

Doray Tips Production by late 2012
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The gold explorer behind the highest grade virgin gold discovery in Australia says it expects to have the deposit in production by late in 2012.

Addressing the first day in Perth today of the Paydirt 2011 Gold Conference, Doray Minerals Limited's Managing Director, Mr Allan Kelly, said initial concept work done to date presented a maiden production startup timeline of December next year for the Company's 80% owned Andy Well project, northeast of Meekatharra in Western Australia.

Andy Well's key high grade Wilber Lode - the focus of first production scheduling - already hosts an initial Inferred and Indicated resource of 174,000 ounces of gold.

Mr Kelly said the 2011 exploration and development program aimed at further resource upgrades in both the September and December quarters, initiation and award of the mining lease by year's end, mining studies work and commencement in the imminent June quarter of scoping and feasibility studies.

Permitting and first construction work would commence by the end of this year.

"The gold recoveries from the Wilber Lode have been excellent so far with average gravity recoveries of in excess of 85% gold and total recoveries in excess of 98%," Mr Kelly said.

"These are strong pointers to Andy Well emerging with potentially very low cash costs per ounce," Mr Kelly said.

"We will also be testing this year for depth extensions to the Wilber Lode matched by supportive aircore and reverse circulation drilling elsewhere on the tenement as we believe Andy Well can host multiple economic deposits."

Doray was recognised by market analysts as the best performing IPO on the ASX in calendar 2010 with the Company focused on evolving its multi-projects within the Murchison Belt as a new regional "one million ounce gold camp".

Andy Well has had very little modern day drilling - giving the project Mr Kelly says, "substantial and very profitable upside"

The current Wilber Lode is 200 metres long with a two to three metre thick quartz lode and consistent high grades through its structure.

It has only been drilled to 230 metre depth with the mineralisation open at depth.