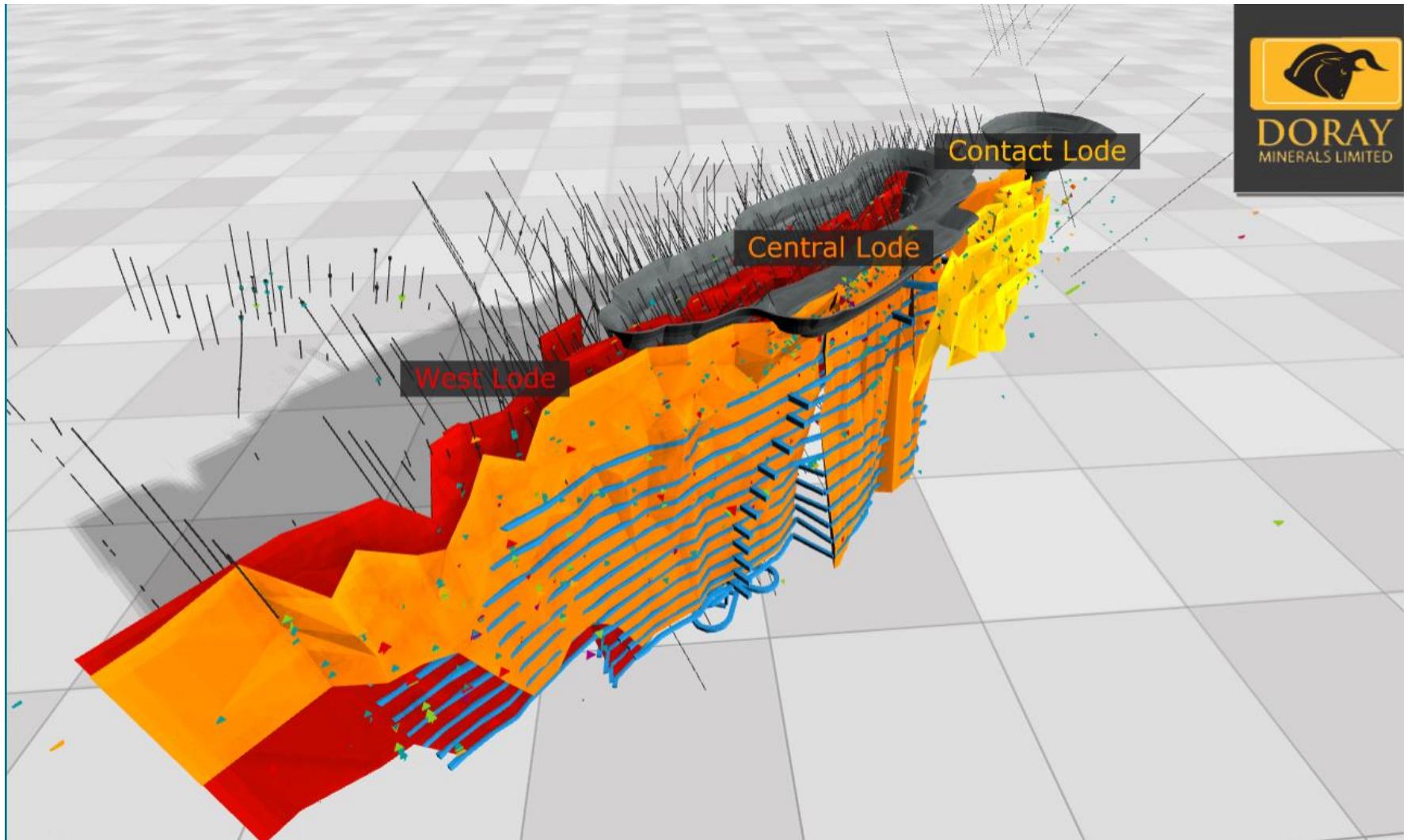
- Second high-grade/low-cost WA gold project – 400km from Andy Well
- 60kozpa Au (+Cu+Ag) with 6-year initial mine life
- By-product credits deliver low AISC
- Fully-funded through debt and equity
  - A\$65M debt facility (incl. \$5M overrun)
  - A\$13.8M placement
  - A\$12.9M fully underwritten rights issue
- Relatively simple process flowsheet
  - Gravity circuit - Au doré bars
  - Flotation circuit – Au/Cu/Ag concentrate
- Production scheduled for mid CY2016
  - Open pit mining commenced (Feb 2016)
  - Off-take agreement signed with MRI Trading AG\*
  - Power station contract signed with Pacific Energy
- Substantial exploration upside



\*Refer ASX announcement dated 24 February 2016

# Deflector – high-grade underground gold mine

Utilising the Andy Well experience to optimise funding, construction and operation



# On track for mid-2016 start-up

## Utilising the Andy Well experience to optimise funding, construction and operation

	Jan	Feb	Mar	Apr	May	Jun
Plant construction	Active					
Open pit mining		Active				
Underground mobilisation					Active	
Underground development						Active
Plant commissioning				Active		
Production						Active



Building on  
our success

# Exploration and Growth

# Targeting sustainable production and profit growth

- One of Doray's key points of difference is our commitment to greenfields exploration and discovery as a source of future growth
- Mid-term goal - **240-250kozpa** of high-margin gold production from 3 operations

## Near-term mine-life extensions

Andy Well in-mine  
Andy Well near-mine  
Gnaweeda JV  
Deflector near-mine

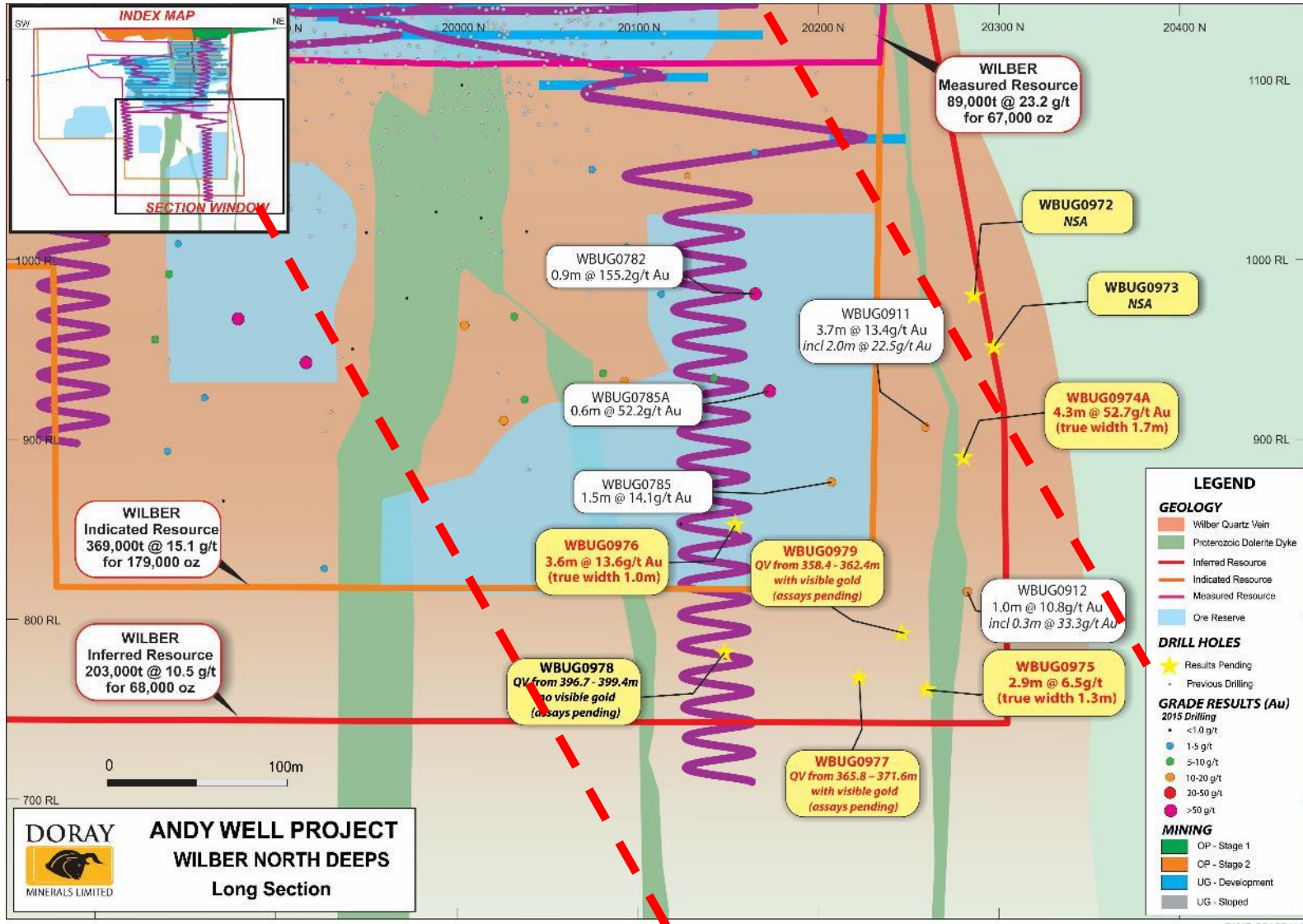
## Mid-term production growth

Horse Well JV

## Long-term blue-sky

West Gawler

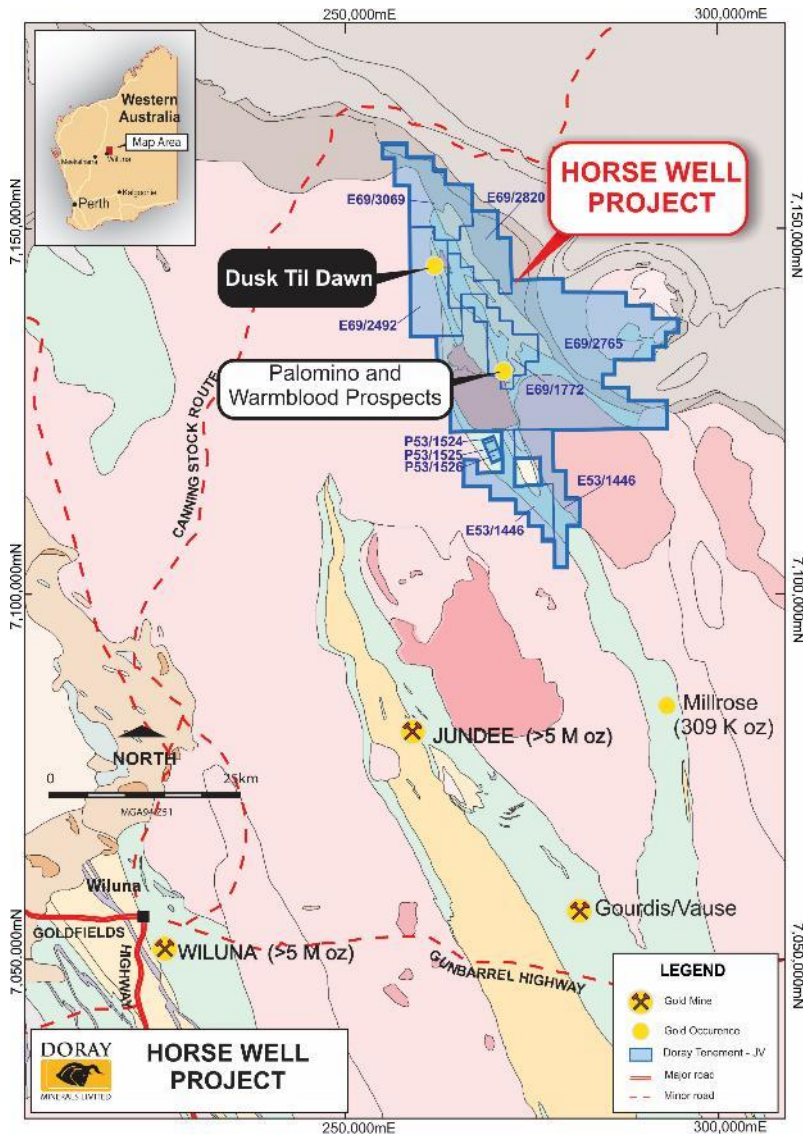
# Wilber North drilling intersects new high-grade zone



\*See ASX release dated 4 February 2016



# Horse Well – a new greenfields gold discovery



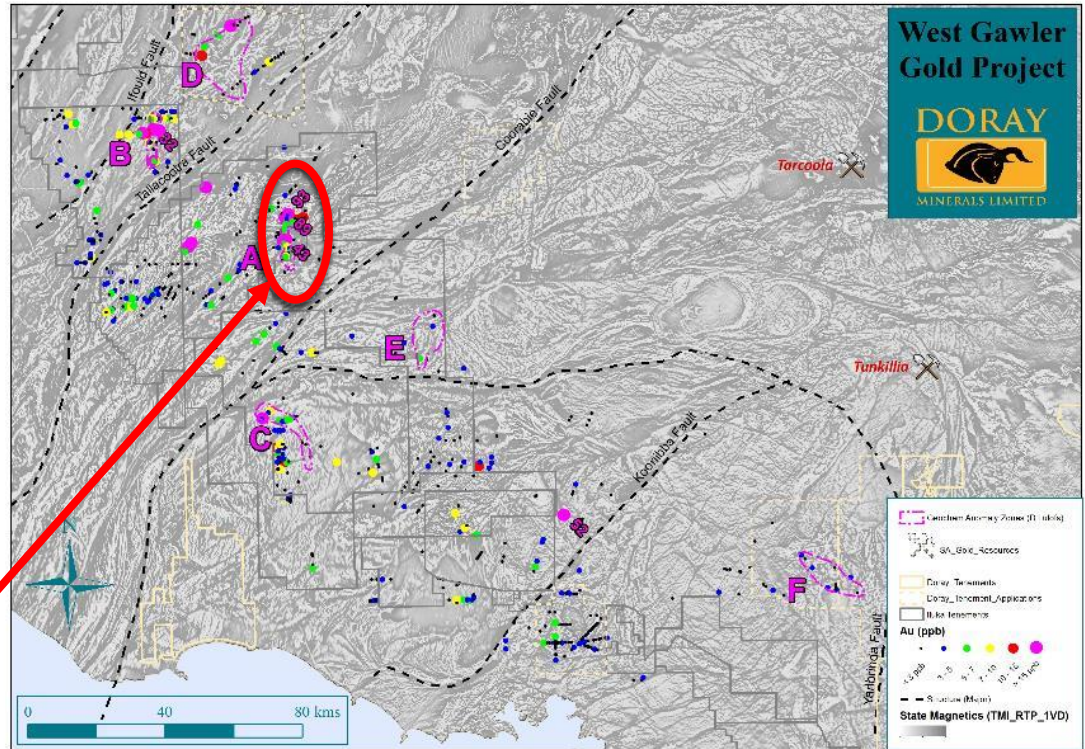
- JV with Alloy Resources (ASX:AYR) in NE goldfields
  - Doray 60% (opportunity to earn 80% by spending \$2M over next 12 months)
- Geological and structural similarities to highly endowed Yandal Belt with Granny Smith and Jundee deposit analogues
- Significant results from initial drilling to date:
  - **65m @ 2.6g/t Au, incl. 13m @ 8g/t Au**
  - 23m @ 1.2g/t Au
  - 13m @ 0.9g/t Au
  - **16m @ 7.2g/t Au, incl. 6m @ 16.3g/t**
  - 44m @ 1.4g/t Au, incl. **3m @ 6.3g/t Au**
- Open at depth and down plunge
- Numerous regional targets to be tested

\* Refer ASX Announcements dated 10 December 2014 and 21 October 2015

# West Gawler – “elephant country”

## Landmark farm-in over highly prospective and underexplored land position

- Farm-in with Iluka Resources (ASX:ILU) in western Gawler Craton, South Australia
  - Doray earning 80% by spending \$7M over 6 years
- 20,000sqkm land position with geological similarities to Tropicana and Fraser Range
- No previous precious/base metal exploration
- 2,000 shallow drill holes with basement samples – never previously assayed
- Maiden drilling campaign completed @ “Target A”
- Ability to leverage off existing Iluka infrastructure



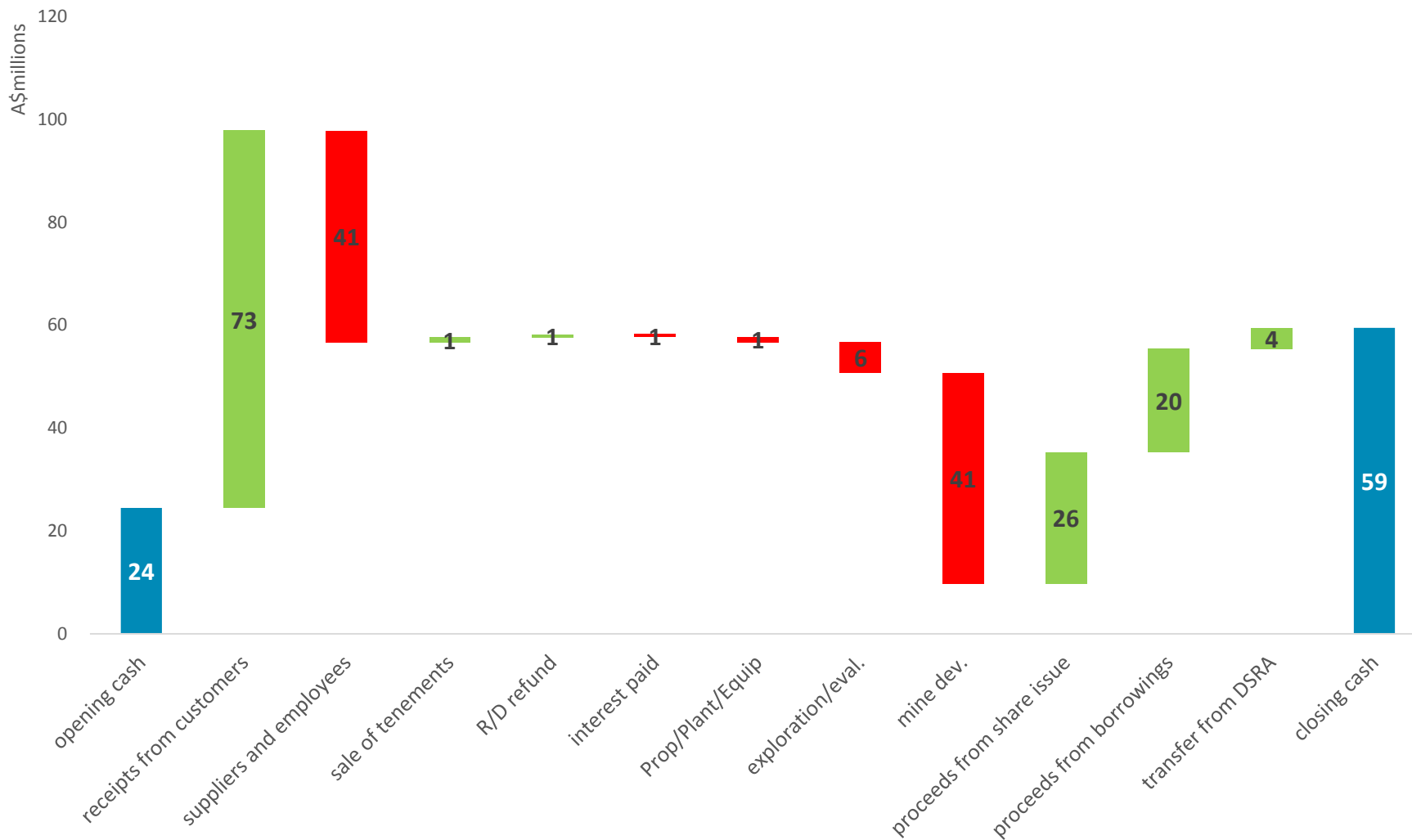
Numerous large gold and pathfinder element anomalies overlying structural targets



# Finances and Outlook

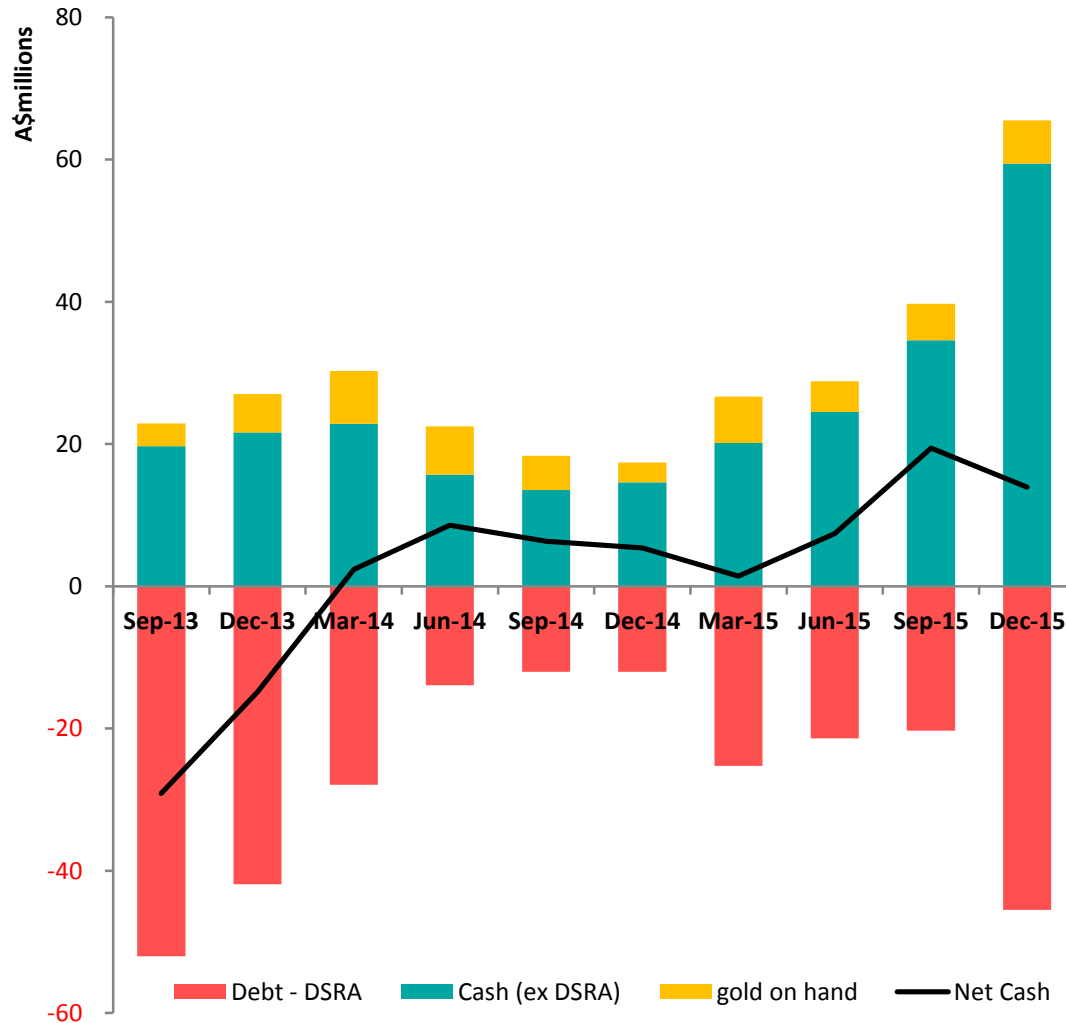
# Cash flow summary

6 months ending 31 Dec 2015



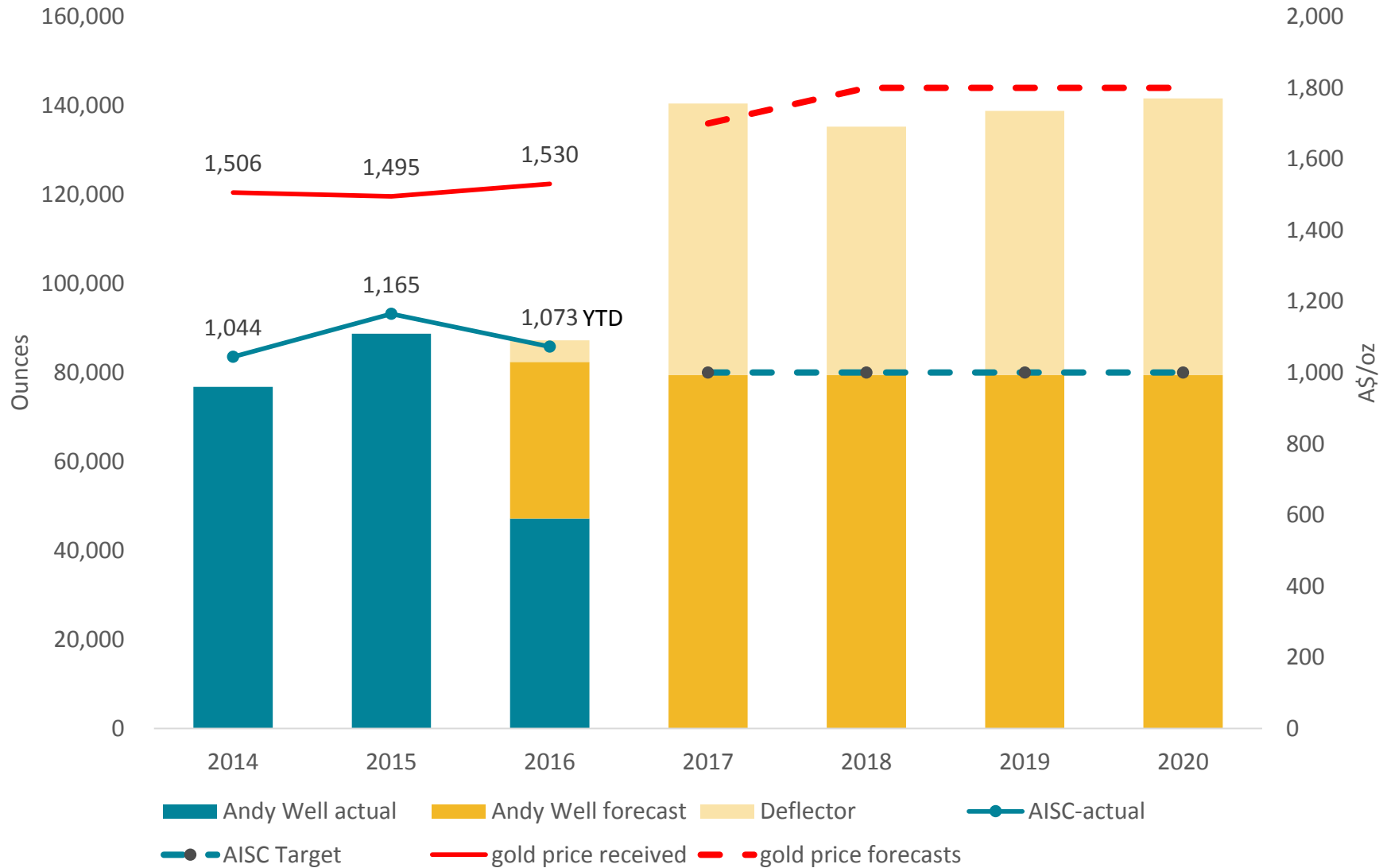
# Track record of debt funding and rapid repayment

## Use of project debt funding reduces shareholder dilution



- A\$55M debt for Andy Well was repaid rapidly
  - Net cash positive after 6 months
  - A\$43M repaid in first 12 months of production
  - Top-ups for Mutiny deal and Sandstorm loan
- New \$90M Westpac corporate debt facility
  - A\$25M balance refinanced
  - A\$60M for Deflector
  - A\$5m contingency
- Rapid repayment expected once Deflector in production

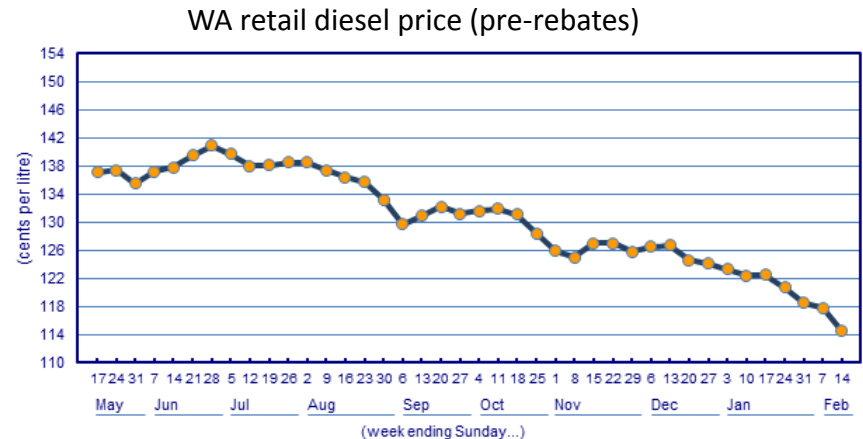
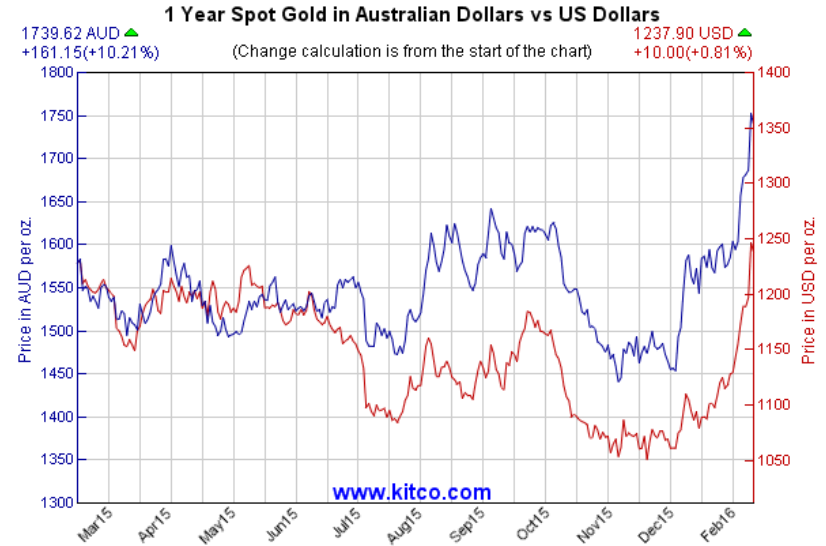
# Near-term Production and Margin Growth



# The AUD gold producer advantage

## Now is the perfect time to be:

- ✓ a profitable Australian gold producer
- ✓ building a new high-grade gold project
- ✓ a self-funded explorer
  
- The depreciating AUD over the last 12 months has seen a stable AUD gold price against a declining USD gold price
- Doray's current hedging programme has locked in this currency benefit
  - 159koz @ A\$1,596/oz
- With targeted AISC of <A\$1,000/oz, margins of A\$500-600/oz are achievable
- Drop in oil price significantly reducing diesel input costs (~A60cpl vs budgeted A\$1/litre)
- Wider resources market sentiment means less competition for staff, drill rigs etc.



# Rerating underway...but still undervalued

## Doray's share price has seen a significant rerating since Deflector funding announced



- Doray has outperformed the ASX Gold Sector index (XGD) over the last 12 months
- Significant increase in trading volumes with increased off-shore interest
- Remains undervalued against peers on most production and cash flow metrics, especially when projected cash flows for 2017FY are taken into account



# Doray Minerals – a compelling value proposition



**Doray has a unique combination of robust cash-flow, growth and exploration upside**



**Profitable high-grade gold production**



**Near-term production and profit growth**



**Substantial exploration upside**

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