

## DORAY ANNOUNCE SIGNIFICANTLY IMPROVED LIFE OF MINE PLAN

Doray Minerals Limited (“Doray” or “the Company”) (ASX: DRM) is pleased to announce a significantly improved Life of Mine plan (LoM) for the Deflector Gold Copper Mine.

### HIGHLIGHTS

- LoM plan extended to end of FY22 producing 43% more gold than previous plan
- Da Vinci presents a significant opportunity for future value creation and is not included in the current LoM plan
- Annual gold production to grow 30% on previous LoM to approximately 85,000 ounces per year
- Average gold head grade increased by 16% on previous LoM to 5.5g/t
- All-In Sustaining Cost over the LoM of \$1,070 per ounce falling from \$1,171 per ounce in the previous plan
- A \$10m exploration investment in FY19 to be focused on the Deflector corridor as a potential source of additional annual production and project life from FY23 onwards

Commenting on the updated LoM model, Doray’s Managing Director Leigh Junk said, “Doray’s focus on operational efficiency, understanding the ore body and cash generation has culminated in a much improved Life of Mine model. The new outlook demonstrates a far more robust operation that produces 43% more gold than the previous plan.

I believe there is still significant room for future value creation including potential additions to the production profile from the Da Vinci lodes, which have recently been the focus of an intensive Resource definition drilling campaign. These lodes will be evaluated for their mining potential in an upcoming Prefeasibility Study and could underpin significant, sustainable production growth. This supports our view that Deflector, in terms of its stage of life, is still only in its infancy and has a future mine life potential of greater than five years.

In addition, our increased knowledge of the structural controls of the Deflector ore body, along with the relatively untested near-mine corridor, provide significant targets for additional discoveries in the short to medium term. Doray’s ten million dollar exploration investment at Deflector in FY19 will fast track these opportunities as part of a three-year discovery and production profile enhancement strategy.”

	Units	Total
Tonnes Milled	kt	2,200
Head Grade Au	g/t	5.5
Head Grade Cu	%	0.4
Gold Produced	oz	340,000
Copper Produced	t	6,800
All-in Sustaining Cost (AISC)	\$/oz Au*	1,070

**Table 1: Summary of Deflector LoM model**

**Notes:** All production data rounded to two significant figures. Rounding errors may occur.

\*inclusive of copper credits

The updated Deflector LoM plan extends four years to the end of FY22, producing a further 340,000 ounces of gold and 6,800 tonnes of copper. Over the LoM the forecast annual production for Deflector has grown 30% to approximately 85,000 ounces of gold at an average All-In Sustaining Cost (AISC) of \$1,070 per ounce.

Total Deflector Mineral Resources have increased by 34% from 569,000 ounces to 762,000 ounces (after depletion of 75,000 ounces in FY18). The additional Resources were delineated at an average discovery cost of just \$25 per ounce. This LoM plan is based on the recently updated Mineral Resource estimate (see [ASX Release dated 11 July 2018](#)). The Company intends to carry out additional work focusing on converting more of the current Mineral Resources to Ore Reserves to further extend the life of mine.

As highlighted in the above release, there is a significant uplift in contained ounces due primarily to the discovery of new high grade lodes underpinning a material increase in estimated gold grade. There is also an increased geological understanding and updated interpretation of the mineralised system. The increased grade over the LoM has resulted in higher annual production levels, more gold produced and a lower AISC compared to the previous Deflector LoM plan.

### Gold Production Targets

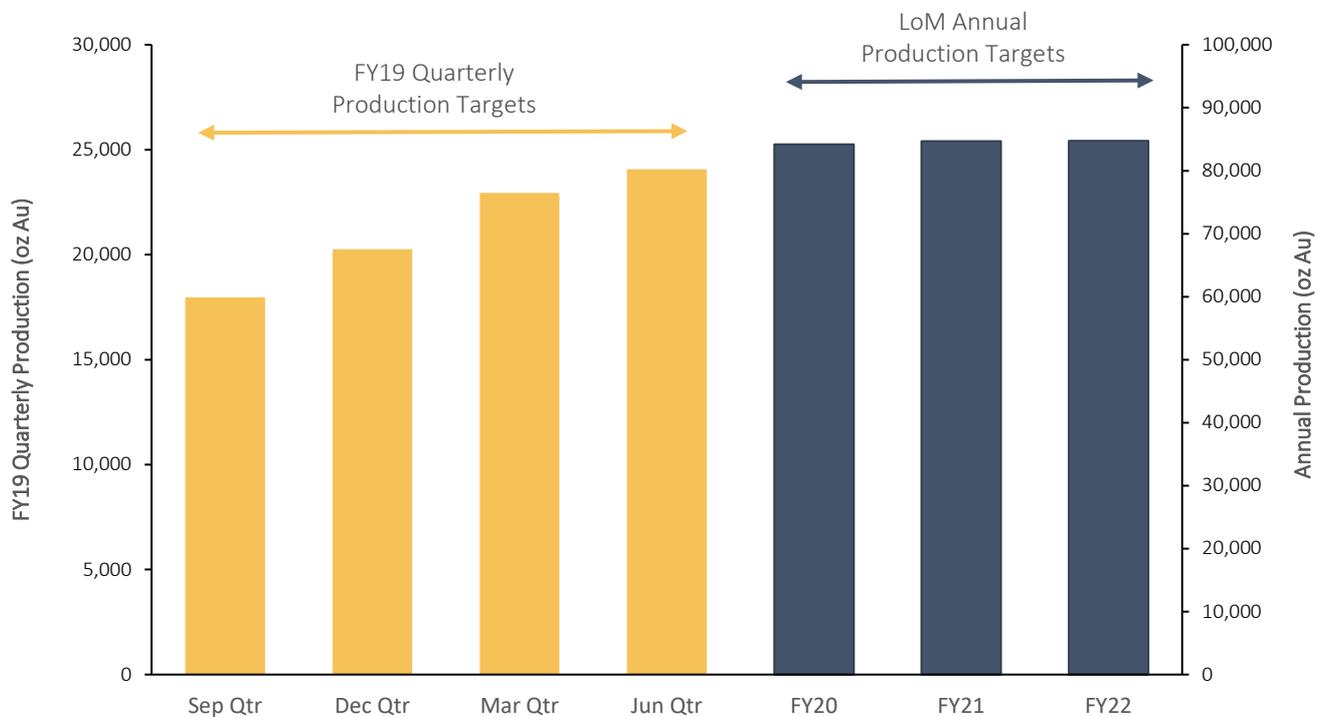


Chart 1: FY19 by Quarter and LoM Annual Gold Production

-ENDS-

**For further information, please contact:**

Leigh Junk  
 Managing Director  
 +61 8 9226 0600

## Competent Persons Statement

The information in this announcement regarding Exploration Results, Mineral Resources or Ore Reserves has been extracted from various Doray ASX announcements and are available on the Company's website at [www.dorayminerals.com.au](http://www.dorayminerals.com.au) or through the ASX website at [www.asx.com.au](http://www.asx.com.au) (using ticker code "DRM").

Doray confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in that market announcement continue to apply and have not materially changed. Doray confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.