

DORAY



MINERALS LIMITED

ACN: 138 978 631

ANNUAL REPORT

30 JUNE 2011

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CORPORATE DIRECTORY

DIRECTORS

Chairman (Non-Executive)
Mr Brett Fraser – appointed 23 October 2009

Managing Director
Mr Allan Kelly – appointed 20 August 2009

Technical Director
Mr Heath Hellewell – appointed 20 August 2009

Director (Non-Executive)
Mr Jay Stephenson – appointed 20 August 2009

Director (Non-Executive)
Mr Peter Alexander – appointed 5 May 2011

Director (Non-Executive)
Mr Leigh Junk – appointed 5 May 2011

COMPANY SECRETARY

Mr Jay Stephenson – appointed 20 August 2009

REGISTERED OFFICE

Level 4, 66 Kings Park Road
West Perth, Western Australia 6005

Telephone: 08 6141 3500
Facsimile: 08 6141 3599

PRINCIPAL PLACE OF BUSINESS

Level 3, 41-43 Ord Street
West Perth, Western Australia 6005

Telephone: 08 9226 0600
Facsimile: 08 9226 0633
Website: .dorayminerals.com.au

AUDITORS

MGI Perth Audit Services Pty Ltd
Level 7, The Quadrant
1 William Street
Perth, Western Australia 6000

Telephone: 08 9463 2463
Facsimile: 08 9463 2499
Website: .mgjperth.com.au

EXCHANGE LISTING

Australian Stock Exchange Limited
Exchange Plaza
2 The Esplanade
Perth, Western Australia 6000
ASX Code: DRM

SHARE REGISTRY

Computershare Investor Services Limited
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth, Western Australia 6000

Telephone: 1300 557 010, 08 9323 2000
Facsimile: 08 9323 2033
Website: -au.computershare.com

OPERATIONS REVIEW

Overview

During the year, the Company continued to explore a number of its properties within the Murchison and Central Gawler regions, with an emphasis on advancing the Andy Well Gold Project towards development and, ultimately, production.

In late December 2010, the Company was acknowledged by a number of commentators to be the most successful IPO of 2010.

Andy Well Gold Project (Doray 80%)

During the year, the Company continued to explore the Andy Well project with a number of drilling campaigns aimed at determining the size and grade of the high-grade Wilber Lode deposit.

In February 2011, the Company announced a maiden resource for the Wilber Lode down to a depth of approximately 220m below surface. The total Indicated and Inferred resource is 311,000t @ 17.5g/t for 174,000 contained ounces (80% attributable to Doray). See table below.

	Indicated			Inferred			Total			Doray 80%
	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Ounces
Quartz Vein	130,000	24.1	101,000	81,000	27.4	71,000	211,000	25.3	172,000	137,600
Shear Zone	100,000	0.8	2,000	-	-	-	100,000	0.8	2,000	1,600
Total	230,000	14.0	103,000	81,000	27.4	71,000	311,000	17.5	174,000	139,200

Subsequent to the announcement of this resource, a number of drill holes have intersected similar high-grade mineralisation below and to the south of the resource, and the Company is currently working towards a significant upgrade to the Wilber Lode resource by the end of the 2011 calendar year.

In conjunction with the drilling programmes, a number of development activities have commenced including:

- Mining Lease application for M51/878. Native title negotiations are in progress
- Comprehensive metallurgical testwork, allowing for optimal flow sheet design for ore processing options
- Mining engineering studies examining optimal mining extraction (OP vs UG), including interaction with geotechnical parameters
- First pass geotechnical investigations and mining recommendations
- Baseline flora and fauna, subterranean fauna and waste rock characterisation studies have been carried out, suitable for Mining Proposal submission
- Three stages of hydro-geological testwork and examination
- Submission to Meekatharra Shire for a lease of a suitable lot for a workforce accommodation village
- Tender process initiated for design, construction and fit-out of the accommodation village

Additional planned or ongoing development work includes:

- Updated Mineral Resource (and initial Mining Reserve) estimate
- Ongoing Mining Lease application negotiations
- Aerial surveys and surface hydrology investigation for surface works design and planning
- Soil geochemistry establishment for waste dump rehabilitation

OPERATIONS REVIEW

- Further detailed geotechnical investigations for Bankable Feasibility Study-level engineering study
- Sterilisation drilling for location of milling infrastructure
- Detailed mine design and scheduling
- Mining, surface and process plant design and modelling, including power station
- Accommodation Village construction
- Mining Proposal and associated permitting submitted to DMP
- Mine and infrastructure construction and commissioning

The current development work being carried out is based around the existing Wilber Lode resource, however the final decisions with regards to processing infrastructure and mine planning will depend upon the ultimate size of the upgraded Wilber Lode resource.

The Wilber lode is one of a number of parallel mineralised structures within the larger Andy Well project area, each of which are considered by the Company to be highly prospective for high-grade gold mineralisation similar to Wilber. During the upcoming year, the Company will continue to explore the project with a combination of aircore drilling followed up with RC and diamond drilling where warranted.

Murchison Region Exploration

The Company holds a strategic land position of almost 1,500 sq km of highly prospective mineral exploration properties within the world-class Murchison gold province. During the year, a number of mineral tenements were granted, including the Magnet North property (Doray 80%), immediately north of Mt Magnet.

Drilling campaigns completed at the Webbs Patch (Doray 100%) and Side Well (Doray 80%) properties both intersected significant gold mineralisation which will be followed up with future drilling campaigns over the upcoming year. Subsequent to the end of the year, a substantial programme of aircore and RC drilling commenced within the Abbots project (Doray 80%), following up a number of historic high-grade gold intersections within the highly prospective "Abernethy Shear Zone".

During the year, the Company examined a number of acquisition and JV opportunities within the Murchison region.

Central Gawler, South Australia

Doray holds a strategic land position of approximately 1,600 sq km within the highly prospective Central Gawler Gold Province in South Australia, including 100% ownership of almost 100km on strike of the mineralised "Yarlbrinda Shear Zone", which hosts the Tunkillia deposit (0.8Moz Au, 1.6Moz Ag).

During the year, the Company completed detailed aeromagnetic surveys over the 100% owned Nuckulla Hill, Hicks and Kingoonya projects and completed a field visit to examine a number of potential drill targets for testing in the upcoming year.

During the year, the Company examined a number of acquisition and JV opportunities within the Central Gawler region.

OPERATIONS REVIEW

Corporate

In December 2010, the Company announced a \$21 million capital raising through a heavily oversubscribed placement to sophisticated and institutional investors and Share Purchase Plan for all eligible shareholders. On 14 December 2010, the Company announced a placement of 8,308,000 shares at a price of \$1.30 per share to raise \$10,800,400.

The funds will be primarily used for accelerated development of the Andy Well project (Doray 80%) including delineation of the Wilber Lode and other potential deposits, as well as the systematic exploration of a number of other projects in Doray's highly prospective Murchison portfolio, general corporate purposes and potential future acquisitions.

In January 2011, the Company issued 7,845,846 shares at a price of \$1.30 per share and raised \$10,199,600 to complete the \$21 million capital raising.

In May 2011, the Company announced the appointment of Mr Peter Alexander and Mr Leigh Junk to the Board, bringing significant development and operations expertise to the Company.

Competent Persons Statement

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

The information in this report that relates to Mineral Resources is based on information compiled by Mr 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 report in the form and context in which it appears.

CORPORATE GOVERNANCE STATEMENT

As the framework of how the Board of Directors of Doray Minerals Limited (“Company”) carries out its duties and obligations, the Board has considered the eight principles of corporate governance as set out in the ASX Good Corporate Governance and Best Practice Recommendations.

The essential corporate governance principles are:

- 1 Lay solid foundations for management and oversight;
- 2 Structure the Board to add value;
- 3 Promote ethical and responsible decision-making;
- 4 Safeguard integrity in financial reporting;
- 5 Make timely and balanced disclosure;
- 6 Respect the rights of shareholders;
- 7 Recognise and manage risk;
- 8 Remunerate fairly and responsibly.

1. Lay solid foundations for management and oversight.

Recommendation 1.1: *Formalise and disclose the functions reserved to the Board and those delegated to management.*

Roles and Responsibilities:

The roles and responsibilities of the Board are to:

- Oversee control and accountability of the Company;
- Set the broad targets, objectives, and strategies;
- Monitor financial performance;
- Assess and review risk exposure and management;
- Oversee compliance, corporate governance, and legal obligations;
- Approve all major purchases, disposals, acquisitions, and issue of new shares;
- Approve the annual and half-year financial statements;
- Appoint and remove the Company’s Auditor;
- Appoint and assess the performance of the Managing Director and members of the senior management team;
- Report to shareholders.

Recommendation 1.2: *Companies should disclose the process for evaluating the performance of senior executives.*

The Board regularly reviews the performance of senior executives.

Recommendation 1.3: *Provide the information indicated in the ASX Corporate Governance Council’s Guide to Reporting on Principle 1.*

The evaluation of performance of senior executives takes place throughout the year.

CORPORATE GOVERNANCE STATEMENT

2. Structure the Board to add value.

Recommendation 2.1: *A majority of the Board should be independent Directors.*

Recommendation 2.2: *The Chairperson should be an independent Director.*

Recommendation 2.3: *The roles of the Chairperson and Chief Executive should not be exercised by the same individual.*

Recommendation 2.4: *The Board should establish a Nomination Committee.*

Recommendation 2.5: *Companies should disclose the process for evaluating the performance of the Board, its Committees and individual Directors.*

Recommendation 2.6: *Companies should provide the information indicated in the Guide to reporting on Principle 2.*

Membership

The Board's membership and structure is selected to provide the Company with the most appropriate direction in the areas of business controlled by the Company. The Board currently consists of six members: a Non-Executive Chairman, a Managing Director, an Executive Director and three Non-Executive Directors.

The Non-Executive Chairman and Non-Executive Directors are considered independent.

Chairman and Managing Director

The Company has a Non-Executive Chairman and a Managing Director.

Nomination Committee

The Company has a formal charter for the Nomination Committee, however, no Committee has been appointed to date. The Board as a whole deals with areas that would normally fall under the charter of the Nomination Committee. These include matters relating to the renewal of Board members and Board performance. Refer to the table of departure from best practice recommendations.

Skills

The Directors bring a range of skills and backgrounds to the Board including, geological, accountancy, finance, marketing, and stockbroking.

Experience

The Directors have considerable experience in business at both operational and corporate levels.

Meetings

The Board meets when it considers it necessary to meet.

Independent professional advice

Each Director has the right to seek independent professional advice at the Company's expense for which the prior approval of the Chairman is required, and is not unreasonably withheld.

3. Promote ethical and responsible decision-making.

Recommendation 3.1: *Establish a code of conduct to guide the Directors, the Chief Executive Officer (or equivalent), and any other key executives as to:*

3.1.1 *The practices necessary to maintain confidence in the Company's integrity;*

3.1.2 *The practices necessary to take into account legal obligations and the reasonable expectations of shareholders;*

3.1.3 *The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.*

CORPORATE GOVERNANCE STATEMENT

Recommendation 3.2: *Disclose the policy concerning trading in Company securities by Directors, Officers, and employees.*

Standards

The Company is committed to its Directors and employees maintaining high standards of integrity, and ensuring that activities are in compliance with the letter and spirit of both the law and Company policies. Each staff member will be issued with the Company's Policies and Procedures manual at the beginning of their employment with the Company.

A summary of the Company's Share Trading Policy is included on the Company's website.

Recommendation 3.3: *Disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them.*

The Company believes that the promotion of diversity on Boards, in senior management and within the organisation generally broadens the pool for recruitment of high quality Directors and employees; is likely to support employee retention; through the inclusion of different perspectives, is likely to encourage greater innovation; and is socially and economically responsible governance practice.

The Company is in compliance with the ASX Corporate Governance Council's Principles & Recommendations on Diversity. The Board of Directors is responsible for adopting and monitoring the Company's diversity policy. The policy sets out the beliefs and goals and strategies of the Company with respect to diversity within the Company. Diversity within the Company means all the things that make individuals different to one another including gender, ethnicity, religion, culture, language, sexual orientation, disability and age. It involves a commitment to equality and to treating of one another with respect.

The Company is dedicated to promoting a corporate culture that embraces diversity. The Company believes that diversity begins with the recruitment and selection practices of its Board and its staff. Hiring of new employees and promotion of current employees are made on the bases of performance, ability and attitude.

Recommendation 3.4: *Disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.*

Currently there are women employees in the whole organisation but not in senior executive positions or on the Board. Given the present size of the Company, there are no plans to establish measurable objectives for achieving gender diversity at this time. The need for establishing and assessing measurable objectives for achieving gender diversity will be re-assessed as the size of the Company increases.

Recommendation 3.5: *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 3.*

A summary of both the Company's Code of Conduct and its Share Trading Policy is included on the Company's website.

4. Safeguard integrity in financial reporting.

Recommendation 4.1: *The Board should establish an Audit Committee.*

CORPORATE GOVERNANCE STATEMENT

Recommendation 4.2: *Structure the Audit Committee so that it consists of:*

- *Only Non-Executive Directors;*
- *A majority of independent Directors;*
- *An independent Chairperson, who is not Chairperson of the Board;*
- *At least three members.*

Recommendation 4.3: *The Audit Committee should have a formal charter – Refer to Recommendation 4.1.*

Recommendation 4.4: *Companies should provide the information indicated in the Guide to reporting on Principle 4.*

Integrity of Company's Financial Condition

The Company's Chief Financial Officer will report in writing to the Board that the financial statements of the Company for the half and full financial year present a true and fair view, in all material respects, of the Company's financial condition and operational results in accordance with relevant accounting standards.

Audit Committee

The Company has a formal charter for an Audit and Governance Committee. The Audit Committee was established with Jay Stephenson, Peter Alexander and Leigh Junk as Committee members, with Jay Stephenson as Chair. The Board as a whole deals with areas that would normally fall under the charter of the Audit and Governance Committee.

5. Make timely and balanced disclosure.

Recommendation 5.1: *Establish written policies and procedures designed to ensure compliance with ASX Listing rules disclosure requirements, and to ensure accountability at a senior management level for that compliance.*

Being a listed entity on the Australian Stock Exchange (ASX), the Company has an obligation under the ASX Listing Rules to maintain an informed market with respect to its securities. Accordingly, the Company advises the market of all information required to be disclosed under the Rules which the Board believes would have a material affect on the price of the Company's securities.

The Company Secretary has been appointed as the person responsible for communication with the ASX. This role includes responsibility for ensuring compliance with the continuous disclosure requirements of the ASX Listing Rules, and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media, and the public.

All shareholders have access to the annual report on the Company's website. Shareholders who have elected to receive a hardcopy will do so.

Recommendation 5.2: *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 5.*

Disclosure is reviewed as a standard and routine agenda item at each Board meeting.

CORPORATE GOVERNANCE STATEMENT

6. Respect the rights of shareholders.

Recommendation 6.1: *Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.*

Recommendation 6.2: *Request the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.*

The Company is committed to keeping shareholders fully informed of significant developments at the Company. In addition to public announcements of its financial statements and significant matters, the Company will provide the opportunity for shareholders to question the Board and management about its activities at the Company's annual general meeting.

The Company's auditor will be in attendance at the annual general meeting, and will also be available to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.

7. Recognise and manage risk.

Recommendation 7.1: *The Board or appropriate Board Committee should establish policies on risk oversight and management.*

Recommendation 7.2: *The Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) to state in writing to the Board that:*

7.2.1 The statement given in accordance with best practice recommendation 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.

7.2.2 The Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

Recommendation 7.3: *The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to the financial reporting risks.*

Recommendation 7.4: *Provide the information indicated in the ASX Corporate Governance Council's Guide to reporting on Principle 7.*

The Board oversees the Company's risk profile. The financial position of the Company and matters of risk are considered by the Board on a regular basis. The Board is responsible for ensuring that controls and procedures to identify, analyse, assess, prioritise, monitor, and manage risk are in place, being maintained and adhered to.

The Chief Financial Officer and Chief Executive Officer have stated in writing to the Board that:

- The statement given in accordance with best practice recommendation 4 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.
- The Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

CORPORATE GOVERNANCE STATEMENT

8. Remunerate fairly and responsibly.

Recommendation 8.1: *The Board should establish a Remuneration Committee.*

Recommendation 8.2: *Clearly distinguish the structure of Non-Executive Directors' remuneration from that of executives.*

Recommendation 8.3: *Ensure that payment of equity-based executive remuneration is made in accordance with thresholds set in plans approved by shareholders.*

Principles used to determine the nature and amount of remuneration

The objective of the Company's remuneration framework is to ensure reward for performance is competitive and appropriate to the results delivered. The framework aligns executive reward with the creation of value for shareholders, and conforms to market best practice.

Remuneration Committee

The Company has a formal charter for the Remuneration Committee. The Remuneration Committee was established with Brett Fraser, Peter Alexander and Leigh Junk as Committee members, with Brett Fraser as Chair. The Board as a whole deals with areas that would normally fall under the charter of the Remuneration Committee.

Directors' Remuneration

Further information on Directors' and Executives' remuneration is set out in the Directors' Report.

Departure from Best Practice Recommendations

From the Company's incorporation, the Company has complied with each of the Eight Essential Corporate Governance Principles and Best Practice Recommendations published by the ASX Corporate Governance Council, other than those items in the departure table below.

Recommendation Reference – ASX Guidelines	Notification of Departure	Explanation for Departure
2.4, 2.5 , 2.6	A separate Nomination Committee has not been formed	The Board considers that the Company is not currently of a size to justify the formation of a Nomination Committee. The Board as a whole undertakes the process of reviewing the skill base and experience of existing Directors to enable identification of attributes required in Directors.

DIRECTORS' REPORT

Your Directors present their report on Doray Minerals Limited ("the Company") for the year ended 30 June 2011.

Directors

The following persons were Directors of the Company and were in office for the entire period, and up to the date of this report, unless otherwise stated:

Mr Brett Fraser (Independent Non-Executive Director and Chairman, appointed on 23 October 2009)

Mr Allan Kelly (Managing Director, appointed on 20 August 2009)

Mr Heath Hellewell (Technical Director, appointed on 20 August 2009)

Mr Jay Stephenson (Independent Non-Executive Director, appointed on 20 August 2009)

Mr Peter Alexander (Independent Non-Executive Director, appointed on 5 May 2011)

Mr Leigh Junk (Independent Non-Executive Director, appointed on 5 May 2011)

Company Secretary

Mr Jay Stephenson (Non-Executive Director, appointed on 20 August 2009)

Principal Activity

The principal activity of the Company during the year was to acquire, explore and develop properties that are highly prospective and underexplored for gold.

Results of Operations

The loss of the Company for the year after tax amounted to \$1,870,643 (2010: \$398,245).

Significant Changes in the State of Affairs

In late December 2010, the Company was acknowledged by a number of commentators to be the most successful IPO of 2010.

On 31 August 2010, the Company issued 200,000 fully paid ordinary shares at a price of \$0.75 per share to Aspire Mining Limited as consideration for 100% purchase of the Black Tank Well and Tuckanarra gold projects in Western Australia. The Black Tank Well project is adjacent to Doray's existing Webbs Patch gold project and covers the southern continuation of the highly prospective Tuckabianna-Webbs Patch greenstone belt.

In December 2010, the Company announced a \$21 million capital raising through a heavily oversubscribed placement to sophisticated and institutional investors and Share Purchase Plan for all eligible shareholders. On 14 December 2010, the Company announced a placement of 8,308,000 shares at a price of \$1.30 per share to raise \$10,800,400. The funds will be primarily used for accelerated development of the Andy Well project (Doray 80%) including delineation of the Wilber Lode and other potential deposits, as well as the systematic exploration of a number of other projects in Doray's highly prospective Murchison portfolio, general corporate purposes and potential future acquisitions.

In January 2011, the Company issued 7,845,846 shares at a price of \$1.30 per share and raised \$10,199,600 to complete the \$21 million capital raising.

On 7 February 2011, the Company announced a maiden resource for the Wilber Lode, within the Andy Well Project (Doray 80%). The combined Inferred and Indicated resource for the Wilber Lode totals 311,000t @ 17.5g/t for a total of 174,000 contained ounces.

DIRECTORS' REPORT

Significant Changes in the State of Affairs

On 5 May 2011, the Company announced the appointment of Mr Peter Alexander and Mr Leigh Junk to the Board as Non-Executive Directors, bringing significant operational experience to the Board.

During the year ended 30 June 2011, a total of 3,350,000 options were exercised to purchase 3,350,000 fully paid ordinary shares at \$0.20 per share.

No other significant changes in the nature of the Company's activities have occurred during the year.

Dividends

No dividends were declared or paid during the period and the Directors do not recommend the payment of a dividend.

Indemnities

The Company, for a premium of \$18,800, has taken out an insurance policy to cover its Directors and Officers to indemnify them against any claims and negligence. The Company has agreed to indemnify the current Directors and Officers for all liabilities to another person, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company shall meet the full amount of any such liabilities, including costs and expenses.

Significant events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

The Company was not a party to any such proceedings during the period.

DIRECTORS' REPORT

Information on Directors

Mr Brett Fraser	Non-Executive Director and Chairman from 23 October 2009												
Qualifications	B.Bus, FCPA, FFin												
Experience	Mr. Fraser has in excess of 25 years experience in the finance and securities industry. Mr. Fraser has experience across the resource, finance, media, brewing, wine and health sectors. Mr. Fraser has owned business enterprises or held director and senior management positions in these industries.												
Interest in shares and options	<table> <tr> <td>Shares</td> <td><i>Direct holding</i></td> <td><i>Nil</i></td> </tr> <tr> <td></td> <td><i>Indirect holding</i></td> <td><i>103,313</i></td> </tr> <tr> <td>Options</td> <td><i>Direct holding</i></td> <td><i>1,650,000</i></td> </tr> <tr> <td></td> <td><i>Indirect holding</i></td> <td><i>Nil</i></td> </tr> </table>	Shares	<i>Direct holding</i>	<i>Nil</i>		<i>Indirect holding</i>	<i>103,313</i>	Options	<i>Direct holding</i>	<i>1,650,000</i>		<i>Indirect holding</i>	<i>Nil</i>
Shares	<i>Direct holding</i>	<i>Nil</i>											
	<i>Indirect holding</i>	<i>103,313</i>											
Options	<i>Direct holding</i>	<i>1,650,000</i>											
	<i>Indirect holding</i>	<i>Nil</i>											
Special Responsibilities	Chair of Remuneration Committee												
Directorships held in other listed entities	Currently Mr. Fraser is the Chairman of Drake Resources Limited, Aura Energy Limited and Blina Minerals NL.												

Mr Allan Kelly	Managing Director from 20 August 2009												
Qualifications	BSc (Hons), Grad Cert Bus, FAAG MAIG												
Experience	<p>Mr Kelly has over 19 years experience in mineral exploration geology, geochemistry and project management throughout Australia and the Americas and previously held senior exploration positions with WMC and Avoca Resources from its inception in 2002.</p> <p>Mr Kelly was directly involved in the targeting and early stage exploration of the Gunbarrel and Collurabbie nickel projects for WMC and the Port Julia, Glensea and Churchill Dam iron-oxide Cu-Au projects as well as a number of gold properties in Australia, Alaska and Canada.</p> <p>Mr Kelly is a Fellow and former Councillor of the Association of Applied Geochemistry and is a member of the Australian Institute of Geoscientists.</p>												
Interest in shares and options	<table> <tr> <td>Shares</td> <td><i>Direct holding</i></td> <td><i>6,481,957</i></td> </tr> <tr> <td></td> <td><i>Indirect holding</i></td> <td><i>2,520,000</i></td> </tr> <tr> <td>Options</td> <td><i>Direct holding</i></td> <td><i>4,000,000</i></td> </tr> <tr> <td></td> <td><i>Indirect holding</i></td> <td><i>1,250,000</i></td> </tr> </table>	Shares	<i>Direct holding</i>	<i>6,481,957</i>		<i>Indirect holding</i>	<i>2,520,000</i>	Options	<i>Direct holding</i>	<i>4,000,000</i>		<i>Indirect holding</i>	<i>1,250,000</i>
Shares	<i>Direct holding</i>	<i>6,481,957</i>											
	<i>Indirect holding</i>	<i>2,520,000</i>											
Options	<i>Direct holding</i>	<i>4,000,000</i>											
	<i>Indirect holding</i>	<i>1,250,000</i>											
Special Responsibilities	None												
Directorships held in other listed entities	None												

DIRECTORS' REPORT

Information on Directors

Mr Heath Hellewell	Technical Director from 20 August 2009												
Qualifications	BSc(Hons), MAIG												
Experience	Mr Hellewell has over 19 years experience in mineral exploration geology and project management in Australia, Africa, Philippines and Scandinavia including positions with De Beers and Resolute Limited before joining Independence Group NL in 2000. Mr Hellewell was part of the team at Independence prior to its initial public offering and was part of the exploration team that identified and pegged the Tropicana area, leading to the discovery of the Tropicana Gold Deposit. Heath rose to the position of Exploration Manager at Independence Group and more recently has been Exploration Manager at Goldsearch Limited. Mr Hellewell is a member of the Australian Institute of Geoscientists.												
Interest in shares and options	<table> <tr> <td>Shares</td> <td><i>Direct holding</i></td> <td>31,829</td> </tr> <tr> <td></td> <td><i>Indirect holding</i></td> <td>4,045,836</td> </tr> <tr> <td>Options</td> <td><i>Direct holding</i></td> <td>1,000,000</td> </tr> <tr> <td></td> <td><i>Indirect holding</i></td> <td>2,000,000</td> </tr> </table>	Shares	<i>Direct holding</i>	31,829		<i>Indirect holding</i>	4,045,836	Options	<i>Direct holding</i>	1,000,000		<i>Indirect holding</i>	2,000,000
Shares	<i>Direct holding</i>	31,829											
	<i>Indirect holding</i>	4,045,836											
Options	<i>Direct holding</i>	1,000,000											
	<i>Indirect holding</i>	2,000,000											
Special Responsibilities	None												
Directorships held in listed entities	None												

Mr Jay Stephenson	Non-Executive Director from 20 August 2009												
Qualifications	MBA, FCPA, CMA, FCIS, MAICD												
Experience	Mr Stephenson has been involved in business development for over 20 years including approximately 16 years as Director, Chief Financial Officer and Company Secretary for various listed and unlisted entities in resources, manufacturing, wine, hotels and property. He has been involved in business acquisitions, mergers, initial public offerings, capital raisings, business restructuring as well managing all areas of finance for companies.												
Interest in shares and options	<table> <tr> <td>Shares</td> <td><i>Direct holding</i></td> <td>Nil</td> </tr> <tr> <td></td> <td><i>Indirect holding</i></td> <td>63,429</td> </tr> <tr> <td>Options</td> <td><i>Direct holding</i></td> <td>1,650,000</td> </tr> <tr> <td></td> <td><i>Indirect holding</i></td> <td>Nil</td> </tr> </table>	Shares	<i>Direct holding</i>	Nil		<i>Indirect holding</i>	63,429	Options	<i>Direct holding</i>	1,650,000		<i>Indirect holding</i>	Nil
Shares	<i>Direct holding</i>	Nil											
	<i>Indirect holding</i>	63,429											
Options	<i>Direct holding</i>	1,650,000											
	<i>Indirect holding</i>	Nil											
Special Responsibilities	Chair of Audit Committee												
Directorships held in listed entities	Mr Stephenson is currently Chairman of Quintessential Resources Limited, Non-Executive Director of Drake Resources Limited, Strategic Minerals Corporation NL, Nickelore Limited, Parker Resources Limited and Aura Energy Limited as well as Company Secretary for a number of ASX listed resource and industrial companies.												

DIRECTORS' REPORT

Information on Directors

Mr Peter Alexander	Non-Executive Director from 5 May 2011
Qualifications	ASS APPL Geol
Experience	Mr Alexander is a geologist by profession and has over 30 years experience in mineral exploration and mining in Australia and overseas. Mr Alexander was Managing Director and Chief Executive Officer of Dominion Mining Ltd from 1997 until his retirement in January 2008, at which time he continued as a Non-Executive Director until the takeover by Kingsgate Consolidated in 2010. Mr Alexander managed the startup and operation of Dominion's Challenger gold mine in South Australia and, under Peter's management, Dominion won the Gold Mining Journal's "Gold Miner of the Year" three years in succession.
Interest in shares and options	Shares <i>Direct holding Nil</i> <i>Indirect holding 20,000</i> Options <i>Direct holding Nil</i> <i>Indirect holding Nil</i>
Special Responsibilities	Member of Audit Committee and Remuneration Committee
Directorships held in listed entities	Mr Alexander is currently a Non-Executive Director of Kingsgate.

Mr Leigh Junk	Non-Executive Director from 5 May 2011
Qualifications	Dip Surv, GDip Min Eng, MSc Min Econ
Experience	Mr Junk is a mining engineer with 19 years' experience. He was the executive responsible for project evaluation, feasibility studies, production scheduling and mine design with several mining companies throughout Western Australia, including Pilbara Manganese Pty Ltd, WMC Resources Ltd. and Mincor Operations Pty Ltd. He started his own mining company Donegal Resources with his brother Ian in 2000 and was successful at purchasing and recommissioning several Nickel operations in Kambalda W.A. Mr Junk was recipient of the "Goldfields Business of the Year Award" in 2003 for Donegal Resources and the 2003 Ernst & Young "Young Entrepreneur of the Year Award".
Interest in shares and options	Shares <i>Direct holding Nil</i> <i>Indirect holding Nil</i> Options <i>Direct holding Nil</i> <i>Indirect holding Nil</i>
Special Responsibilities	Member of Audit Committee and Remuneration Committee
Directorships held in listed entities	Mr Junk is currently a Director of Aura Energy Limited, Sentosa Mining Limited, TSX-Venture listed Brilliant Mining Corporation, and Goldfields Credit Union.

DIRECTORS' REPORT

Directors' Meetings

The number of Directors' meetings and meetings of Committees of Directors held during the year and the number of meetings attended by each of the Directors of the Company during the year are:

	Directors' Meetings		Committee Meetings			
			Remuneration Committee		Audit Committee	
	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend
Name						
Mr Brett Fraser	9	9	3	3	-	-
Mr Allan Kelly	9	9	3	3	-	-
Mr Heath Hellewell	9	9	3	3	-	-
Mr Jay Stephenson	9	9	3	3	-	-
Mr Peter Alexander	2	2	3	3	-	-
Mr Leigh Junk	2	2	3	3	-	-

Directors' Shareholdings, Contracts, and Benefits

The interest of each Director in the share capital of the Company at the date of this report and as contained in the register of Directors' shareholdings of the Company is shown in Note 21 of this annual report.

Since the end of the financial year no Director of the Company has received, or become entitled to receive, a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts) by reason of a contract made by the Company with the Director or with a firm of which the Director is a member, or a company in which the Director has a substantial financial interest, other than as disclosed in Note 21 of the accounts.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

(a) Principles used to determine the nature and amount of remuneration

The following report determines the principles used to determine the nature and amount of remuneration. The Board is responsible for determining and reviewing compensation arrangements for the Directors and Key Management Personnel. The role also includes responsibility for share option schemes, superannuation entitlements, retirement and termination entitlements, fringe benefit policies, liability insurance policies and other terms of employment.

The Board will review the arrangements having regard to performance, relevant comparative information and at its discretion may obtain independent expert advice on the appropriateness of remuneration packages. Remuneration packages are set at levels intended to attract and retain Key Management Personnel capable of managing the Company's activities.

The practices of negotiation and annual review of Executive Directors' performance and remuneration are carried out, in an informal way, by the Managing Director who makes recommendations to the Board. The Chairman of the Board who makes recommendations to the full Board undertakes, in an informal way, the review of the Managing Director's performance and remuneration. There is no formal relationship between remuneration and performance.

The Board will meet at least annually or as required, usually on the anniversary date of each service agreement for the particular Director and/or Key Management Personnel. At these meetings, the particular Director and/or Key Management Personnel will declare his/her interest and not vote, and he/she will depart from the meeting, so as not to be present whilst the issue is being discussed.

The Executive pay and reward framework has three components:

- base pay and benefits;
- long-term incentives through Directors options (refer Note 21); and
- other remuneration such as superannuation.

The combination of these comprises the Key Management Personnel total remuneration.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

(b) Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the Key Management Personnel of the Company (the Directors) for the year/period ended 30 June 2011 and 30 June 2010 are set out in the following tables:

Name	Short-term benefits		Post-employment benefits	Equity Share-based Payment Options	Other Payments	Total	Performance based
	Salary and fees \$	Short-term incentive \$	Super-annuation \$	\$	\$	\$	%
<i>Directors:</i>							
Mr Brett Fraser	-	-	-	82,698	54,167 (a)	136,865	60
Mr Allan Kelly	194,834	64,220 *	23,315	127,227	35,481 (b)	445,077	43
Mr Heath Hellewell	-	70,000 *	-	127,227	228,253 (c)	425,480	46
Mr Jay Stephenson	43,333	-	3,900	82,698	-	129,931	64
Mr Peter Alexander	6,667	-	600	-	-	7,267	-
Mr Leigh Junk	6,667	-	600	-	-	7,267	-
<i>Company Secretary:</i>							
Mr Jay Stephenson	-	-	-	-	90,285 (d)	90,285	-
<i>Development Manager:</i>							
Mark Cossom	184,326	-	16,589	125,640	-	326,555	38
	<u>435,827</u>	<u>134,220</u>	<u>45,004</u>	<u>545,490</u>	<u>408,186</u>	<u>1,568,727</u>	<u>-</u>

* Being the first Short-Term Incentive (STI) paid, there were no criteria agreed. With effect from 1 July 2011, STI will be based on explicit financial and non-financial key performance indicators in areas that the Directors are involved and have a level of control in.

a) This was paid to Wolfstar Group Pty Ltd for Mr Brett Fraser's Non-Executive Director fees, as agreed between the Company and Mr Brett Fraser.

b) This was paid to XGS Exploration Geochemistry Services Pty Ltd for Mr Allan Kelly's geological consulting services, as per its service agreement.

c) This was paid to NeoGold Enterprises Pty Ltd for Mr Heath Hellewell's geological consulting services, as per its service agreement.

d) This was paid to Wolfstar Group Pty Ltd for Mr Jay Stephenson's corporate secretarial services. These fees included basic corporate secretarial work and accounting services, as per its service agreement.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

(b) Details of remuneration

Name	Short-term benefits		Post-employment benefits	Equity Share-based Payment Options	Other Payments	Total	Performance based %
	Salary and fees \$	Short-term incentive \$	Super-annuation \$	\$	\$	\$	%
<i>Directors:</i>							
Mr Brett Fraser	-	-	-	-	20,834 (e)	20,834	-
Mr Allan Kelly	62,500	-	5,625	-	57,757 (f)	125,882	-
Mr Heath Hellewell	-	-	-	-	92,764 (g)	92,764	-
Mr Jay Stephenson	16,155	-	1,454	-	115,104 (h)	132,713	-
<i>Company Secretary:</i>							
Mr Jay Stephenson	-	-	-	-	37,500 (h)	37,500	-
	78,655	-	7,079	-	323,959	409,693	-

e) This was paid to Wolfstar Group Pty Ltd for Mr Brett Fraser's Non-Executive Director fees, as agreed between the Company and Mr Brett Fraser.

f) This was paid to XGS Exploration Geochemistry Services Pty Ltd for Mr Allan Kelly's geological consulting services, as per its service agreement.

g) This was paid to NeoGold Enterprises Pty Ltd for Mr Heath Hellewell's geological consulting services, as per its service agreement.

h) This was paid to Wolfstar Group Pty Ltd for Mr Jay Stephenson's corporate secretarial services. These fees included basic corporate secretarial work (\$37,500), accounting services (\$18,000) and capital raising expenses (\$97,104), as per its service agreement.

For details of all agreements refer to the following note.

(c) Service agreements and deeds of employment

Deed of employment with Managing Director

On 10 November 2009, the Company entered into a service agreement with Allan Kelly ("Service Agreement") effective from the date of official quotation of the Shares on ASX. Under the Service Agreement, Mr Kelly is engaged by the Company to provide services to the Company in the capacity of Managing Director. Mr Kelly is to be paid an annual salary of \$150,000 per annum plus superannuation. During the year ended 30 June 2011, Mr Kelly's annual salary was increased to \$222,000 per annum plus superannuation. Mr Kelly will also be reimbursed reasonable expenses.

The Service Agreement continues for a period of 3 years, unless otherwise extended or terminated in accordance with its terms. Mr Kelly will have an annual pay review. If the service agreement is terminated Mr Kelly will be given 3 months notice. If the Service Agreement is terminated due to specified misconduct, for reasons of bankruptcy, death or if otherwise removed from office under the *Corporations Act 2001* or the Company's constitution, then Mr Kelly is only entitled to unpaid remuneration and entitlements.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

(c) Service agreements and deeds of employment

Directors' fees

On 10 November 2009, the Company agreed to pay directors fees of \$50,000 per annum to Mr Brett Fraser for his services as Chairman and \$40,000 per annum to Mr Jay Stephenson for his services as a Non-Executive Director.

Mr Brett Fraser's directors fees are paid to Wolfstar Group on his behalf. As at 30 June 2011, \$9,167 (2010: \$4,583) was payable to Wolfstar Group with regards to these director fees.

In May 2011, the Company agreed to pay directors fees of \$40,000 per annum each to Mr Peter Alexander and Mr Leigh Junk for their services as Non-Executive Directors.

As at 30 June 2011, \$6,667 (2010: nil) was payable to Mr Peter Alexander with regards to his director fees.

As at 30 June 2011, \$6,667 (2010: nil) was payable to Mr Leigh Junk with regards to his director fees.

Service agreement with XGS Exploration Geochemistry Services

On 10 November 2009, the Company entered into a service agreement with XGS Exploration Geochemistry Services (XGS), a company related to Mr Allan Kelly ("Service Agreement"), effective from the date of official quotation of the shares on the ASX. Under the Service Agreement XGS is engaged by the Company to provide specialist exploration geochemical services. XGS will be paid \$3,000 per month plus GST and will be reimbursed reasonable expenses. During the financial year ended 30 June 2011, this rate was revised to \$4,000 per month and \$2,000 per month with effect from October 2010 and March 2011, respectively.

The Service Agreement continues for a period of 3 years, unless otherwise extended or terminated in accordance with its terms.

The Company incurred an expense of \$35,481 (2010: \$57,757) (some of which has been capitalised to exploration assets) during the reporting period and the balance owing at 30 June 2011 was nil (2010: \$9,442).

Service agreement with Neogold Enterprises Pty Ltd

On 10 November 2009, the Company entered into a service agreement with Neogold Enterprises Pty Ltd ("Neogold"), a company related to Mr Heath Hellewell, ("Service Agreement") effective from the date of official quotation of the shares on the ASX. Under the Service Agreement Neogold is engaged by the Company to provide services to the Company in the capacity of Technical Director. Neogold is to be paid a daily rate of \$800 per day for a minimum of 100 days work per year and maximum of 200 days per year. During the year ended 30 June 2011, this daily rate has been increased to \$955 per day.

Neogold will also be reimbursed reasonable expenses.

The Service Agreement continues for a period of 3 years, unless otherwise extended or terminated in accordance with its terms.

The Company incurred an expense of \$298,253 (2010: \$92,764) during the reporting period and the balance owing at 30 June 2011 was \$23,254 (2010: \$22,964).

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

(c) Service agreements and deeds of employment

Service Agreement with Wolfstar Group Pty Ltd

On 12 August 2009, the Company engaged Wolfstar Group Pty Ltd ("Wolfstar Group") for the period of six months (or such longer period as the parties may agree) from 12 August 2009 to act as manager of its initial public offering, and to provide financial and corporate advice and assistance in connection with the Offer. Wolfstar Group is a related party of the Company by virtue of it being controlled by Brett Fraser and Jay Stephenson (both Directors of the Company).

In consideration for the services provided, Wolfstar Group is entitled to the following fees:

- a monthly retainer of \$6,000 (plus GST) for a maximum of four months prior to the Offer;
- work fees of 1.5% of the total capital raised under the Offer payable on admission of the Company to the Official List; and
- ongoing Company Secretarial and CFO fees of \$7,500 per month for the first 12 months following the admission to the Official List.

The Company will reimburse Wolfstar Group for all reasonable out-of-pocket expenses incurred including, but not limited to, printing, courier and travel, and of any other advisers and consultants which may be required.

The Company incurred fees of \$90,285 (2010: \$152,604) (excluding Brett Fraser's director fees) during the reporting period and the balance owing at 30 June 2011 was \$8,277 (2010: \$8,250) (excluding Brett Fraser's director fees).

Employment contract with Mark Cossom

On 14 September 2010, the Company entered into an employment contract with Mark Cossom. Mr Cossom is employed by the Company in the capacity of Development Manager and is to be paid an annual salary of \$230,000 per annum plus superannuation. Mr Cossom will also be reimbursed reasonable expenses. Upon the completion of a 3 month employment probationary period, the Company will issue Mr Cossom 150,000 options to purchase ordinary shares in the Company. These options will expire 4 years from the issue date exercisable at 145% of the average trading price of the Company on the five business days immediately preceding Mr Cossom's commencement date.

The employment contract continues until it is replaced or until it is terminated in accordance with its terms. Mr Cossom will have an annual pay review. If the employment contract is terminated Mr Cossom will be given 4 weeks' notice.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

(d) Share-based compensation

On 30 November 2010, 3,300,000 options were issued to the Directors for no consideration to provide a market-linked incentive package in their capacity as Directors of the Company and for future performance by them in their roles.

On 14 December 2010, 150,000 options were issued to Mark Cossom for no consideration per the terms and conditions of his contract. These options are exercisable at \$1.14 each on or before 14 December 2014. The exercise price was calculated at 145% of the average trading price of the Company on the five business days immediately preceding Mr Cossom's commencement date of 14 September 2010 per the terms and conditions of his contract.

	No. granted during the year	Exercise price	FV per option at grant date	No. vested during the year	% of grant vested	% of grant forfeited	Expiry date
Director							
Brett Fraser	325,000	\$2.56	\$0.2521	-	-	-	31/12/2012
	325,000	\$2.08	\$0.1794	-	-	-	31/12/2012
Allan Kelly	500,000	\$2.56	\$0.2521	-	-	-	31/12/2012
	500,000	\$2.08	\$0.1794	-	-	-	31/12/2012
Heath Hellewell	500,000	\$2.56	\$0.2521	-	-	-	31/12/2012
	500,000	\$2.08	\$0.1794	-	-	-	31/12/2012
Jay Stephenson	325,000	\$2.56	\$0.2521	-	-	-	31/12/2012
	325,000	\$2.08	\$0.1794	-	-	-	31/12/2012
Development Manager							
Mark Cossom	150,000	\$1.14	\$0.8376	100%	100%	-	14/12/2014
	<u>3,450,000</u>						

(e) Equity instruments issued on exercise of remuneration options

There were no equity instruments issued during the period to Directors or other Key Management Personnel as a result of options exercised that had previously been granted as compensation.

This concludes the audited Remuneration Report.

DIRECTORS' REPORT

Environmental Regulation

The Company holds various exploration licences to regulate its exploration activities in Australia. These licences include conditions and regulations with respect to rehabilitation of areas disturbed during the course of exploration activities. However the Board believes that it has adequate systems in place for the management of its environmental requirements and is not aware of any breach of environmental requirements as they apply to the Company.

Loans to Directors

As at 30 June 2011, there are no outstanding loans to Directors. No other loans have been made to Directors of the Company and the specified executives of the Company, including their personally-related entities.

Shares under option

Unissued ordinary shares of Doray Minerals Limited under option at the date of this report are as follows:

Expiry date	Exercise Price	Number under option
4 February 2012	\$0.20	500,000
31 December 2012	\$2.08	1,650,000
31 December 2012	\$2.56	1,650,000
3 September 2014	\$0.20	8,228,500
14 December 2014	\$1.14	150,000
4 February 2015	\$0.20	2,250,000
31 March 2015	\$1.20	250,000
		<hr/>
		14,678,500
		<hr/>

No option holder has any right under the options to participate in any other share issue of the Company or of any other entity.

Shares issued on the exercise of options

During the year ended 30 June 2011, a total of 3,350,000 options were exercised to purchase 3,350,000 fully paid ordinary shares at \$0.20 per share.

Non-audit services

The Board of Directors is satisfied that the provision of non-audit services by MGI Perth Audit Services Pty Ltd during the period is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. Non-audit service fees related to the period amounted to \$6,500 for taxation services for the year ended 30 June 2011.

DIRECTORS' REPORT

Auditors' independence declaration

The auditor's independence declaration for the year ended 30 June 2011 has been received and can be found on page 62 of the annual report.

Signed in accordance with a resolution of the Board of Directors.

A handwritten signature in black ink, appearing to read "B Fraser". The signature is written in a cursive style with a large initial "B".

Brett Fraser

Chairman of the Board of Directors
Dated this 28 day of September 2011

**DORAY MINERALS LIMITED
ANNUAL REPORT 30 JUNE 2011**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	Period August 2009 to 30 June 2010 \$
Revenue		-	-
Accountancy expenses		(118,395)	(55,500)
Audit fees	4	(21,725)	(29,625)
Computer expenses		(158,435)	(30,608)
Consultants fees		(42,074)	(25,316)
Depreciation	7	(77,358)	(5,907)
Amortisation	9	(18,745)	(3,542)
Directors' fees		(103,333)	(36,989)
Share-based payment expenses	4	(609,407)	-
Exploration expenditure written-off	4	(38,979)	-
Employee benefits expenses	4	(690,478)	(102,135)
Insurance		(23,242)	(24,983)
Investor relations		(100,984)	(30,513)
Legal costs		(21,120)	(17,111)
Marketing expenses		(191,336)	(25,852)
Rent and utilities	4	(229,690)	(29,936)
Travel and accommodation		(92,873)	(13,890)
Other administration expenses		(66,267)	(55,924)
Results from operating activities		(2,604,441)	(487,831)
Financial income		734,484	89,586
Financial expense		(686)	-
Net financing income		733,798	89,586
Loss before income tax		(1,870,643)	(398,245)
Income tax expense	12	-	-
Net loss for the year		(1,870,643)	(398,245)
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive loss for the year		(1,870,643)	(398,245)
		Cents	Cents
Loss per share attributable to ordinary equity holders	18	(2.9013)	(1.3187)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

**DORAY MINERALS LIMITED
ANNUAL REPORT 30 JUNE 2011**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011**

	Note	2011 \$	2010 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	19,970,229	6,961,278
Trade and other receivables	6	570,716	171,477
Prepayments		32,172	8,415
Total Current Assets		20,573,117	7,141,170
Non-Current Assets			
Trade and other receivables	6	73,222	-
Property, plant and equipment	7	621,755	112,631
Exploration costs	8	7,250,312	1,246,950
Intangible assets	9	113,426	36,958
Total Non-Current Assets		8,058,715	1,396,539
TOTAL ASSETS		28,631,832	8,537,709
LIABILITIES			
Current Liabilities			
Trade and other payables	10	1,031,244	516,782
Provision	11	36,418	-
Total Current Liabilities		1,067,662	516,782
TOTAL LIABILITIES		1,067,662	516,782
NET ASSETS		27,564,170	8,020,927
EQUITY			
Issued capital	13	29,094,912	8,290,433
Reserves	14	738,146	128,739
Accumulated losses		(2,268,888)	(398,245)
TOTAL EQUITY		27,564,170	8,020,927

The above statement of financial position should be read in conjunction with the accompanying notes.

DORAY MINERALS LIMITED
ANNUAL REPORT 30 JUNE 2011

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
At 20 August 2009	-	-	-	-
Comprehensive loss				
Net loss for the period	-	-	(398,245)	(398,245)
Total comprehensive loss	-	-	(398,245)	(398,245)
Transactions with owners recorded directly in equity				
Issue of shares	9,167,250	-	-	9,167,250
Issue of options		2,000	-	2,000
Share issue costs	(876,817)	-	-	(876,817)
Share based payments – value of options provided for brokerage services	-	126,739	-	126,739
Total contributions by and distributions to owners	8,290,433	128,739	-	8,419,172
At 30 June 2010	8,290,433	128,739	(398,245)	8,020,927
At 1 July 2010	8,290,433	128,739	(398,245)	8,020,927
Comprehensive loss				
Net loss for the year	-	-	(1,870,643)	(1,870,643)
Total comprehensive loss	-	-	(1,870,643)	(1,870,643)
Transactions with owners recorded directly in equity				
Issue of shares	21,820,000	-	-	21,820,000
Share issue costs	(1,015,521)	-	-	(1,015,521)
Share based payments	-	609,407	-	609,407
Total contributions by and distributions to owners	20,804,479	609,407	-	21,413,886
At 30 June 2011	29,094,912	738,146	(2,268,888)	27,564,170

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**DORAY MINERALS LIMITED
ANNUAL REPORT 30 JUNE 2011**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	2011 \$	Period 20 August 2009 to 30 June 2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		-	-
Payments to suppliers and employees		(2,293,160)	(461,002)
Interest received		460,991	89,586
Net cash outflow from operating activities	19	<u>(1,832,169)</u>	<u>(371,416)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	7	(586,482)	(118,538)
Payments for exploration and evaluation assets		(5,131,664)	(711,190)
Payments for other intangible assets	9	(95,213)	(40,500)
Net cash outflow from investing activities		<u>(5,813,359)</u>	<u>(870,228)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		21,670,000	8,951,000
Proceeds from option issue		-	2,000
Capital raising costs paid		(1,015,521)	(750,078)
Net cash inflow from financing activities		<u>20,654,479</u>	<u>8,202,922</u>
Net increase in cash and cash equivalents		13,008,951	6,961,278
Cash and cash equivalents at the beginning of the year		6,961,278	-
Cash and cash equivalents at the end of the year	5	<u>19,970,229</u>	<u>6,961,278</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE: 1. REPORTING ENTITY

Doray Minerals Limited ("the Company") is a company limited by shares, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

NOTE: 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Historical cost convention

These financial statements have been prepared under the historical cost convention.

Functional and presentation currency

Both the functional and presentation currency of the Company is in Australian Dollars.

Adoption of new and revised standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2011, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2011. As a result of this review the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on its business.

Statement of Compliance

The financial report complies with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the Board of Directors on 30 September 2011.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Critical Accounting Estimates and Judgments

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Share-based payment transactions:

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black and Scholes model, using the assumptions detailed in Note 14. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Company decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

(b) Income Tax

The charge for current income tax expenses is based on the profit for the period adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(b) Income Tax (continued)

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(c) Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings. The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(d) Depreciation

Land is not depreciated. Depreciation on other assets is calculated on a straight line basis at rates calculated to allocate the cost less the estimated residual value over the estimated useful life of each asset.

Class of Fixed Asset	Useful Life
Motor Vehicles	4 years
Plant and Equipment	3 – 4 years
Buildings	7 years

The assets' carrying values are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Profit and loss on disposal is determined by comparing proceeds with the carrying amount. These amounts are included in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(e) Financial Instruments

Non-Derivative Financial Instruments

Recognition

The Company initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade and other receivables.

(f) Impairment

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(f) Impairment (continued)

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial assets (including receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Company considers evidence of impairment for receivables at a specific asset level. All receivables are individually assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(g) Employee Benefits

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long-term employee benefits

Provision is made for the liability due to employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within one year together with benefits arising out of wages and salaries, sick leave and annual leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions made to defined employee superannuation funds are charged as expenses when incurred.

(h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(i) Cash and Cash Equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less plus bank overdrafts. Bank overdrafts are shown on the Statement of Financial Position as current liabilities under borrowings.

(j) Finance Income and Finance Costs

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss, and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax, except:

- (i) Where the amount of GST incurred is not recoverable from the Australian Tax Office, it is recognised as part of the cost of the acquisition of an asset or as part of an item of expenditure.
- (ii) Receivables and payables are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(l) Exploration and Evaluation Assets

Exploration and evaluation costs, including costs of acquiring licenses, are capitalised as exploration and evaluation assets on an area of interest basis. Costs of acquiring licences which are pending the approval of the Department of Mines and Petroleum as at the date of reporting are capitalised as exploration and evaluation cost if in the opinion of the Directors it is virtually certain the Company will be granted the licences.

Exploration and evaluation assets are only recognised if the rights of tenure to the area of interest are current and either:

- i) The expenditures are expected to be recouped through successful development and exploitation of the area of interest, or
- ii) Activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment when:

- i) Sufficient data exists to determine technical feasibility and commercial viability, and
- ii) Facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy in Note 2(f)). For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from Intangible assets to mining property and development assets within property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(m) Intangibles

IT Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the group has an intention and ability to use the asset.

(n) Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(o) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to the Company, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(p) Share-based Payment Transactions

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Company, based on the value of goods and services provided, unless the value of the goods and services cannot be determined an options price model is used to determine value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

NOTE: 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(q) New Accounting Standards and Interpretations

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2010, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except *IFRS 9 Financial Instruments*, which becomes mandatory for the Company's 2014 financial statements and could change the classification and measurement of financial assets. The Company does not plan to adopt this standard early and the extent of the impact has not been determined.

NOTE: 3. DETERMINATION OF FAIR VALUES

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Share-based payment transactions

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Company, based on the value of goods and services provided, unless the value of the goods and services cannot be determined an options price model is used to determine value.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 4. LOSS BEFORE INCOME TAX	Note	2011	2010
(a) Significant Expenses		\$	\$
The following significant items are relevant in explaining the financial performance:			
Audit fees		21,725	29,625
Depreciation		77,358	5,907
Amortisation		18,745	3,542
Share-based payment expense	14	609,407	-
Exploration expenditure written-off		38,979	-
Employee benefits expense		690,478	102,135
Rent		229,690	29,936

NOTE: 5. CASH AND CASH EQUIVALENTS

Cash at bank and in hand	19,970,229	6,961,278
Total cash and cash equivalents in the Statement of Cash Flows	<u>19,970,229</u>	<u>6,961,278</u>

NOTE: 6. TRADE AND OTHER RECEIVABLES

Current

Trade and other receivables #	274,855	14,998
Amounts deposited against bank guarantees	-	10,106
Loans to Directors*	-	4,913
GST receivable	295,861	141,460
	<u>570,716</u>	<u>171,477</u>

Non-Current

Amounts deposited against bank guarantees	<u>73,222</u>	-
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Included in \$274,855 (2010: \$14,998) was \$273,493 (2010: nil) interest income accrued on term deposits held with a financial institution at the end of the year.

* The loans to Directors amount to nil (2010: \$2,933 to Mr Allan Kelly and \$1,980 to Mr Heath Hellewell). The loans relate to reimbursements of expense claims for travelling, car hire, fuel, accommodation and meals.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 7. PROPERTY, PLANT AND EQUIPMENT

	2011	2010
	\$	\$
Land and buildings	349,230	33,419
Accumulated depreciation	(8,281)	-
	340,949	33,419
Plant and equipment	179,513	22,349
Accumulated depreciation	(37,236)	(1,984)
	142,277	20,365
Motor vehicles	176,277	62,770
Accumulated depreciation	(37,748)	(3,923)
	138,529	58,847
Total property, plant and equipment at cost	705,020	118,538
Total accumulated depreciation	(83,265)	(5,907)
	621,755	112,631

Movements in carrying amounts during the year/period

	Land and buildings	Plant and equipment	Motor vehicles	Total
	\$	\$	\$	\$
Carrying amount at 20 August 2009	-	-	-	-
Additions	33,419	22,349	62,770	118,538
Depreciation charge	-	(1,984)	(3,923)	(5,907)
Carrying amount at 30 June 2010	33,419	20,365	58,847	112,631
Carrying amount at 1 July 2010	33,419	20,365	58,847	112,631
Additions	315,811	157,164	113,507	586,482
Depreciation charge	(8,281)	(35,252)	(33,825)	(77,358)
Carrying amount at 30 June 2011	340,949	142,277	138,529	621,755

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 8. EXPLORATION COSTS

	2011	2010
	\$	\$
Exploration at cost		
Balance at the beginning of the year/period	1,246,950	-
Acquisition of tenements	150,000*	474,580
Exploration of tenements	5,892,340	772,037
Holding costs of tenements	-	333
Exploration expenditure written off	(38,979)	-
Balance at the end of the year/period	<u>7,250,311</u>	<u>1,246,950</u>

* This represents 200,000 shares issued to Aspire Mining Limited on 31 August 2010 as consideration for the 100% purchase of Black Tank Well tenements (E21/138, E58/374, E58/383) and Tuckanarra tenements (E20/515, E51/919, P20/2057, E20/716, E20/725, P20/2075 and P51/2631).

\$52,122 (2010:\$113,324) of capitalised costs related to permits where approval by the Department of Mines and Petroleum was pending as at 30 June 2011. In management's view, it is virtually certain that these licences will be granted. Therefore, no impairment loss was recognised during the period on exploration and evaluation assets.

NOTE: 9. INTANGIBLE ASSETS

Software at cost	135,038	39,825
Accumulated amortisation	(22,287)	(3,542)
	<u>112,751</u>	<u>36,283</u>
Setup costs	675	675
Accumulated amortisation	-	-
	<u>675</u>	<u>675</u>
Total intangible assets	135,713	40,500
Accumulated amortisation	(22,287)	(3,542)
	<u>113,426</u>	<u>36,958</u>

Movements in carrying amounts during the year/period

	Software	Setup costs	Total
	\$	\$	\$
Carrying amount at 20 August 2009	-	-	-
Additions	39,825	675	40,500
Amortisation charge	(3,542)	-	(3,542)
Carrying amount at 30 June 2010	<u>36,283</u>	<u>675</u>	<u>36,958</u>
Carrying amount at 1 July 2010	36,283	675	36,958
Additions	95,213	-	95,213
Amortisation charge	(18,745)	-	(18,745)
Carrying amount at 30 June 2011	<u>112,751</u>	<u>675</u>	<u>113,426</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 10. TRADE AND OTHER PAYABLES

	2011	2010
	\$	\$
Current		
Creditors	903,449	127,387
Accruals	29,933	349,502
Other payables	97,862	39,893
	1,031,244	516,782

NOTE: 11. PROVISIONS

Current		
Annual leave provision	36,418	-
Number of employees at year end	11	3
Employee benefits		
Balance at the beginning of the year/period	-	-
Additional provisions	42,274	-
Amounts used	(5,856)	-
Balance at the end of the year/period	36,418	-

NOTE: 12. INCOME TAX

Current tax expense		
Current year/period	-	-
Deferred tax expense recognised in the statement of comprehensive income	-	-
Origination and reversal of temporary differences	-	-
Total income tax expense in Statement of Comprehensive Income	-	-

(i) Numerical reconciliation between tax expense and pre-tax net loss:

Loss before income tax	(1,870,643)	(398,245)
Income tax benefit using the domestic corporation tax rate of 30%	(561,193)	(119,474)
Increase/(decrease) in income tax expense due to:		
Non deductible expenses	186,324	551
Tax deductible equity raising costs	(113,540)	(52,609)
Effect of current tax losses not recognised	374,869	163,718
Effect of other unrecognised temporary differences	113,540	7,814
Income tax expense reported in the Statement of Comprehensive Income	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 12. INCOME TAX

(ii) Tax Assets and Liabilities

	2011	2010
	\$	\$
<u>Unrecognised deferred tax assets</u>		
Deferred tax assets have not been recognised in respect of the following items:		
Deductible temporary differences	30,000	7,813
Deductible temporary differences from capital raising costs	401,552	210,436
Tax income losses	629,841	163,718
	<u>1,061,393</u>	<u>381,967</u>

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits from.

This benefit (which has been calculated as 30% of losses and deductions available) will only be obtained if:

- (i) The Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- (ii) The Company continues to comply with the conditions for deductibility imposed by the tax legislation; and
- (iii) No changes in tax legislation adversely affect the Company in realising the benefit from the deduction for the losses.

Recognised deferred tax assets and liabilities

	Assets	Liabilities	Net
Exploration and evaluation assets	-	(1,987,720)	(1,987,720)
Tax value of losses	1,987,720	-	1,987,720
Net recognised deferred tax assets and liabilities	<u>1,987,720</u>	<u>(1,987,720)</u>	<u>-</u>

Movement in temporary differences during the year

	Balance at 1 July 2010	Recognised in income	Balance at 30 June 2011
Exploration and evaluation assets	(231,611)	(1,756,109)	(1,987,720)
Tax value of losses	231,611	1,756,109	1,987,720
Net recognised deferred tax assets and liabilities	<u>-</u>	<u>-</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 13. ISSUED CAPITAL

	2011 Shares	2011 \$	2010 Shares	2010 \$
Issued and paid up capital				
<i>Ordinary shares</i>				
- Fully paid	74,780,513	30,987,250	55,076,667	9,167,250
- Capital raising costs		(1,892,338)		(876,817)
Total issued and paid up capital	74,780,513	29,094,912	55,076,667	8,290,433

Movements in ordinary shares issued

		Number of Shares	Issue Price \$	Total \$
Balance at 20 August 2009		-		-
20 Aug 2009	Shares issued at 0.1 cent	4,000,000	0.001	4,000
3 Sep 2009	Shares issued at 1 cent	4,000,000	0.010	40,000
30 Sep 2009	Shares issued at 5 cents	5,000,000	0.050	250,000
10 Nov 2009	Shares issued at 1 cent	2,500,000	0.010	25,000
8 Feb 2010	Placement funds	23,285,000	0.200	4,657,000
8 Feb 2010	Shares issued at 1 cent	9,125,000	0.010	91,250
26 Mar 2010	Shares issued at 20 cents	500,000	0.200	100,000
30 April 2010	Placement funds	6,666,667	0.600	4,000,000
		55,076,667		9,167,250
Less: Capital raising costs during the period				(876,817)
Balance at 30 June 2010		55,076,667		8,290,433
Balance at 1 July 2010		55,076,667		8,290,433
31 Aug 2010	Shares issued at 75 cents	200,000	0.750	150,000*
29 Nov 2010	Options exercised at 20 cents	110,000	0.200	22,000
9 Dec 2010	Options exercised at 20 cents	50,000	0.200	10,000
14 Dec 2010	Shares issued at \$1.30	8,308,000	1.300	10,800,400
5 Jan 2011	Options exercised at 20 cents	40,000	0.200	8,000
24 Jan 2011	Shares issued at \$1.30	7,845,846	1.300	10,199,600
10 Feb 2011	Options exercised at 20 cents	3,000,000	0.200	600,000
11 Apr 2011	Options exercised at 20 cents	100,000	0.200	20,000
2 May 2011	Options exercised at 20 cents	50,000	0.200	10,000
		74,780,513		30,110,433
Less: Capital raising costs during the year				(1,015,521)
Balance at 30 June 2011		74,780,513		29,094,912

* This represents 200,000 shares issued to Aspire Mining Limited on 31 August 2010 as consideration for the 100% purchase of Black Tank Well tenements (E21/138, E58/374, E58/383) and Tuckanarra tenements (E20/515, E51/919, P20/2057, E20/716, E20/725, P20/2075 and P51/2631).

Ordinary shareholders are entitled to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 13. ISSUED CAPITAL

Capital risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

The capital structure of the Company consists of equity comprising issued capital, reserves and accumulated losses.

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is to maintain sufficient current working capital position to meet the requirements of the Company to meet exploration programmes and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company at 30 June 2011 and 30 June 2010 is as follows:

	2011	2010
	\$	\$
Cash and cash equivalents	19,970,229	6,961,278
Trade and other receivables	570,716	171,477
Trade and other payables	(1,031,244)	(516,782)
Working capital position	19,509,701	6,615,973

The Company is not subject to any externally imposed capital requirements.

NOTE: 14. RESERVES

Nature and purpose of reserves

Options reserve

The options reserve is used to recognise the fair value of all options on issue but not yet exercised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 14. RESERVES (continued)

Movements in options issued

	Number of Options	Option Price \$	Total \$
Balance at 20 August 2009	-		-
20 Aug 2009 Options issued (a)	4,000,000	-	-
30 Sep 2009 Options issued at 0.1 cent	2,000,000	0.001	2,000
30 Sep 2009 Options issued (b)	1,250,000	-	-
10 Nov 2009 Options issued (c)	1,000,000	-	-
8 Feb 2010 Options issued (c)	1,250,000	-	-
8 Feb 2010 Options issued at 9.54 cents (e)	1,328,500	0.0954	126,739
8 Feb 2010 Options issued (d)	3,500,000	-	-
Balance at 30 June 2010	14,328,500		128,739
Balance at 1 July 2010	14,328,500		128,739
29 Nov 2010 Options exercised at 20 cents	(110,000)	-	-
30 Nov 2010 Options issued at 25.21 cents (f)	1,650,000	0.2521	244,265
30 Nov 2010 Options issued at 17.94 cents (g)	1,650,000	0.1794	175,585
9 Dec 2010 Options exercised at 20 cents	(50,000)	-	-
14 Dec 2010 Employee options issued (h)	150,000	0.8376	125,640
5 Jan 2011 Options exercised at 20 cents	(40,000)	-	-
10 Feb 2011 Options exercised at 20 cents	(3,000,000)	-	-
21 Mar 2011 Employee options issued (i)	250,000	0.5200	63,917
11 Apr 2011 Options exercised at 20 cents	(100,000)	-	-
2 May 2011 Options exercised at 20 cents	(50,000)	-	-
Balance at 30 June 2011	14,678,500		738,146

a) The Directors purchased 4 million shares and under the same agreement received one free option for every share purchased. The options were not issued for rendering of employment services.

b) Unrelated seed capitalists purchased 5 million shares and under the same agreement received 1 free option for every four shares purchased. The options are not issued for the rendering of services.

c) These options were issued to both Allan Kelly and Debnal Pty Ltd ATF Kelly Family Trust, which is a related party of Allan Kelly. These options were issued under the same agreement as the shares issued on the same dates. The options and shares were issued in consideration for tenements received. The fair value of the options and shares were based on the value of the tenements received.

d) These options were issued to unrelated vendors (Scott Wilson 50,000 options, JML 3,000,000 options and Murchison Resources Pty Ltd 450,000 options). These options were issued under the same agreement as the shares issued on the same dates. The options and shares were issued in consideration for tenements received. The fair value of the options and shares were based on the value of the tenements received.

Details on options issued (e), (f), (g), (h) and (i) are shown in the following table below.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 14. RESERVES (continued)

Inputs for measurement of grant date fair values

The grant date fair value of all share-based payment plans was measured based on the Black and Scholes formula. Expected volatility is estimated by considering historic average share price volatility. The inputs used in the measurement of the fair values at grant date of the share-based payment plans are the following:

	Share option plans				
	2011 (f)	2011 (g)	2011 (h)	2011 (i)	2010 (e)
Fair value of share options and assumptions	Directors	Directors	Key Management Personnel	Employees	Vendors
Number of options granted	1,650,000	1,650,000	150,000	250,000	1,328,500
Fair value at grant date	\$0.2521	\$0.1794	\$0.8376	\$0.5200	\$0.0954
Share price at grant date	\$1.5100	\$1.5100	\$1.	\$0.8400	\$0.1950
Exercise price	\$2.5600	\$2.0800	\$1.	\$1.200	\$0.2000
Expected volatility (weighted average volatility)	50%	50%	85%	125%	70%
Option life	2.09 years	2.09 years	4.00 years	4.03 years	4.57 years
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	4.97%	4.97%	4.00%	4.03%	5.00%

¹ These options were granted to Mr Mark Cossom on 14 December 2010 upon completion of a 3 month employment probationary period for no consideration per the terms and conditions of his contract. The exercise price was calculated at 145% of the average trading price of the Company on the five business days immediately preceding Mr Cossom's commencement date of 14 September 2010 per the terms and conditions of his contract.

Employee expenses	2011 \$	2010 \$
Share options granted to Directors in 2010	-	2,000
Share options granted to vendors in 2010	-	126,739
Share options granted to Directors in 2011	419,850	-
Share options granted to Key Management Personnel in 2011	125,640	-
Share options granted to employees in 2011	63,917	-
Total share-based payment expense recognised	<u>609,407</u>	<u>128,739</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 14. RESERVES (continued)

The number and weighted average exercise prices of share options is as follows:

	Weighted average exercise price 2011	Number of options 2011	Weighted average exercise price 2010	Number of options 2010
Outstanding at the beginning of the year/period	-	-	-	-
Forfeited during the year/period	-	-	-	-
Exercised during the year/period	\$0.20	3,350,000	-	-
Expired during the year/period	-	-	-	-
Granted during the year/period	\$2.20	3,700,000	\$0.20	14,328,500
Outstanding at the end of the year/period	<u>\$0.70</u>	<u>14,678,500</u>	<u>\$0.20</u>	<u>14,328,500</u>
Exercisable at the end of the year/period	\$0.17	11,228,500	-	-

The options outstanding at 30 June 2011 have an exercise price in the range of \$0.20 to \$2.56 (2010: \$0.20) and a weighted average contractual life of 2.79 years (2010: 4.25 years).

The weighted average share price at the date of exercise for share options exercised in 2011 was \$1.25 (2010: no options exercised).

At the end of the reporting period, options over unissued shares are as follows:

Expiry date	Exercise Price	Number under option
4 February 2012	\$0.20	500,000
31 December 2012	\$2.08	1,650,000
31 December 2012	\$2.56	1,650,000
3 September 2014	\$0.20	8,228,500
14 December 2014	\$1.14	150,000
4 February 2015	\$0.20	2,250,000
31 March 2015	\$1.20	250,000
		<u>14,678,500</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 15. SEGMENT REPORTING

The accounting policies used by the Company in reporting segments are in accordance with the measurement principles of Australian Accounting Standards.

The Company has identified its operating segments based on the internal reports that are provided to the Board of Directors. There are a number of exploration projects located in Western Australia and South Australia at various stages of development. According to AASB 8 *Operating Segments*, two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics, and the segments are similar in each of the following respects:

- The nature of the products and services;
- The nature of the production processes;
- The type or class of customer for their products and services;
- The methods used to distribute their products or provide their services; and
- If applicable, the nature of the regulatory environment, for example; banking, insurance and public utilities.

Management has identified that all projects in Australia have similar economic characteristics and are similar in nature taking into account each of the abovementioned aspects. The principal activity for all projects or subsidiaries is exploration of gold. Each project has the same production services, class of customers, most likely the same methods to distribute the gold in future and the nature of the regulatory environment which is Australia, is the same for each project. Hence, Management has identified one operating segments based on the location of the projects, that being Australia.

As only one operating segment has been identified, no segmental information has been disclosed as the information presented in the financial statements represent the segmental information for Australia.

NOTE: 16. CONTINGENT ASSETS AND LIABILITIES

\$52,122 (2010: \$113,324) of capitalised exploration and evaluation costs related to permits where approval by the Department of Mines and Petroleum was pending at the reporting date. In management's view, it is virtually certain that these licences will be granted.

There are no other contingent assets or liabilities at year end.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 17. COMMITMENTS

Exploration Expenditure Commitments

In order to maintain the current rights of tenure to mining tenements, the Company has the following exploration expenditure requirements up until the expiry of the leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable as follows:

	2011	2010
	\$	\$
Not longer than one year	1,087,000	92,232
Longer than one year, but not longer than five years	-	238,844
Longer than five years	-	7,151
Total	<u>1,087,000</u>	<u>338,227</u>

This expenditure is required to be incurred over a period of years, but the management intends to spend it within the next financial year.

Operating Lease Commitments

Operating leases contracted for but not capitalised in the financial statements are payable as follows:

Not longer than one year	173,784	15,300
Longer than one year, but not longer than five years	391,014	-
Longer than five years	-	-
Total	<u>564,798</u>	<u>15,300</u>

If the Company decides to relinquish certain leases and/or does not meet the obligations, assets recognised in the Statement of Financial Position may require review to determine the appropriateness of carrying values. The sale, transfers or farm-out of exploration rights to third parties will reduce or extinguish the above obligations.

NOTE: 18. LOSS PER SHARE

(i) Basic earnings per share

Basic earnings per share are calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of ordinary shares outstanding during the period.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with the dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

a. Reconciliation of earnings to loss

Net loss attributable to ordinary equity holders	<u>(1,870,643)</u>	<u>(398,245)</u>
Earnings used to calculate basic and diluted EPS	<u>(1,870,643)</u>	<u>(398,245)</u>

b. Weighted average number of ordinary shares outstanding during the period used to calculate basic EPS

Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted EPS	<u>64,476,953</u>	<u>30,199,884</u>
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 19. CASH FLOW INFORMATION

Reconciliation of cash flows from operating activities to loss after income tax:

	2011	2010
	\$	\$
Loss after income tax	(1,870,643)	(398,245)
Non-cash flows in loss		
- Depreciation	77,358	5,907
- Amortisation	18,745	3,542
- Share-based payment expense	609,407	-
- Provision for annual leave	36,418	-
- Exploration expenditure written off	38,979	-
	<u>(1,089,736)</u>	<u>(388,796)</u>
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other receivables	(198,968)	(171,477)
- (Increase)/decrease in prepayments	(23,757)	(8,415)
- Increase/(decrease) in trade and other payables	(246,215)	197,272
Interest income accrued but not yet paid	(273,493)	-
Cash outflow from operating activities	<u>(1,832,169)</u>	<u>(371,416)</u>

NOTE: 20. RELATED PARTY TRANSACTIONS

Other than transactions with Directors and their related entities (refer Note 21), there were no other related party transactions during the year.

NOTE: 21. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors and Key Management Personnel

Names and positions held of Directors and Key Management Personnel in office at any time during the period are:

Mr Brett Fraser	Chairman, Non-Executive – appointed 23 October 2009
Mr Allan Kelly	Managing Director – appointed 20 August 2009
Mr Heath Hellewell	Technical Director – appointed 20 August 2009
Mr Jay Stephenson	Director, Non-Executive and Company Secretary – appointed 20 August 2009
Mr Peter Alexander	Director, Non-Executive – appointed 5 May 2011
Mr Leigh Junk	Director, Non-Executive – appointed 5 May 2011
Mr Mark Cossom	Development Manager – appointed 14 September 2010

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 21. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

(b) Key Management Personnel Compensation

	2011	2010
	\$	\$
Short term employee benefits	570,047	78,655
Post employment benefits	45,004	7,079
Equity	545,490	-
Other payments	408,186	323,959
	<u>1,568,727</u>	<u>409,693</u>

Other transactions with Directors

There were no loans made to Directors during the financial year 30 June 2011. Loans to Directors during the financial year 30 June 2010 of \$4,913 consist of \$2,933 to Mr Allan Kelly and \$1,980 to Mr Heath Hellewell. The loans relate to reimbursements of expense claims for travelling, car hire, fuel, accommodation and meals.

(c) Equity Instruments Disclosure Relating to Key Management Personnel:

Number of shares and options held by Directors and Key Management Personnel of the Company, including their personally related parties, are set out below:

Shares

Name	Balance at 1 July 2010	Granted as compensation	Options Exercised	Bought & (Sold)	Balance at 30 June 2011
Mr Brett Fraser	95,000	-	-	8,313	103,313
Mr Allan Kelly	6,520,000	-	-	22,972	6,542,972*
<i>Direct</i>	2,520,000	-	-	-	2,520,000*
Mr Heath Hellewell	21,829	-	-	10,000	31,829
<i>Direct</i>	4,025,000	-	-	20,836	4,045,836
Mr Jay Stephenson	55,000	-	-	8,429	63,429
Mr Peter Alexander	-	-	-	20,000	20,000
Mr Leigh Junk	-	-	-	-	-
Mr Mark Cossom	-	-	-	26,406	26,406
Total	<u>13,236,829</u>	-	-	<u>116,956</u>	<u>13,353,785</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 21. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

(c) Equity Instruments Disclosure Relating to Key Management Personnel:

Shares

Name	Balance at 20 August 2009	Granted as compensation	Options Exercised	Bought & (Sold)	Balance at 30 June 2010
Mr Brett Fraser	-	-	-	95,000	95,000
Mr Allan Kelly <i>Direct</i>	-	-	-	6,520,000*	6,520,000
Mr Heath Hellewell <i>Direct</i>	-	-	-	2,520,000*	2,520,000
Mr Jay Stephenson	-	-	-	21,829	21,829
	-	-	-	4,025,000	4,025,000
	-	-	-	55,000	55,000
Total	-	-	-	13,236,829	13,236,829

¹ These shares are held by the following personally related parties of Mr Brett Fraser:

- Pinewood Asset Pty Ltd
- Tyler Street Holdings Pty Ltd
- Wolfstar Group Pty Ltd

² These shares are held by the following personally related parties of Mr Allan Kelly:

- XGS Exploration Geochemistry Services
- Debnal Pty Ltd

³ These shares are held by the following personally related parties of Mr Heath Hellewell:

- Nedlands Nominees Pty Ltd
- Neogold Enterprises Pty Ltd

⁴ These shares are held by the following personally related parties of Mr Jay Stephenson:

- Almameter Pty Ltd
- Pazzia Pty Ltd
- Wolfstar Group Pty Ltd

⁵ These shares are held by Suzanne Alexander, spouse of Mr Peter's Alexander.

*2,500,000 of these shares are held by Debnal Pty Ltd.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 21. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

(c) Equity Instruments Disclosure Relating to Key Management Personnel:

Options

Name	Balance at 30 June 2010	Granted as compensation	Received during the period	Bought & (Sold)	Balance at 30 June 2011
Mr Brett Fraser <i>Direct</i>	1,000,000	650,000 (a)	-	-	1,650,000
Mr Allan Kelly <i>Direct</i>	3,000,000 1,250,000	1,000,000 (a) -	- -	- -	4,000,000* 1,250,000
Mr Heath Hellewell <i>Direct</i>	- 2,000,000	1,000,000 (a) -	- -	- -	1,000,000 2,000,000
Mr Jay Stephenson <i>Direct</i>	1,000,000	650,000 (a)	-	-	1,650,000
Mr Peter Alexander	-	-	-	-	-
Mr Leigh Junk	-	-	-	-	-
Mr Mark Cossom	-	150,000 (b)	-	-	150,000
Total	8,250,000	3,450,000	-	-	11,700,000

Name	Balance at 20 August 2009	Granted as compensation	Received during the period	Bought & (Sold)	Balance at 30 June 2010
Mr Brett Fraser <i>Direct</i>	-	-	-	1,000,000	1,000,000
Mr Allan Kelly <i>Direct</i>	-	-	-	3,000,000 1,250,000	3,000,000 1,250,000
Mr Heath Hellewell	-	-	-	2,000,000	2,000,000
Mr Jay Stephenson <i>Direct</i>	-	-	-	1,000,000	1,000,000
Total	-	-	-	8,250,000	8,250,000

*1,000,000 of these options are held by Debnal Pty Ltd.

¹ These options, held by Debnal Pty Ltd, one of Mr. Allan Kelly's personally related parties, are exercisable at 20 cents each on or before 3 September 2014.

² These options, held by Nedlands Nominees Pty Ltd, one of Mr. Heath Hellewell's personally related parties, are exercisable at 20 cents each on or before 3 September 2014.

a) 3,300,000 options were issued to the Directors on 30 November 2010 for no consideration to provide a market-linked incentive package in their capacity as Directors of the Company and for future performance by them in their roles.

b) 150,000 options were issued to Mr Mark Cossom upon the completion of a 3 month employment probationary period for no consideration per the terms and conditions of his contract. These options are exercisable at \$1.14 each on or before 14 December 2014. The exercise price was calculated at 145% of the average trading price of the Company on the five business days immediately preceding Mr Cossom's commencement date of 14 September 2010 per the terms and conditions of his contract.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 21. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

(d) Agreements with Key Management Personnel

The Company entered into the following agreements with related parties:

(i) Deed of employment with Managing Director

On 10 November 2009, the Company entered into a service agreement with Allan Kelly ("Service Agreement") effective from the date of official quotation of the Shares on ASX. Under the Service Agreement, Mr Kelly is engaged by the Company to provide services to the Company in the capacity of Managing Director. Mr Kelly is to be paid an annual salary of \$150,000 per annum plus superannuation. Mr Kelly will also be reimbursed reasonable expenses. During the year ended 30 June 2011, Mr Kelly's annual salary was increased to \$222,000 per annum plus superannuation. Mr Kelly will also be reimbursed reasonable expenses.

The Service Agreement continues for a period of 3 years, unless otherwise extended or terminated in accordance with its terms. Mr Kelly will have an annual pay review. If the service agreement is terminated Mr Kelly will be given 3 months notice. If the Service Agreement is terminated due to specified misconduct, for reasons of bankruptcy, death or if otherwise removed from office under the *Corporations Act 2001* or the Company's constitution, then Mr Kelly is only entitled to unpaid remuneration and entitlements.

(ii) Directors' fees

On 10 November 2009, the Company agreed to pay directors' fees of \$50,000 per annum to Mr Brett Fraser for his services as Chairman and \$40,000 per annum to Mr Jay Stephenson for his services as a Non-Executive Director.

Mr Brett Fraser's directors fees are paid to Wolfstar Group on his behalf. As at 30 June 2011, \$9,167 (2010: \$4,583) was owing with regards to these directors fees.

In May 2011, the Company agreed to pay directors fees of \$40,000 per annum each to Mr Peter Alexander and Mr Leigh Junk for their services as Non-Executive Directors.

As at 30 June 2011, \$6,667 (2010: nil) was payable to Mr Peter Alexander with regards to his director fees.

As at 30 June 2011, \$6,667 (2010: nil) was payable to Mr Leigh Junk with regards to his director fees.

(iii) Service agreement with XGS Exploration Geochemistry Services

On 10 November 2009, the Company entered into a service agreement with XGS Exploration Geochemistry Services (XGS), a company related to Mr Allan Kelly ("Service Agreement"), effective from the date of official quotation of the Shares on ASX. Under the Service Agreement XGS, is engaged by the Company to provide specialist exploration geochemical services. XGS will be paid \$3,000 per month plus GST and will be reimbursed reasonable expenses. During the financial year ended 30 June 2011, this rate was revised to \$4,000 per month and \$2,000 per month with effect from October 2010 and March 2011, respectively.

The Service Agreement continues for a period of 3 years, unless otherwise extended or terminated in accordance with its terms.

The Company incurred an expense of \$35,481 (2010: \$57,757) (some of which has been capitalised to exploration assets) during the reporting period and the balance owing at 30 June 2011 was nil (2010: \$9,442).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 21. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

(d) Agreements with Key Management Personnel

(iv) *Service Agreement with Neogold Enterprises Pty Ltd*

On 10 November 2009, the Company entered into a service agreement with Neogold Enterprises Pty Ltd ("Neogold"), a company related to Mr Heath Hellewell, ("Service Agreement") effective from the date of official quotation of the Shares on ASX. Under the Service Agreement Neogold is engaged by the Company to provide services to the Company in the capacity of Technical Director. Neogold is to be paid a daily rate of \$800 per day for a minimum of 100 days work per year and maximum of 200 days per year. During the year ended 30 June 2011, this daily rate has been increased to \$955 per day.

Neogold will also be reimbursed reasonable expenses.

The Service Agreement continues for a period of 3 years, unless otherwise extended or terminated in accordance with its terms.

The Company incurred an expense of \$298,253 (2010:\$92,764) during the reporting period and the balance owing at 30 June 2011 was \$23,254 (2010: \$22,964).

(v) *Service Agreement with Wolfstar Group Pty Ltd*

On 12 August 2009, the Company engaged Wolfstar Group Pty Ltd ("**Wolfstar Group**") for the period of six months (or such longer period as the parties may agree) from 12 August 2009 to act as manager of its initial public offering, and to provide financial and corporate advice and assistance in connection with the Offer. Wolfstar Group is a related party of the Company by virtue of it being controlled by Brett Fraser and Jay Stephenson (both Directors of the Company).

In consideration for the services provided, Wolfstar Group is entitled to the following fees:

- a monthly retainer of \$6,000 (plus GST) for a maximum of four months prior to the Offer;
- work fees of 1.5% of the total capital raised under the Offer payable on admission of the Company to the Official List; and
- ongoing Company Secretarial and CFO fees of \$7,500 per month for the first 12 months following the admission to the Official List.

The Company will reimburse Wolfstar Group for all reasonable out-of-pocket expenses incurred including, but not limited to, printing, courier and travel, and of any other advisers and consultants which may be required.

The Company incurred fees of \$90,285 (2010: \$152,604) (excluding Brett Fraser's director fees) during the reporting period and the balance owing at 30 June 2011 was \$8,277 (2010: \$8,250) (excluding Brett Fraser's director fees).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 21. KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

(d) Agreements with Key Management Personnel

(vii) *Employment contract with Mark Cossom*

On 14 September 2010, the Company entered into an employment contract with Mark Cossom. Mr Cossom is employed by the Company in the capacity of Development Manager and is to be paid an annual salary of \$230,000 per annum plus superannuation. Mr Cossom will also be reimbursed reasonable expenses. Upon the completion of a 3 month employment probationary period, the Company will issue Mr Cossom 150,000 options to purchase ordinary shares in the Company. These options will expire 4 years from the issue date exercisable at 145% of the average trading price of the Company on the five business days immediately preceding Mr Cossom's commencement date.

The employment contract continues until it is replaced or until it is terminated in accordance with its terms. Mr Cossom will have an annual pay review. If the employment contract is terminated Mr Cossom will be given 4 weeks' notice.

NOTE: 22. FINANCIAL RISK MANAGEMENT

Risk management has focused on limiting liabilities to a level which could be extinguished by sale of assets if necessary.

The Company's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company is engaged in mineral exploration and evaluation, and does not currently sell product and derives only limited revenue from interest earned.

Risk management is carried out by the Board as a whole and no formal risk management policy has been adopted but is in the process of development.

The fair value of the Company's financial assets and liabilities approximate their fair value.

The Company holds the following financial instruments:

	2011	2010
	\$	\$
Financial assets		
Cash and cash equivalents	19,970,229	6,961,278
Trade and other receivables	348,077	30,017
	<u>20,318,306</u>	<u>6,991,295</u>
Financial liabilities		
Trade and other payables	1,031,244	516,782
	<u>1,031,244</u>	<u>516,782</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 22. FINANCIAL RISK MANAGEMENT

(a) Market risk

- (i) *Price risk*
The Company's financial assets are not currently exposed to commodity price risk.
- (ii) *Fair value interest rate risk*
Refer to (d) below.

(b) Credit risk

Credit exposure represents the extent of credit related losses that the Company may be subject to on amounts to be received from financial assets. Credit risk arises principally from trade and other receivables including related party loans. The objective of the Company is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Company trades only with creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is insignificant. The Company's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the Statement of Financial Position.

The credit quality of the financial assets was high during the period. The table below details the credit quality of the financial assets at the end of the period:

	Credit Quality	2011 \$	2010 \$
Financial assets			
Cash and cash equivalents			
- interest-bearing deposit	High	19,970,229	6,961,278
Trade and other receivables			
- Amounts deposited against bank guarantees	High	73,222	10,106
- Loans to Directors	High	-	4,913
- Loans to other third parties	High	1,362	14,998
- Interest income receivable	High	273,493	-
		20,318,306	6,991,295

No impairment losses have been recorded on the loans to Directors or on loans to other third parties at 30 June 2011 and 30 June 2010.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 22. FINANCIAL RISK MANAGEMENT

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The objective of the Company is to maintain sufficient liquidity to meet commitments under normal and stressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the lack of material revenue, the Company aims at maintaining flexibility in funding by maintaining adequate reserves of liquidity.

The Company did not have access to any undrawn borrowing facilities at the reporting date.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements.

	Carrying Amount	Contractual Cash flows	< 3 months	3 -6 months	6-24 months
Trade and Other Payables:					
At 30 June 2011	1,031,244	1,031,244	1,031,244	-	-
At 30 June 2010	516,782	516,782	516,782	-	-

(d) Cash flow and fair value interest rate risk

From time to time the Company has significant interest bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. The interest rate risk arises on the rise and fall of interest rates. The Company's income and operating cash flows are not expected to be materially exposed to changes in market interest rates in the future and the exposure to interest rates is limited to the cash and cash equivalents balances.

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is below:

	Floating interest rate \$A	Non- interest bearing \$A	2011 Total \$A	Floating interest rate \$A	Non- interest bearing \$A	2010 Total \$A
Financial Assets						
Cash and cash equivalents	19,970,229	-	19,970,229	6,961,278	-	6,961,278
Receivables	73,222	274,855	348,077	-	30,017	30,017
	20,043,451	274,855	20,318,306	6,961,278	30,017	6,991,295
Weighted average interest rate	3.68%			1.29%	-	-
Financial Liabilities						
Trade and other creditors	-	1,031,244	1,031,244	-	516,782	516,782
	-	1,031,244	1,031,244	-	516,782	516,782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE: 22. FINANCIAL RISK MANAGEMENT

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased or decreased the Company's equity and profit or loss by \$199,702 (2010: \$69,613).

(e) Financial risk management

The Company's financial instruments consist mainly of deposits with banks and accounts receivable and payable. The main purpose of non-derivative financial instruments is to provide finance for the Company's operations.

(f) Net fair value of financial assets and liabilities

The net fair value of cash and cash equivalents and short term non-interest bearing monetary assets and financial liabilities approximates their carrying values.

NOTE: 23. AUDITOR'S REMUNERATION

Details of the amounts paid to the auditor of the Company, MGI Perth Audit Services Pty Ltd, and its related practices for audit and non-audit services provided during the period are set out below.

	2011	2010
	\$	\$
Auditors Services		
Audit and review of financial reports (MGI Perth Audit Services Pty Ltd)	21,725	20,000
Other Services		
Financial statement preparation assistance (MGI Perth)	-	6,000
Taxation services	6,500	-
	<u>6,500</u>	<u>6,000</u>

NOTE: 24. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' DECLARATION

- 1 In the opinion of the Directors of Doray Minerals Limited ('the Company'):
 - (a) the financial statements and notes as set out on pages 26 to 60, and the Remuneration Report in the Directors' Report as set out on pages 18 to 23, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
 - (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a);
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
 - (d) the remuneration disclosures that are set out on pages 18 to 23 of the Directors' Report comply with the Australian Accounting Standard AASB 124 *Related Party Disclosures*.
- 2 The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the year ended 30 June 2011.

Signed in accordance with a resolution of the Directors:

Dated at Perth on 28 of September 2011.



Brett Fraser
Chairman of the Board of Directors

Lead auditor's independent declaration under section 307C of the Corporations Act 2001

To the directors of Doray Minerals Limited,

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2011 there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

MGIPAS

MGI Perth Audit Services Pty Ltd

Amar Nathwani

**Amar Nathwani CA, B.ENG
Director**

Perth, 28 September 2011

Independent auditor's report to the members of Doray Minerals Limited

Report on the financial report

We have audited the accompanying financial report of Doray Minerals Limited, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the Company.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2(a), the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Opinion

In our opinion:

- (a) the financial report of Doray Minerals Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2(a)

Report on the remuneration report

We have audited the remuneration report included of the directors' report for the year ended 30 June 2011. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the remuneration report of Doray Minerals Limited for the year ended 30 June 2011, complies with Section 300A of the *Corporations Act 2001*.

MGIPAS

MGI Perth Audit Services Pty Ltd

Amar Nathwani

Amar Nathwani CA, B.Eng
Director

Perth, 28 September 2011

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

The following additional information is required by the Australian Stock Exchange Ltd in respect of listed public companies only.

Shareholding as at 27 September 2011

Distribution of Shareholders

Category (size of holding)	Number Ordinary
1 – 1,000	170
1,001 – 5,000	620
5,001 – 10,000	512
10,001 – 100,000	74
100,001 – and over	14
	1,390

The number of shareholdings held in less than marketable parcels is 75.

Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

20 Largest Shareholders — Ordinary Shares as at 27 September 2011.

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1. MR ALLAN KELLY <KELLY FAMILY A/C>	6,390,000	8.53
2. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,096,057	6.81
3. NEDLANDS NOMINEES PTY LTD <WINDANDSEA INVESTMENTS A/C>	4,000,000	5.34
4. DEBNAL PTY LTD	2,500,000	3.34
5. LION SELECTION GROUP	2,430,000	3.25
6. ZAIDE NOMINEES PTY LTD	1,653,281	2.21
7. YARANDI INVESTMENTS PTY LTD <GRIFFITH FAMILY NO 2 A/C>	1,595,187	2.13
8. TOKEN NOMINEES PTY LTD	1,545,514	2.06
9. GASMERE PTY LTD	1,371,656	1.83
10. FINANCE ASSOCIATES PTY LTD <SUPER FUND A/C>	1,150,000	1.54
11. INVIA CUSTODIAN PTY LIMITED <GSJBW MANAGED A/C>	1,101,785	1.47
12. WISEVEST PTY LTD	1,090,000	1.46
13. PERMGOLD PTY LTD <SECKOLD FAMILY S/F A/C>	1,008,906	1.35
14. MR MICHAEL BUSHELL	921,904	1.23
15. RON MEDICH PROPERTIES PTY LIMITED <CAPITAL COOK A/C>	800,000	1.07

TENEMENT SCHEDULE

Lease	Status	Project	Name	Expiry Date	Ownership
South Australia					
EL4432	Granted	SA_Hicks	Hicks	1/02/2012	Doray 100%
EL4743	Granted	SA_Kingonya	Centre Hill	10/05/2012	Doray 100%
EL2011/114	Application	SA_Nuckulla Hill	Streaky Bay	-	Doray 100%
EL2011/74	Application	SA_Nuckulla Hill	Pimba	-	Doray 100%
EL4302	Granted	SA_Nuckulla Hill	Nuckulla Hill	24/08/2012	Doray 100%
EL4407	Granted	SA_Nuckulla Hill	Nuckulla Hill	23/12/2011	Doray 100%
EL4473	Granted	SA_Nuckulla Hill	Nuckulla Hill	26/04/2011**	Doray 100%
EL3580	Granted	SA_Venture JV	Harris Bluff	20/06/2011**	Doray 49% (diluting to 10%)
Western Australia					
E51/1334	Granted	WA_Abbotts	Abbots	21/07/2015	Doray 80%
P51/2578	Granted	WA_Abbotts	Granite Well	6/09/2013	Doray 80%
P51/2579	Granted	WA_Abbotts	Granite Well	6/09/2013	Doray 80%
E51/1217	Granted	WA_Andy Well	Andy Well	21/01/2013	Doray 80%
M51/870	Application	WA_Andy Well	Andy Well	-	Doray 80%
E20/747	Application	WA_Cootharra	Cootharra	-	Doray 100%
E21/140	Granted	WA_Magnet North	Lake Austin	27/07/2016	Doray 80%
E58/382	Granted	WA_Magnet North	Magnet North	22/03/2016	Doray 80%
E51/1335	Granted	WA_Mingah	Mingah	21/07/2015	Doray 80%
E51/1218	Granted	WA_Side Well	Side Well	21/01/2013	Doray 80%
E51/1407	Application	WA_Side Well	Side Well	-	Doray 80%
P51/2573	Granted	WA_Side Well	Side Well	20/05/2013	Doray 80%
P51/2574	Granted	WA_Side Well	Side Well	20/05/2013	Doray 80%
P51/2575	Granted	WA_Side Well	Side Well	20/05/2013	Doray 80%
P51/2576	Granted	WA_Side Well	Side Well	20/05/2013	Doray 80%
P51/2577	Granted	WA_Side Well	Side Well	20/05/2013	Doray 80%
E20/515	Granted	WA_Tuckanarra	Tuckanarra	3/07/2011	Doray 100%
E20/716	Granted	WA_Tuckanarra	Tuckanarra	29/07/2015	Doray 100%
E20/725	Granted	WA_Tuckanarra	Tuckanarra	18/02/2016	Doray 100%
E51/919	Granted	WA_Tuckanarra	Tuckanarra	19/01/2013	Doray 100%
P20/2057	Granted	WA_Tuckanarra	Tuckanarra	5/08/2013	Doray 100%
P20/2075	Granted	WA_Tuckanarra	Tuckanarra	20/05/2014	Doray 100%
P51/2631	Granted	WA_Tuckanarra	Tuckanarra	23/09/2014	Doray 100%
E20/757	Application	WA_Webbs Patch	Webbs Patch	-	Doray 100%
E21/135	Granted	WA_Webbs Patch	Webbs Patch	4/03/2015	Doray 100%

TENEMENT SCHEDULE

Lease	Status	Project	Name	Expiry Date	Ownership
Western Australia					
E21/138	Granted	WA_Webbs Patch	Blacktank Well	2/03/2016	Doray 100%
E21/139	Granted	WA_Webbs Patch	Webbs Patch	6/01/2016	Doray 100%
E21/154	Application	WA_Webbs Patch	Webbs Patch	-	Doray 100%
E58/374	Granted	WA_Webbs Patch	Blacktank Well	6/01/2016	Doray 100%
E58/383	Granted	WA_Webbs Patch	Blacktank Well	6/01/2016	Doray 100%
P21/696	Granted	WA_Webbs Patch	Webbs Patch	18/03/2014	Doray 100%
P21/697	Granted	WA_Webbs Patch	Webbs Patch	18/03/2014	Doray 100%
P21/698	Granted	WA_Webbs Patch	Webbs Patch	18/03/2014	Doray 100%
P21/699	Granted	WA_Webbs Patch	Webbs Patch	18/03/2014	Doray 100%
P21/700	Granted	WA_Webbs Patch	Webbs Patch	18/03/2014	Doray 100%
E59/1643	Application	WA_Western Queen	Western Queen		Doray 80%

** Renewal in Progress