

Analyst: Peter Kopetz

DORAY MINERALS (DRM)

\$0.665

SPECULATIVE BUY

Price Target: N/A



Source: Aegis

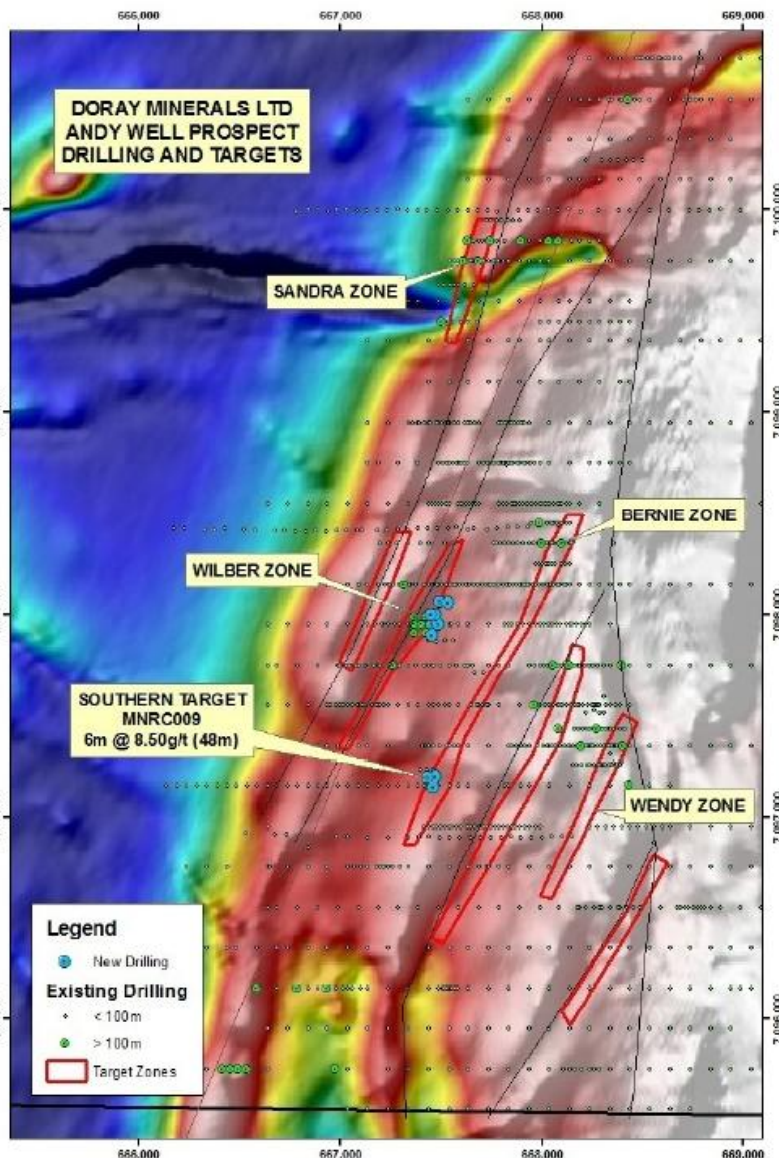
Investment Data (AUD\$)	
Share Price (\$)	0.665
Ord Shares (m)	55
Market Cap (\$'m)	36.5
EV (\$'m)	29.5
EV (\$'m) (diluted)	40
Options (m)	15.6
Net (Debt)/Cash (\$'m)	7
12mth Low/High	0.15/1.10



Source: DRM

DRM listed in Feb 2010 after acquiring a number of prospective tenements from private investors/companies in the Murchison region of WA and SA. Previous drilling on some of the properties by majors were not followed up even though they showed promise and the first 10 hole program at Andy Well prospect recently completed by DRM has come up with exceptional gold results.

Andy Well drilling program was designed to test the previous reported drilling and results thus far have exceeded all expectations with intersections of 10m @ 34.4g/t Au; 7m @ 67.77g/t Au & 5m @ 58.73g/t Au. Andy well is shaping up as a medium size (~200Koz) shallow high grade multiple quartz lode deposit. At this stage the Wilber zone and Bernie Zone have been tested to date but there is scope for other zones to display similar characteristics. Follow up drilling has commenced at Andy Well.



DRM's other assets are also very prospective for gold especially the recently acquired Webbs Patch which is adjacent to 1Moz Tuckabianna (Silver Lake). This area has ready to drill targets and already hosts a small 6.6Koz @ 4.7g/t Au JORC deposit. Some of the previous drilling produced intersections of 7m @ 3.07g/t Au; 5m @ 8.36g/t Au @ 3m @ 7.17g/t Au. DRM has competent management with excellent area knowledge and ~\$7m in cash. Spec Buy.

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