



Doray Minerals SPECULATIVE BUY

Current Price: **\$0.80**

Ticker: **DRM**
Sector: **Materials**

Shares on Issue (m): **74.6**
Market Cap (\$m): **59.7**
Cash (\$m): **23.0**
Enterprise Value (\$m): **36.7**

52 wk High/Low: **\$1.73** **\$0.62**
12m Av Daily Vol (m): **0.24**

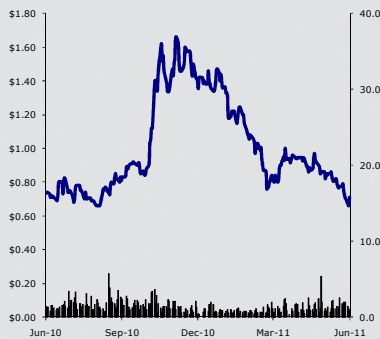
Directors:

Brett Fraser Non-Executive Chairman
Allan Kelly Managing Director
Heath Hellewell Technical Director
Jay Stephenson Non-Executive Director
Peter Alexander Non-Executive Director
Leigh Junk Non-Executive Director

Substantial Shareholders:

Allan John Kelly 13.6%
Nedlands Nominees Pty Ltd 8.4%
Debnal Ptd Ltd 5.2%

Share Price Graph



Analysts:
Patrick Chang
Troy Irvin
Tim Serjeant

23 June 2011

Wilber Extends

Exploration update:

DRM has released extensional drilling results from Wilber, Wilber South and Judy:

Wilber (depth extension)

- 2.11m @ 5.6g/t, including 1.01m @ 11.0g/t

Wilber (strike extension)

- 1.95m @ 34.6g/t, and 0.50m @ 36.6g/t

Wilber South

- 2m @ 22.1g/t from 50m
- 1m @ 7.7g/t from 83m

Judy Zone

- 1m @ 21.3g/t from 81m
- 1m @ 8.9g/t from 46m

Impact:

Positive

Diamond drilling has confirmed that the Wilber Lode persists at depth with consistent width, and has increased the depth extent of the Wilber Lode by over 50% (~140m). Extensional drilling at the south end of Wilber has also intersected high grade gold outside the current Resource. These results could have significant material impact on the current Resource.

Drilling at Wilber South and Judy has also intersected high grade mineralisation, highlighting the potential for a strike extension. Although more drilling is needed, Wilber and Wilber South could potentially join up at depth, giving a combined strike length of 500m. Drilling has also confirmed that the mineralised structure extends over ~700m. This could potentially increase the ounces per vertical metre significantly.

View:

Positive

Drilling has confirmed the depth extent of Wilber and highlighted strike extension potential, removing substantial exploration risks. These excellent drilling results as well as the ongoing drilling campaign support our view that DRM is well placed to achieve its internal target of 500koz by end of year 2011.

Recommendation:

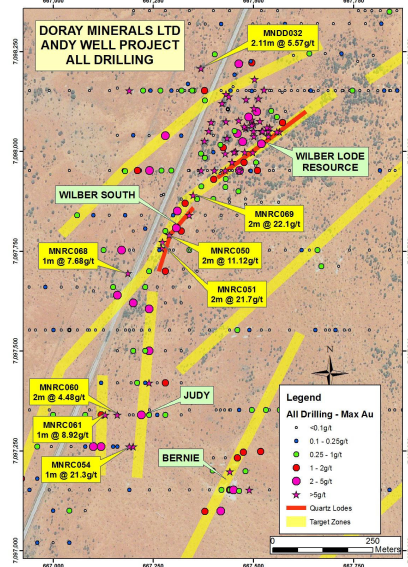
Spec Buy

Given the highly encouraging results so far and the strong likelihood of ongoing exploration success, we maintain our Spec Buy recommendation.

Wilber and Wilber South could join up at depth and have a combined strike of 500m...

...Judy could potentially become another extension

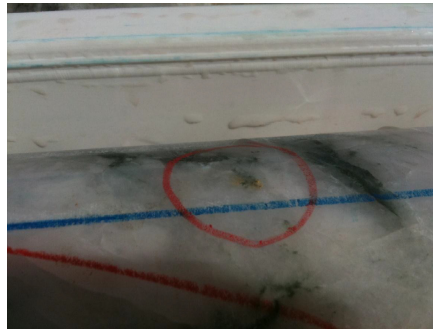
Figure 1: Wilber and proximal prospects



Source: DRM

Visible gold was intersected in MNDD032 which increased Wilber's depth extent by 50%

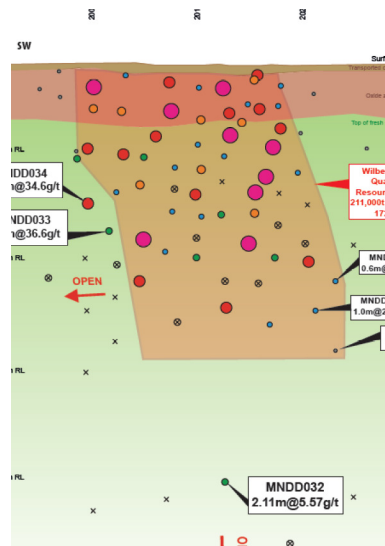
Figure 2: Visible gold was intersected in MNDD032



Source: DRM

Wilber's depth extension is confirmed for 140m...

Figure 3: Diamond drilling has increased Wilber's depth extent by 140m



Source: DRM

...with more extensional drilling planned

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