

ANDY WELL PROJECT UPDATE

- **Diamond drilling continues to deliver high-grade results**
- **RC drilling continues at Wilber Lode to define a JORC Resource**
- **Southern extensions to Wilber Zone confirmed, indicating potential for second lode**

Doray Minerals Ltd (ASX: DRM, Doray) today announced updates from the ongoing drill programme at its Andy Well project, 45km north of Meekatharra in Western Australia.

The aim of Doray's current drilling campaign at Andy Well is to test for extensions to the very high-grade Wilber Lode as well as complete a number of holes required for definition of a maiden JORC resource.

Doray's Managing Director, Mr Allan Kelly, said the recent capital raising of \$21 million would ensure the rapid growth of the Company's gold exploration projects.

"Doray is heading into 2011 with solid funding to underpin the Company's growth objectives," said Mr Kelly.

"We have a substantial drilling campaign planned for Andy Well in the New Year," he said. "The aim of this drilling will be to increase the potential resource base to a level that justifies on-site treatment infrastructure," he said.

The Wilber Zone is one of at least seven highly prospective parallel northeast-trending zones of mineralisation within the Andy Well prospect.

In the New Year, Doray will continue to test a number of the other parallel target zones, along with extensions to the Wilber Zone, with a combination of diamond, RC and aircore drilling.

"We anticipate a steady flow of news throughout the March quarter and look forward to providing regular updates for our shareholders."

Wilber Lode Diamond Drilling

Further results from diamond drilling of the Wilber Lode have confirmed the previously reported high-grade gold mineralisation and indicate the lode may remain open to the north (MNDD012).

Results for a number of other holes designed to provide information for the maiden JORC resource have also been received. Significant results include the following:

- **MNDD012 – 2m @ 55.9g/t from 184.0m including 0.9m @ 122.7g/t**
- **MNDD015 – 1.3m @ 8.1g/t from 142.6m**

The diamond drill rig has completed its current drilling campaign at Andy Well and will return early in the New Year to continue testing for the extents of the Wilber Lode.

Wilber Lode infill RC drilling

Doray is another step closer to announcing a maiden JORC resource for the Andy Well deposit as it approaches completion of a programme of shallow RC holes at Wilber designed to improve confidence about the continuity of the Wilber Lode above 100m depth and assist in calculation of a maiden JORC resource for the deposit.

Significant results received from this programme to date are detailed in Table 4.

Following completion of the programme at Wilber, this RC rig will undertake the first round of RC drilling at Webbs Patch (Doray 100%), due to commence after the Christmas-New Year break. Webbs Patch is located 24km southeast of Cue, adjacent to and along strike from Silver Lake Resources' Tuckabianna gold project.

Andy Well Aircore Drilling

Mr Kelly described the aircore drilling at Andy Well as progressing well with initial results providing indications of the potential for a second 'Wilber-style' lode.

"This new target zone remains open to the south and southeast and the mineralisation appears visually similar to the Wilber Lode," he said.

Over 230 holes completed thus far, testing the Sandra, Western, Bernie and Wilber target zones.

Recent results confirm the continuation of the highly prospective Wilber Shear Zone for at least 2km south of the known Wilber Lode and include some high-grade intercepts that indicate the potential for a second lode within the Wilber Shear Zone (Figure 2.).

In particular, a number of holes south west of the Wilber Lode define a 400m N-S trending zone of gold mineralisation hosted in quartz and sheared basalt, including the following results:

- **MNAC0078 - 1m @ 4.99g/t from 5-6m**
- **MNAC0152 - 4m @ 10.9g/t from 12-16m (4m composite samples)**
- **MNAC0157 - 5m @ 24.6/t from 32-37m (EOH) (4m composite samples)**

These results will be followed up with deeper RC drilling in the New Year.

The aircore rig will continue to test the various other target zones after the Christmas/New Year break and results will be progressively released as they become available.

-ENDS-

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About Andy Well

Andy Well is located within Doray's Meekatharra North Project (Doray 80%), 45km north of Meekatharra. The Company identified a number of significant historical drill results at Andy Well and recognised the potential for a high-grade gold deposit. In March 2010, Doray announced the discovery of spectacular gold grades within the Wilber Zone at Andy Well – with the first drilling program. Follow-up drilling in June 2010 confirmed the existence of a high-grade quartz lode (now named the Wilber Lode) over 200m of strike and open to a depth of at least 170m below surface.

In 2011, Doray will progress Andy Well with a substantial drilling campaign designed to outline a significant resource both at Wilber and the wider Andy Well area.

About Doray Minerals

Minerals explorer **Doray Minerals Limited** (ASX: DRM) listed on the ASX in February 2010 with the aim of acquiring and developing highly prospective mineral properties. Since listing, Doray has been one of Australia's best performing IPOs in 2010 based on the bonanza grades found at the Andy Well gold project.

The immediate focus for the Company is Andy Well within one of Australia's well endowed, but underexplored gold provinces, the Murchison Region in WA.

Doray has an enviable portfolio exploring for large economic gold deposits within WA and South Australia, and each presents Doray with multiple discovery opportunities heading into 2011.

APPENDICES

Table 1. Summary of new Wilber Lode diamond drilling results

Hole (E/N/dip/azimuth)	From (m)	To (m)	Interval (m)	Au (g/t)	Comments
MNDD012 667527E 7098155N -75/135	184.0	186.0	2	55.9	Quartz lode with coarse nuggety gold
	including		0.9	122.7	
MNDD013 667460E 7098045N -65/135	175.3	176.05	0.85	1.81	Shear zone with thin quartz stringers
MNDD014 667425E 7098010N -75/135	119	119.5	0.5	1.69	Complex shear zone with significant quartz veining and sulphide mineralisation
MNDD015 667495E 7098080N -75/135	142.6	143.9	1.3	8.13	Quartz Lode with visible gold
MNDD016 667535E 7098060N -60/90	47.34	48.78	1.44	5.10	Twin of existing RC hole Quartz Vein with oxidised sulphides
MNDD017 667560E 7098050N -60/90	12.5	15.8	3.3	8.69	Twin of existing RC hole Quartz Vein with oxidised sulphides

Note: All samples assayed by 30g Fire Assay with 0.01g/t lower detection limit.

Table 2. Summary of significant results from the current Wilber Lode infill RC drilling campaign.

Hole (E/N/dip/azimuth)	From (m)	To (m)	Interval (m)	Au (g/t)
MNRC031 667545 7098102 -60/135	64	67	3	16.1
	Including		1	45.3
MNRC032 667559 7098087 -60/135	41	42	1	7.03
MNRC034 667538 7098038 -60/135	13	28	15	7.9
	Including		3	34.5
	52	53	1	17.7
MNRC035 667524 7098052 -60/135	45	50	5	16.8
	Including		2	38.6
MNRC036 667478 7098063 -60/135	107	114	7	5.61
	Including		3	10.01
MNRC037 667520 7098020 -60/135	20	23	3	2.61

Note: All samples assayed by 30g Fire Assay with 0.01g/t lower detection limit.

Table 3. Summary of significant 1m re-assays from the current aircore drilling campaign.

Hole ID	East (GDAZ50)	North (GDAZ50)	Dip	Azimuth	From	To	Interval	Au (g/t)
MNAC0006	667520	7099240	-60	090	28	29	1	1.35
MNAC0014	667520	7099040	-60	090	27	28	1	1.69
MNAC0055	667280	7098040	-60	090	55	56	1	2.06
MNAC0062	667340	7097840	-60	090	24	25	1	6.36
MNAC0062	667340	7097840	-60	090	39	41	2	1.38
MNAC0068	667320	7097800	-60	090	22	23	1	1.1
MNAC0071	667280	7097700	-60	090	7	8	1	1.38
MNAC0078	667240	7097605	-60	090	5	6	1	4.99
MNAC0085	667000	7097420	-60	090	28	29	1	1.87
MNAC0087	667120	7097340	-60	090	13	14	1	1.31
MNAC0087	667120	7097340	-60	090	55	56	1	1.95

Note: all samples assayed by 30g Fire Assay, with 0.01g/t detection limit.

Table 4. Summary of significant 4m composite results from the current aircore drilling campaign

Hole ID	East (GDAZ50)	North (GDAZ50)	Dip	Azimuth	From	To	Interval	Au (g/t)
MNAC0089	667000	7097340	-60	090	36	40	4	0.27
MNAC0090	667120	7097260	-60	090	24	28	4	2.16
MNAC0098	666920	7097180	-60	090	8	12	4	0.3
MNAC0098	666920	7097180	-60	090	28	32	4	0.42
MNAC0099	666880	7097180	-60	090	20	32	12	0.36
MNAC0100	667040	7097100	-60	090	24	28	4	0.29
MNAC0103	666880	7097100	-60	090	40	44	4	0.28
MNAC0103	666880	7097100	-60	090	56	60	4	0.31
MNAC0104	666840	7097100	-60	090	44	48	4	1.13
MNAC0108	666840	7097020	-60	090	32	36	4	0.39
MNAC0108	666840	7097020	-60	090	40	44	4	0.69
MNAC0108	666840	7097020	-60	090	56	60	4	0.37
MNAC0111	666840	7096900	-60	090	24	36	12	0.34
MNAC0112	666800	7096900	-60	090	16	20	4	0.28
MNAC0112	666800	7096900	-60	090	52	55	4	0.3
MNAC0117	666720	7096720	-60	090	28	32	4	0.26
MNAC0118	666680	7096720	-60	090	44	48	4	0.37
MNAC0128	667200	7098040	-60	090	28	32	4	0.43
MNAC0138	667360	7098640	-60	090	20	24	4	0.33
MNAC0142	667400	7097880	-60	090	4	8	4	0.28
MNAC0149	667240	7097500	-60	090	20	24	4	0.28
MNAC0151	667280	7097420	-60	090	36	44	8	0.35
MNAC0152	667240	7097420	-60	090	12	16	4	10.9
MNAC0155	667240	7097340	-60	090	24	28	4	0.32
MNAC0157	667200	7097260	-60	090	32	37(EOH)	5	24.6
MNAC0161	667400	7096943	-60	090	36	40	4	0.3

Note: all samples assayed by aqua-regia digest followed by AAS with 0.01g/t detection limit.

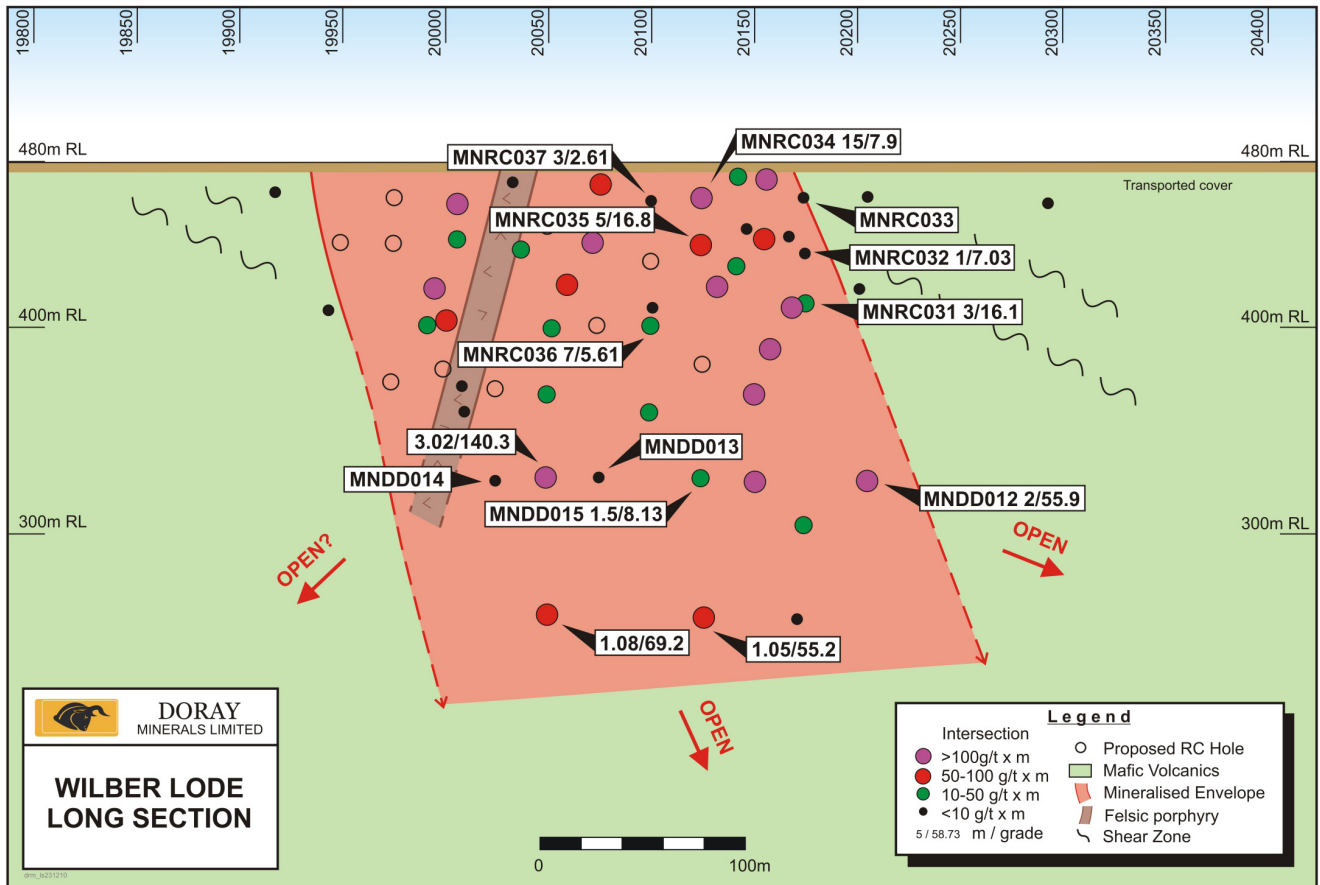


Figure 1. Schematic long section of Wilber Lode highlighting recently released results.

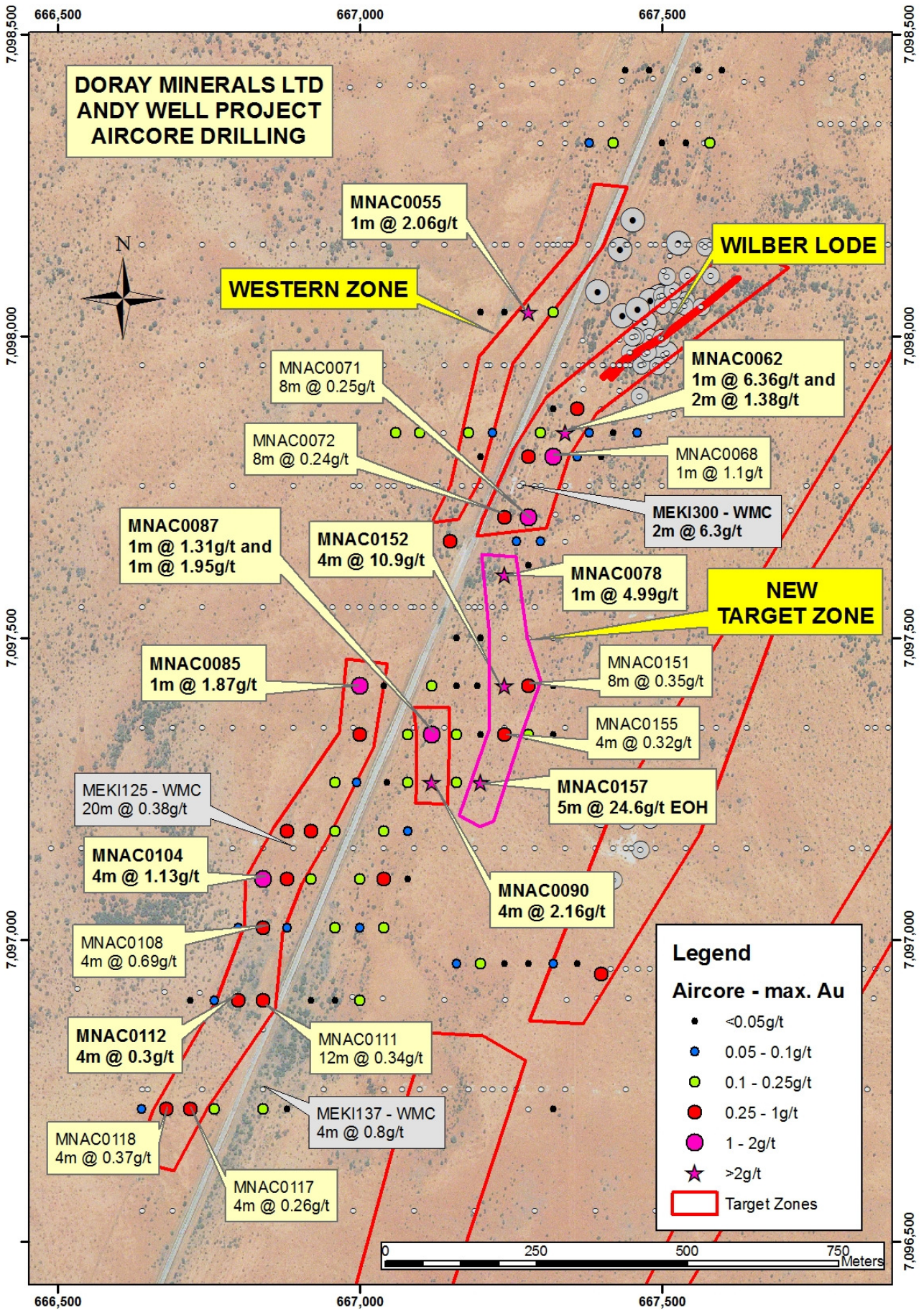


Figure 2. Drill plan showing recent aircore results from Western and Wilber target zones.

Competent Person Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Heath Hellewell, Allan Kelly and Mark Cossom.

Mr. Hellewell and Mr. Kelly are both members of the Australian Institute of Geoscientists, whilst Mr. Cossom is a Member of the Australasian Institute of Mining and Metallurgy, and all have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking. This qualifies Mr. Hellewell, Mr. Kelly and Mr. Cossom as “Competent Persons” as defined in the 2004 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’.

Mr. Hellewell, Mr. Kelly and Mr. Cossom consent to the inclusion of information in this announcement in the form and context in which it appears.