



## **A\$24.9M RAISING SUPPORTS EXPLORATION AND DEVELOPMENT ACTIVITIES DURING DEFLECTOR RAMP-UP**

- **Oversubscribed institutional placement raising approx. A\$24.9 million before costs**
- **Proceeds to be used for debt reduction, exploration and development and to supplement existing cash balance during Deflector ramp-up**
- **Deflector cash flow positive during September and moving to production from transition ore**

**Doray Minerals Ltd** (“Doray” or the “Company”) (ASX:DRM) is pleased to announce the completion of an institutional placement to raise approximately A\$24.9 million before costs (“Placement”).

The proceeds of the Placement will be used to reduce the Company’s debt balance and to enable the Company to continue near-mine and regional exploration, including at Gnaweeda, with a focus on identifying additional ore sources for the Company’s two mines. The raising will also provide an enhanced working capital buffer during the ramp-up of the Company’s second high-grade gold mine at Deflector.

The Company has received firm commitments from existing and new institutional investors for a significantly oversubscribed Placement of approximately 46.1 million fully paid ordinary shares in the issued capital of the Company (“Shares”), at A\$0.54 per Share, to raise approximately A\$24.9 million before costs. The offer price represented a discount of approximately 7.7% and 9.4% to the closing price and 10 day VWAP respectively. Canaccord Genuity acted as the Lead Manager to the Placement.

Doray’s Managing Director, Mr Allan Kelly, said the Company was pleased with the interest it received and that, upon completion of the Placement, the Company would have approximately 356.9 million shares on issue, amongst the lowest of any current ASX gold producer, and a pro-forma cash balance of A\$44.8 million.

“We have seen strong support from a number of our existing shareholders and we are pleased to welcome a number of new shareholders to our register from across the UK, North America and Asia, that have been following the Company’s recent transition from a single mine to a multi-mine producer,” Mr Kelly said.

Mr Kelly said the funds received would allow the Company to continue exploration across its highly prospective exploration project portfolio with a focus on accelerating the Gnaweeda Project towards a potential development decision in mid-2017.

“Along with providing us the security of a substantial working capital buffer during the ongoing Deflector ramp-up, this raising also provides a stronger balance sheet from which to negotiate a re-sculpting of our current debt repayment profile,” he added.

### **For further information, please contact:**

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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 Andy Well Gold Project, which commenced production in August 2013; and the Deflector Gold Project, which commenced gold and gold-copper concentrate production in May 2016.

Doray has a strategic portfolio of gold exploration properties within Western Australia and South Australia and a Board and management team with a proven track record in discovery, development, and production.