

## ASX Announcement

14 December 2010

### **DORAY TO RAISE UP TO A\$21M VIA PLACEMENT AND SPP**

- **\$18M Placement to accelerate Andy Well Project**
- **\$3M Share Purchase Plan announced**

#### **Placement**

Doray Minerals Limited (ASX: DRM) is pleased to announce that it has received commitments from institutional and sophisticated investors for a Placement of 13.85 million Shares at \$1.30 per Share to raise \$18 million (Placement). The Placement will occur in two tranches:

- Tranche 1 is for 8,308,000 shares (Tranche 1 Shares) and falls within the Company's 15% capacity.
- Tranche 2 is for 5,538,154 shares (Tranche 2 Shares) and will be subject to Shareholder approval at a general meeting to be held on 20 January 2011.

The Placement, which was heavily oversubscribed, was managed by Shaw Corporate Finance Pty Limited.

The Company's Managing Director, Mr Allan Kelly, said "The overwhelming demand for this placement was particularly strong and we welcome the introduction of a number of institutional investors to our register. We see this as a great vote of confidence, not only in the company's results so far, but also in the prospects of the company going forward."

The funds will primarily be 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.

Mr Kelly said "This Placement, and Share Purchase Plan, gives us the working capital and shareholder backing to get on with the job of developing Doray into a significant West Australian gold explorer and producer by uncovering the potential of our current assets."

#### **Share Purchase Plan**

The Company is also pleased to announce that it has adopted a Share Purchase Plan (Plan) and that an offer will be made under the Plan to all of the Company's shareholders registered at 5pm, WST on 13 December 2010 (Record Date) with a registered address in Australia or New Zealand (Eligible Shareholders).

Eligible Shareholders will each be entitled to apply in parcels up to \$15,000 of new fully paid ordinary shares in the Company (Shares). The subscription price for each Share will be \$1.30 per Share, the same price as the Placement, which is approximately a 16% discount to the volume-weighted average trading price of the Company's shares on ASX during the 5 days immediately prior to the date of this announcement on which trades occurred in the Shares. The maximum amount to be raised under the Share Purchase Plan will be capped at \$3 million.

The attached offer document containing all relevant information will be mailed to Eligible Shareholders on 15 December 2010.

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For further information, please contact

Allan Kelly  
Managing Director  
Doray Minerals Limited  
+61 (0)8 9226 0600  
[info@dorayminerals.com.au](mailto:info@dorayminerals.com.au)

Ann M Nahajski  
Director  
AMN Corporate  
+61 (0)4 00 205 433  
ann@amncorporate.com

### **About Doray Minerals**

Minerals explorer **Doray Minerals Limited** (ASX: DRM) listed on the ASX in February 2010 with the aim of acquiring and developing highly prospective mineral properties.

Doray is currently exploring for large economic gold deposits in WA and South Australia. The immediate focus for the Company is on the Andy Well gold project (Doray 80%), within one of Australia's well endowed, but underexplored gold provinces, the Murchison Region in WA.