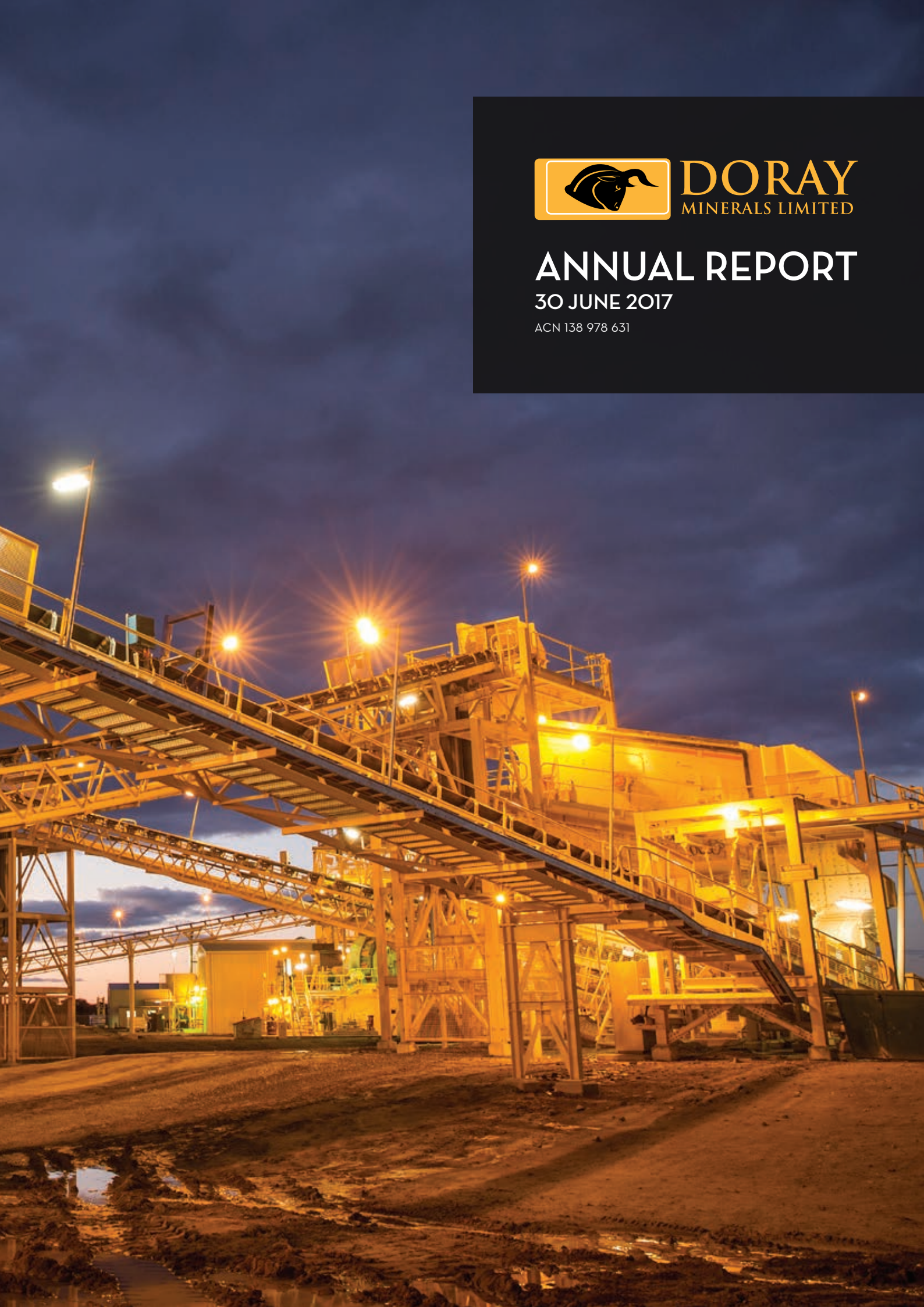

DORAY MINERALS LIMITED

ANNUAL REPORT

30 JUNE 2017

ACN 138 978 631

CORPORATE DIRECTORY

DIRECTORS

Julius Matthys	Non-Executive Chairman
Leigh Junk	Managing Director
Peter Alexander	Non-Executive Director
Jay Stephenson	Non-Executive Director

COMPANY SECRETARY

Iain Garrett

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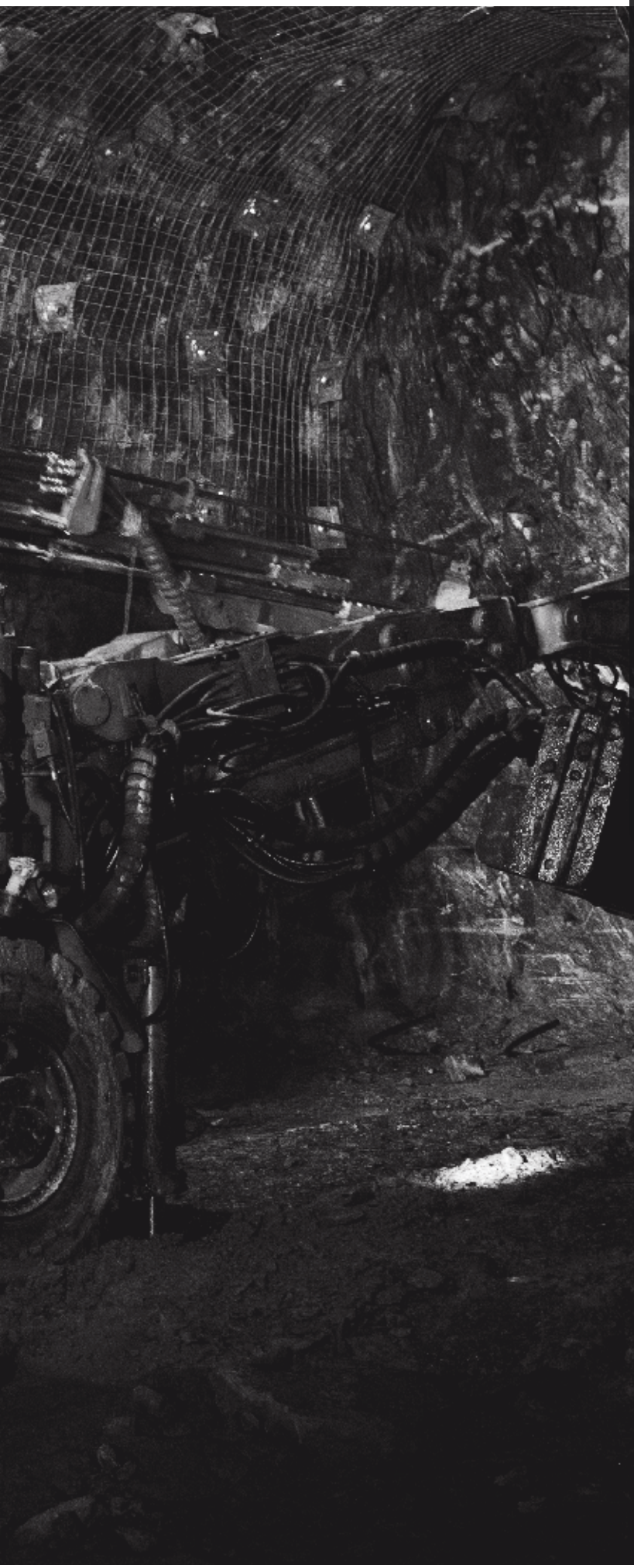
DORAY
MINERALS LIMITED



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CHAIRMAN'S LETTER

Dear Fellow Shareholder,

On behalf of the Board of Directors of Doray Minerals Limited ("Doray" or "the Company"), it is my pleasure to present the 2017 Annual Report.

The last 12 months has seen a number of personnel changes within the Company, from the operational level right through to the Board and management levels. Mr Leigh Junk was appointed as our new Managing Director in January 2017 and I, Julius Matthys, was appointed as the new Non-Executive Chairman in February 2017.

The Company would like to express its thanks to Mr Allan Kelly and Mr Peter Lester for their contribution to Doray Minerals and wish them well as they move on to other business interests.

Leigh Junk has lead a turnaround strategy at Doray with key outcomes being optimising the operations, cost reduction, debt reduction, focussing all exploration activities to near our existing mining operations and driving a culture of accountability.

Most importantly, our employees who are our most valuable asset, continued our strong culture of no Lost Time Injuries (LTI's) for the entire year. As at 30 June 2017, our safety performance stands at 1,392 LTI Free Days at the Andy Well Mine and 723 LTI Free Days at the Deflector Gold-Copper Mine.

It has been an extremely challenging year as the commissioning of the Deflector Gold-Copper Mine in the oxide and transitional ores presented problems in the processing plant. As well as producing gold bullion and a gold copper concentrate as expected, a third stream material was produced which was outside the contractual specifications of our customer. Under Leigh Junk and the new management team, the sale of the material was prioritised and a buyer was found that saw the material processed in Germany and the Company was able to realise approximately $20 million of contained value. The smelter in Germany has requested more of the material so Doray not only solved the issue, it has now established a customer for the product should the Company mine oxide ore in any future open pits.

The Deflector Gold-Copper Mine produced 49,129oz of gold at an AISC of $1,018 per ounce which included 4,599t of copper recognised as a by-product credit. The operation is now mining solely primary ore, which the plant was specifically designed for, and it is pleasing to see it now routinely exceed the name plate capacity.

Extensional drilling at Deflector has continued to show the outstanding potential of this mine to grow with an intersection of 18.1m at 65.3g/t gold and 0.4% copper. Mining analytics website Resource Reporting Intelligence has awarded this intersection as the most significant drill intersection announced on the ASX to date in calendar year 2017. We look forward to more drilling such as this that could add significant ounces beyond the current mine life at Deflector.

June 2017 saw an exciting discovery at Deflector as mineralisation was detected in drilling north of the dolerite dyke, which had previously been the interpreted northern boundary of the Deflector ore bodies. Follow-up drilling revealed massive sulphides and bonanza gold intersections we now interpret as an extension of the Deflector Western Lode north of the dolerite dyke. This new discovery has been named the Da Vinci Lode. The Da Vinci Lode already shows signs of continuous strike lengths of high-grade mineralisation and remains open along strike and at depth. The Da Vinci Lode has the potential to add significantly to the current Deflector mine life. Drilling will continue to target the Da Vinci Lode and search for the extension of the Deflector Central Lode.

I am sure shareholders can look forward to further good news from this exciting new discovery as our understanding and drill coverage increases.

MOST IMPORTANTLY, OUR EMPLOYEES WHO ARE OUR MOST VALUABLE ASSET, CONTINUED OUR STRONG CULTURE OF NO LOST TIME INJURIES (LTI'S) FOR THE ENTIRE YEAR.

The most difficult time in Doray's history came towards the end of FY2017 and the start of the new financial year as the Board made the hard decision to suspend mining at Andy Well at the end of October 2017 and transition the operations to care and maintenance. This decision was not made lightly given the pronounced effect it would have on our employees and the Company. However, this decision preserves the in-ground value of over 500,000oz that remain in the Resource of the underground mine at Andy Well. I am pleased to say that our Human Resources Department has assisted many of our employees effected by the Andy Well closure to gain new positions at Deflector or find alternative employment.

The Andy Well Mine produced 52,924 ounces of gold at an AISC of $1,517 per ounce for FY2017. It will continue to produce gold until the end of October 2017.

The future of the Andy Well operation now turns toward Gnaweeda, which is located 15kms away and has enormous potential for an open pit operation. Any new operation at Gnaweeda could potentially make use of the Andy Well Processing Plant and tolling or profit sharing with other companies in our immediate area to create a large mining operation with many avenues of production and revenue. The current 322,000oz Resource is the Turnberry Deposit within the Gnaweeda Project and our exploration team is already targeting other areas of near surface mineralisation within the broader Gnaweeda package. St. Anne's is one such area being drilled and we look forward to finding out how much bigger the entire Gnaweeda Project can become knowing that our Andy Well plant is near any new discovery we make. We are hopeful that through the Gnaweeda Project we will retain our status as a multiple asset company and the growth of Doray Minerals can continue.

My thanks go to our hardworking, highly skilled employees, led by Leigh Junk, for their incredible efforts in what has been a very difficult but important year in setting up the turnaround of our Company.

Finally, I would like to thank the Board of Doray Minerals for electing me as the Chairman of the Company and for their ongoing support over my first 6 months in the role.

On behalf of the entire Board I would also like to thank all of our shareholders for their ongoing support across another rewarding year.

Yours sincerely,

Julius Matthys
Non-Executive Chairman

COMPANY HIGHLIGHTS

HIGHLIGHTS

Achieved 1,392 days Lost Time Injury ('LTI') free at Andy Well and 723 days LTI free at Deflector

Produced 102,054oz of gold from Andy Well and Deflector, and 4,599t of copper from Deflector during the year

Drilled the first hole into the Da Vinci discovery at Deflector

Successfully recommissioned the Deflector gravity circuit Acacia Reactor to begin processing primary ore in mid-May 2017

FINANCIAL ACHIEVEMENTS

$183.0M
revenue from operations

$59.1M
cash flow from operations

$19.42M
received from the sale of Gold Copper Middlings product from Deflector

Repaid
$30.5M
in debt during the year


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OPERATIONS REVIEW

OVERVIEW - DEFLECTOR GOLD-COPPER PROJECT

Deflector was officially opened by The Hon. Sean L'Estrange MLA, Minister for Mines and Petroleum, on 26 October 2016. The project build was completed on-time and under budget, culminating in a first gold pour and a maiden shipment of gold-copper concentrate at the start of July 2016.

SAFETY

Deflector's excellent safety record was maintained over the course of FY2017 with the mining operations achieving 723 days LTI-free since the commencement of construction.

OPEN PIT MINING

The initial "starter" open pit mine at Deflector concluded in January 2017 with a total of 870,265 bank cubic metres (bcm) mined to produce 250,404 tonnes of oxide and transitional ore in the year. Mining of the open pit built up significant ore stocks which were supplemented by transitional and primary sulphide ore from the underground operations. The open pit oxide and transitional ore contained significant unexpected native copper "nuggets" which required a modification to the process circuit to ensure the non-flotation copper didn't overwhelm the gravity circuit intensive leach process and hinder gold recovery. These modifications saw the production of a third high-value product termed "Middlings" (in addition to the gold-silver doré and the gold-copper concentrate) which was marketed separately.

Table 1. Summary of Open Pit Mining Physicals

Mining	Units	Sep-16	Dec-16	Mar-17	Jun-17	YTD
Material moved	bcm	517,660	310,435	42,170	-	**870,265**
Ore mined	t	126,229	96,177	27,998	-	**250,404**
Gold grade	g/t	4.7	3.5	3.2	-	**4.1**
Ounces mined	oz	19,008	10,920	2,880	-	**32,809**
Copper grade	%	1.4	1.4	1.3	-	**1.4**
Copper mined	t	1,775	1,391	364	-	**3,530**

*Rounding may cause some perceived errors in totals

UNDERGROUND MINING

The Company's underground mining contractor, GBF Mining Services, was mobilised to site in May 2016, and the decline to access the planned underground workings had been advanced 77m at the start of FY2017. The decline was progressed in tandem with open pit mining and by the end of December 2016 the primary exhaust ventilation rise and second means of egress was completed, daylighting into the pit allowing the first underground stope firing in January 2017.

Underground capital mine development advanced 1,733m during the year with the decline face reaching 1,123mRL, 157m vertically below surface and 117m vertically below the portal. Decline advance was initially hampered by larger than expected water flows underground and temporary pumping capacity was added to ensure development continued as planned. At the end of the financial year the mine was establishing the first phase of major underground capital infrastructure such as a high voltage electrical sub-station, primary pumping station and return airway and escapeway extensions that provides a solid platform for the remainder of the mining operations.

Operating development of 2,800m for the year provided 145,810t @ 2.94g/t and 0.8% Cu over 11 active ore headings on the Western, Central and Contact Lodes providing access to the stoping areas for the coming year. As can be seen in Figure 1 below, stoping at year-end had been established on three levels; the Western Lode (1,200m RL and 1,180mRL) and the Contact Lode (1,165mRL). Total stoping output for the year was 33,400t @ 4.4g/t and 1.0%Cu. FY2018 will see the proportion of stoping to development ore will begin to trend towards the LOM average of approximately 70% stoping / 30% development.

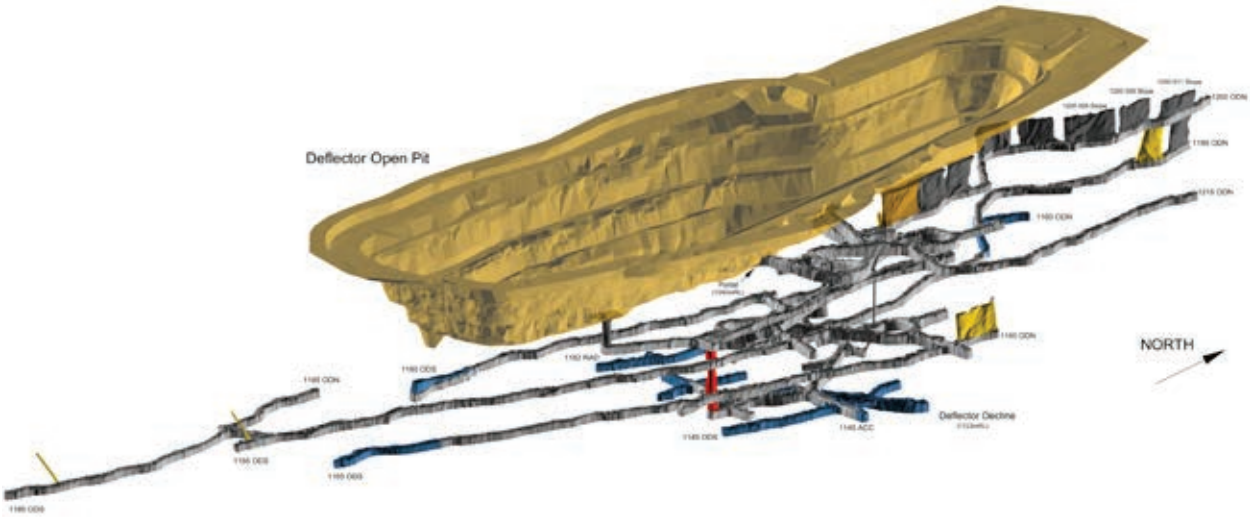

Figure 1. Deflector mine as at 30 June 2017

Figure 2 shows a typical Western Lode development face on the 1,140m RL level with the sulphide rich gold-copper lode visible.

Figure 2. 1,140m RL Ore Drive South showing the high sulphide gold-copper lode

Table 2. Summary of Underground Mining Physicals

Mining	Units	Sep-16	Dec-16	Mar-17	Jun-17	YTD
Ore mined	t	864	21,310	52,684	104,352	**179,210**
Gold grade	g/t	1.9	2.9	2.8	3.5	**3.2**
Capital development	m	556	418	315	446	**1,733**
Operating development	m	6	468	1,054	1,272	**2,800**
Ounces mined	oz	53	1,959	4,719	11,791	**18,522**
Copper grade	%	0.4	0.9	0.7	0.9	**0.8**

PROCESSING AND PRODUCTION

The Deflector processing plant was commissioned just prior to the commencement of the financial year. The first shipment of gold-copper concentrate to the receiving smelter was made in June 2016 and FY2017 saw the progressive ramp-up in throughput rates and recovery. The plant processed a diverse range of feeds throughout the year including all open pit oxide and transitional ore stocks, underground transitional ore and finally in May 2017 underground primary ore that now forms the predominant feed for the remainder of the current Ore Reserve.

The plant has exceeded annualised nameplate throughput (480,000 tpa) in both the June 2017 Quarter and June 2017 Half Year. The progression to 100% underground primary ore late in FY2017 has seen further improvements to throughput and recovery as would be expected with consistency of feed (note: the June 2017 Quarter statistics included a final treatment campaign of open pit oxide ore which is reflected in lower average recoveries). A further advantage of primary ore feed is that approximately 60%-70% of the recovered gold is produced onsite as doré which is quickly and cost effectively monetised compared with the more involved process for gold in concentrate or Middlings product.

Table 3. Summary of Processing Physicals (combined Open Pit and Underground ore sources)

Mining	Units	Sep-16	Dec-16	Mar-17	Jun-17	YTD
Ore milled	t	105,721	96,356	119,706	123,204	**444,987**
Gold grade	g/t	5.9	5.7	3.6	3.4	**4.5**
Copper grade	%	2.1	1.9	1.3	1.1	**1.6**
Gold Produced						
- Bullion	oz	3,624	4,677	4,998	5,499	**18,798**
- Concentrate	oz	5,203	4,035	4,457	4,353	**18,048**
- Middlings	oz	3,654*	4,984*	2,263*	1,381*	**12,283***
Total	oz	12,481	13,696	11,718	11,233**	**49,129****
Gold rec. (including Middlings)**	%	68%	87%	90%	84%	**81%**
Copper Produced	t	883	1,404	1,438	874	**4,599**
Copper rec. into Concentrate	%	40%	77%	89%	67%	**66%**
Concentrate Shipped	dmt	2,408	5,321	6,433	4,643	**18,806**
- Gold Grade	g/t	73.5	20.5	17.0	33.0	**29.2**
- Copper Grade	%	29.2	23.3	23.3	21.2	**23.5**

* As estimated by site sampling of the gold-copper Middlings product
** Includes ounces estimated by site sampling of the gold-copper Middlings product

CONCENTRATE OFF-TAKE AGREEMENT

Doray has an off-take agreement for 100% of the concentrate produced over Deflector's nominal Life of Mine (6 years from commencement of production) with MRI Trading AG ("MRI") for the commercial supply and sale of gold-copper concentrate. The agreement incorporates commercial terms and conditions typical of an agreement of this nature.

GOLD-COPPER MIDDLINGS

During the year the Company received $19.42 million from Lewer Corporation for two shipments of gold-copper Middlings product from the Deflector Mine. The material was shipped to a European smelter in two batches for processing and payment.

The final balancing payments for both shipments was outstanding at financial year-end and will be received on completion of the final Weighing, Sampling and Moisture Determination (WSMD) and umpire assay reconciliation (if required).

OVERVIEW - ANDY WELL GOLD PROJECT

The Andy Well mine produced 52,924 ozs of gold in the year at an All in Sustaining Cost of $1,517/oz. During the year the Company embarked on a programme of identifying potential operating cost reductions at Andy Well in response to forecast changes in production and cost profile as the mine increased in depth.

Subsequent to 30 June 2017, the decision has been made to suspend mining at the Andy Well at the end of October 2017 as the focus turns to the nearby Gnaweeda Project.

SAFETY

The excellent safety record at Andy Well has continued. The operation has had no mining-related Lost Time Injuries ("LTI's") since the commencement of construction in November 2012 and had achieved 1,392 consecutive days without an LTI to 30 June 2017.

UNDERGROUND MINING

Underground mining accessed both Wilber and Judy lodes on multiple levels during the year. Improvements in mining performance resulted in reduced stoping dilution and mining costs associated with capital development were improved as a result of contractual renegotiations and rescheduling. Optimisation of the stoping process continued, showing improvements with ground support using waste backfill resulting in some Judy stopes being extracted at a widths as narrow as 1.4m.

A revised mine plan was developed in early 2017 based on an updated geological model incorporating infill diamond drilling and a review of the structural geology. The aim of the plan was to ensure the site optimised cash flow while providing mine life sufficient to properly assess the potential of future production from Wilber Deeps and the Gnaweeda Project as a satellite open pit.

As these studies progressed, mining at Andy Well revealed a reduction in strike length of both Wilber and Judy ore bodies. As a result, gold production was reduced and unit costs of the operation remained high.

Consequently, subsequent to the end of the financial year the Board made the decision to shorten the current mine plan for the Andy Well underground mine, and from the end of October 2017 the Andy Well operation will be placed on care and maintenance (see ASX release 6 July 2017).

A total of 276,219 tonnes of ore was mined from Andy Well underground during the financial year at an average grade of 5.18g/t for 46,031 contained ozs.

Table 4. Summary of underground mining physicals

Underground Mining	Units	Sep-16	Dec-16	Mar-17	Jun-17	YTD
U/G ore tonnes mined	t	81,443	69,288	61,328	64,160	**276,219**
U/G grade	g/t	4.9	5.7	5.9	4.2	**5.2**
U/G contained ounces	oz	12,946	12,693	11,706	8,686	**46,031**

PROCESSING AND GOLD PRODUCTION

A total of 334,494 tonnes were milled at a reconciled head grade of 5.1g/t Au producing a total of 52,924 ounces of gold during the financial year. The treatment plant achieved availability of 99.0% and averaged a gold recovery of 96.2%.

Table 5. Summary of Processing and Gold Production

Processing	Units	Sep-16	Dec-16	Mar-17	Jun-17	YTD
Ore Milled	t	84,493	87,242	83,880	78,879	**334,494**
Mill Grade	g/t	5.6	5.3	5.1	4.3	**5.1**
Contained Gold	oz	15,328	14,925	13,630	10,939	**54,822**
Recovery	%	96.7	96.0	96.0	96.0	**96.2**
Gold Recovered	oz	14,821	14,335	13,082	10,525	**52,763**
Change in GIC	oz	(122)	(56)	40	(23)	**(161)**
Produced Gold	oz	14,943	14,391	13,042	10,548	**52,924**

COST PERFORMANCE

Cash operating costs (C1) for FY2017 full year were A$916/oz. All-In Sustaining Costs (AISC) were A$1,517/oz compared with an average gold price received of A$1,597/oz, resulting in an average margin of approximately A$80/oz.

Table 6. Andy Well - Summary of Cash Costs and AISC for FY2017

Cash Costs	**A$'000**	**A$/t**	**A$/oz**
Mining	31,678	115	599
Processing & Refining	11,456	42	216
Site Services	5,565	20	105
Bi-Product Credits	(207)	(1)	(4)
C1 – Total cash Operating Costs [1]	**48,492**	**176**	**916**
Depreciation	10,535	38	199
Amortisation	31,877	115	602
C2 – Cash Costs	**90,904**	**329**	**1,718**
Royalties	3,376	13	64
Net Bank Interest	1,117	4	21
Allocation of Head Office Costs	349	1	7
C3 – Cash Costs	**95,746**	**347**	**1,809**
All-In Sustaining Costs	**A$000**	**A$/t**	**A$/oz**
Mining	31,678	115	599
Processing and refining	11,456	41	216
Site Services	5,565	20	105
Mining Operating Costs	**48,699**	**176**	**920**
By-Product Credits	(207)	(1)	(4)
Royalties	3,375	12	64
Adjusted Mining Operating Costs	**51,867**	**187**	**980**
Corporate G&A	3,342	12	63
Reclamation & Remediation	176	1	3
Sustaining Exploration	3,640	13	69
Sustaining Capital Expenditure	21,279	78	402
All-In-Sustaining Cost (AISC) [2]	**80,304**	**291**	**1,517**

[1] - C1, C2 and C3 cash costs calculated in accordance with Brook Hunt methodology
[2] - AISC calculated in accordance with World Gold Council guidelines (except for the exclusion of non-cash P&L charges associated with the issue of employee options)

EXPLORATION AND GROWTH

Doray has a highly prospective exploration tenement portfolio covering a total of approximately 50,000km^2 in both Western Australia (WA) and South Australia (SA), through both its 100% owned and active Joint Venture earn-in projects.

Doray's growth strategy is focussed around building Resource and Reserve inventories within haulage distance of its established mining infrastructure, as well as exploring for new stand-alone gold operations within prospective mineralised provinces.

During the year, active exploration was undertaken in the northern Murchison region within 100km of the Andy Well Project, at the newly constructed Deflector Gold-Copper Mine as well as regional exploration at the Horse Well JV and the Mt Fisher JV, northeast of Wiluna in Western Australia.

Subsequent to the end of the year, Doray made the decision to withdraw from both the Mt Fisher JV in Western Australia, and the West-Gawler Gold Farm-in Agreement with Iluka Minerals Ltd in South Australia.

ANDY WELL

Extensional Exploration

During the year, underground diamond drilling at Andy Well continued to focus on extensions amenable to potential underground mining at the Wilber and Judy orebodies. These programmes are aimed at extending known Mineral Resources with subsequent conversion to Ore Reserves. Drilling was ongoing, with up to 3 drill rigs in operation.

This underground drilling campaign was successful in extending and enhancing the definition of high-grade gold mineralisation at both the Wilber and Judy Lodes. Drilling below the current Wilber Lode Ore Reserve intersected high-grade gold mineralisation in several holes at depths between 750 and 800mRL, approximately 680-730m below surface (Figure 3). Full details regarding drill intercepts are provided in the ASX Release dated 23 November 2016.

Significant assays received from the Wilber Lode extensional drilling programme include:

- WBUG1126 – **2.6m @ 70.1g/t Au** from 219.7mdh (True Width ~1.0m)
- WBUG1117 – **2.0m @ 25.2g/t Au** from 187.9mdh (True Width ~1.0m)
- WBUG1099 – **1.2m @ 19.8g/t Au** from 263.1mdh (True Width ~0.7m)
- WBUG1111 – **2.8m @ 9.5g/t Au** from 198.9mdh (True Width ~0.9m)
- WBUG1072 – **4.1m @ 20.3g/t Au** from 140.6mdh (True Width ~1.8m)
- WBUG1076 – **0.9m @ 43.7g/t Au** from 124.6mdh (True Width ~0.8m)

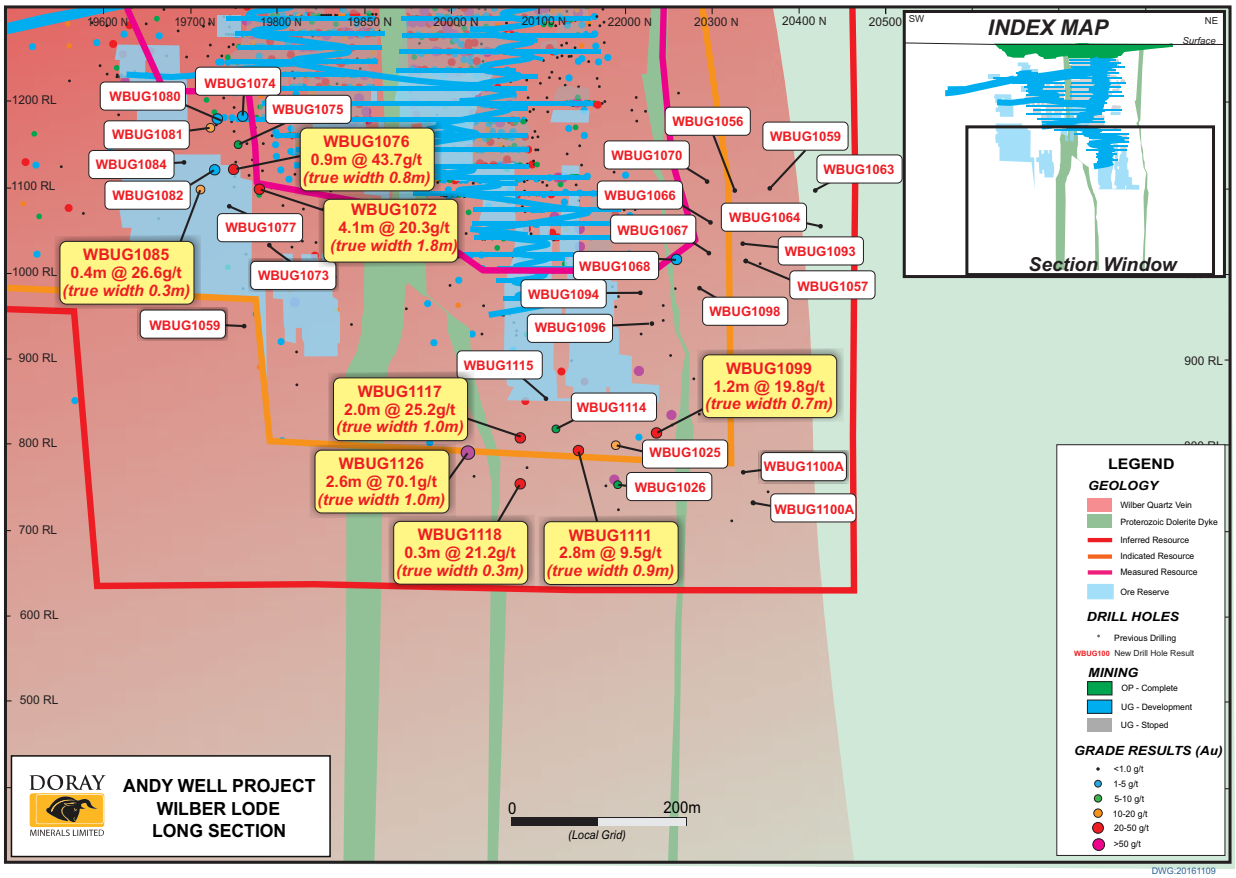

Figure 3. Wilber Lode long section showing diamond drilling results in relation to the current Resource and Reserve boundary

GNAWEEDA

The Turnberry Prospect ("Turnberry"), within the Gnaweeda Project ("Gnaweeda") is located approximately 15km south east of the Andy Well Gold Project, in the northern Murchison region of Western Australia and is considered prospective for gold mineralisation that could potentially be treated at the nearby Andy Well gold processing facility.

During the year, Doray announced a maiden Mineral Resource estimate for the Turnberry prospect at Gnaweeda (see ASX Release 20 July 2016). This Resource estimate of **4.6Mt @ 1.8g/t Au for 266,000ozs** (Inferred) was based on all RC drilling completed by Doray on Gnaweeda since it purchased the Project in 2014.

Following the completion of this estimate, a significant programme of RC and diamond drilling, totalling 21,000m RC and 1,000m DD was commenced at Turnberry. This programme was designed to infill the data spacing through the existing Inferred Mineral Resource, as well as testing potential extensions to mineralisation both along strike and at depth. A total of 121 Reverse Circulation ('RC') drillholes for 23,662m and 6 RC pre-collared drillholes with diamond tails for 1,571m were drilled. Drilling was designed to nominally infill the data density to approximately 40m x 40m, as well as follow-up on previously intersected mineralisation that was not included in the July 2016 Inferred Resource model due to a lack of data support, including TBRC043 which reported an intersection of **7m @ 41.3g/t Au** from 153m.

The programme was successful in both increasing confidence in the existing Resource area, as well as extending known mineralisation. Drilling generally intersected wide zones of mineralisation with smaller internal zones of higher grade mineralisation. In addition, follow up drilling around TBRC043 appears to have outlined a new high grade zone of the mineralisation.

Significant assay results returned from within the Turnberry Resource area include:

- TBDD002 – **14m @ 4.8g/t Au** from 72m and **11m @ 5.9g/t Au** from 104m
- TBDD003 – **6m @ 3.1g/t Au** from 275m
- TBDD004 – **4.1m @ 8.8g/t Au** from 231m
- TBDD005 – **18m @ 2.8g/t Au** from 41m
- TBRC074 – **12m @ 2.7g/t Au** from 54m and **8m @ 3.4g/t Au** from 162m
- TBRC076 – **17m @ 3.6g/t Au** from 52m
- TBRC088 – **23m @ 1.1g/t Au** from 44m
- TBRC092 – **18m @ 4.7g/t Au** from 192m
- TBRC104 – **3m @ 58.2g/t Au** from 88m
- TBRC118 – **10m @ 2.5g/t Au** from 38m
- TBRC121 – **18m @ 1.2g/t Au** from 50m
- TBRC125 – **2m @ 9.6g/t Au** from 166m
- TBRC130 – **8m @ 4.1g/t Au** from 28m
- TBRC131 – **13m @ 2.3g/t Au** from 165m
- TBRC142 – **2m @ 22.2g/t Au** from 111m
- TBRC143 – **2m @ 9.5g/t Au** from 81m
- TBRC160 – **14m @ 2.3g/t Au** from 61m
- TBRC171 – **25m @ 1.5g/t Au** from 30m

Full details of the drilling programme and results, along with all documentation as per the JORC Code (2012) can be found in the ASX release dated 27 January 2017.

Following completion of this major RC programme, Doray announced an updated Mineral Resource estimate for the Turnberry Deposit (see ASX Release dated 9 June 2017). The revised estimate resulted in a significant increase to the gold inventory of approximately 21%, and now stands at **5.5Mt @ 1.8g/t for 322,000 contained oz gold** (Indicated and Inferred – see Table 7 below). This Mineral Resource estimate is based on an open pit mining scenario and has utilised all Doray data available.

Figure 4 highlights the ore zone interpretations for this estimate.

Table 7. Gnaweeda Project Mineral Resource Estimate

	Indicated			Inferred			Total		
	Tonnes (Mt)	Grade (g/t)	Gold (oz)	Tonnes (Mt)	Grade (g/t)	Gold (oz)	Tonnes (Mt)	Grade (g/t)	Gold (oz)
Turnberry	1.2	2.6	101,000	4.3	1.6	221,000	5.5	1.8	322,000
Total	**1.2**	**2.6**	**101,000**	**4.3**	**1.6**	**221,000**	**5.5**	**1.8**	**322,000**

Note: Resources quoted above 0.8g/t Au lower cut-off. Various upper cuts applied to informing data. Rounding errors may occur.

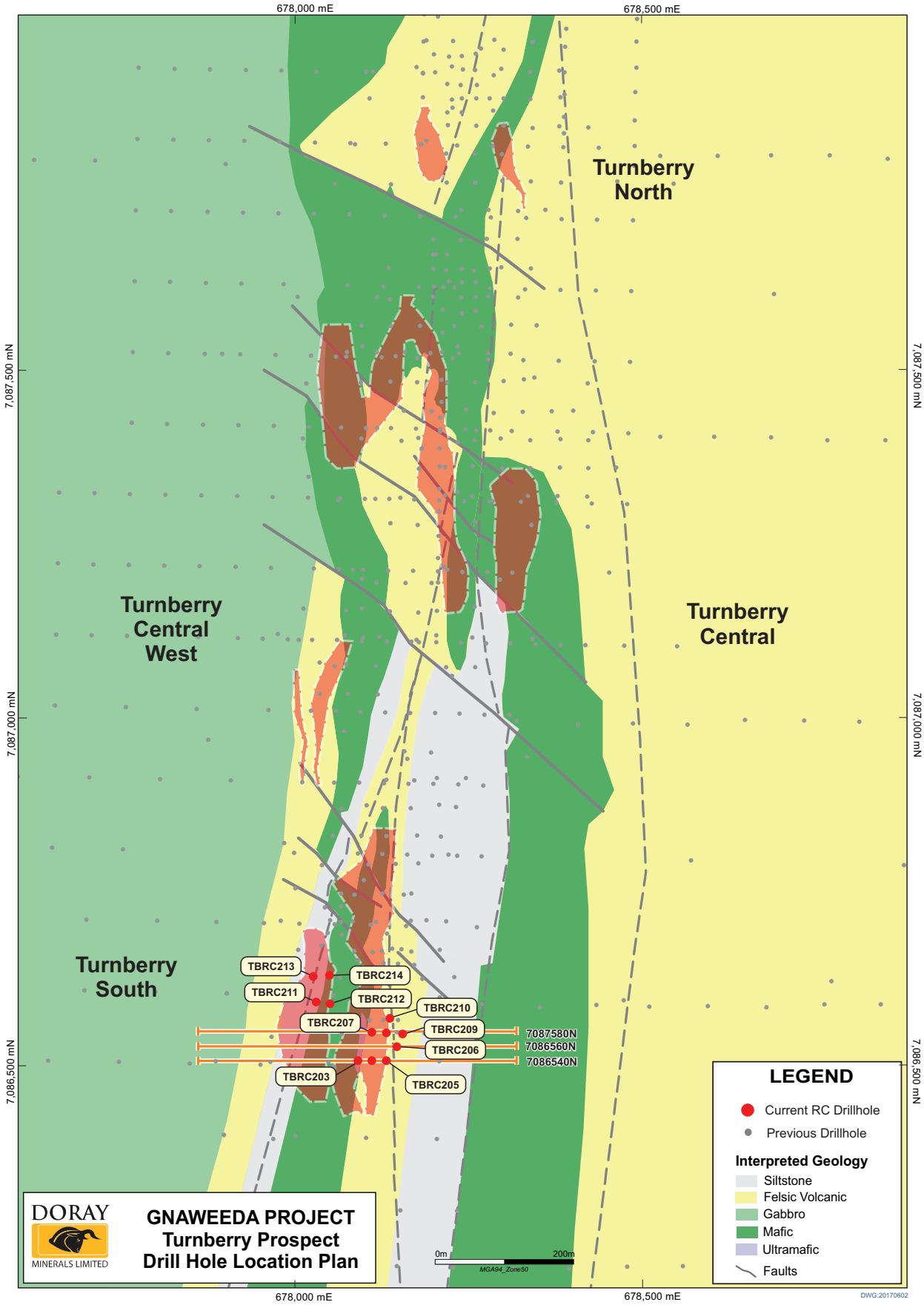

Figure 4. Turnberry Deposit, drill hole location plan for RC drilling with Mineral Resource interpretation

Following the results of this estimate, a further RC and diamond drilling programme was commenced, with an aim of infilling the areas of the Mineral Resource considered to have the highest potential for open pit mining. This drilling is infilling these areas to a nominal 20m x 20m drill density. Initial results received from the Turnberry South area of the Resource drilling have been highly encouraging (see ASX Release 9 June 2017). It has confirmed both the revised geological interpretation of mineralisation at Turnberry, as well as the continuity of grade within the interpreted mineralised zones. Significant assay results returned from within the Turnberry South area include:

- TBRC207 – **12m @ 11.6g/t Au** from 37m and **2m @ 18.6g/t Au** from 66m
- TBRC208 – **23m @ 7.1 g/t Au** from 69m (including **4m at 23g/t Au**)
- TBRC204 – **5m @ 9.4g/t Au** from 53m
- TBRC205 – **3m @ 10.1g/t Au** from 96m
- TBRC206 – **5m @ 15.3g/t Au** from 125m

A consistent high grade zone located at the base of the host dolerite unit is present within this Turnberry South area extending to within 15m from surface, as highlighted on the cross sections in Figure 5. This area of the Resource is being targeted for open pit mining with potential for this zone to be explored at depth as part of any future underground mining studies.

As well as the aggressive drilling, additional work was commenced for advancing the Turnberry prospect. This work included the commissioning of Flora and Fauna surveys, collection of hydrogeological data, and the completion of a site-wide heritage survey. These studies are essential for the rapid development of the Turnberry prospect. A Mining Lease application was lodged with the Department of Mines and Petroleum (M51/881) covering potential mine development and associated infrastructure for Turnberry. It should be noted that the Turnberry Prospect is covered by the existing Andy Well Native Title Agreement with the Yugunga-Nya People. In addition, a potential haulage route between Turnberry and the Andy Well processing facility was identified, with an application for a Miscellaneous Lease lodged.

In addition to exploration activities at Gnaweeda, Doray successfully purchased a legacy 1% NSR Royalty that applied to the Gnaweeda tenements from JA Bunting and Associates (see ASX Release dated 20 July 2016).

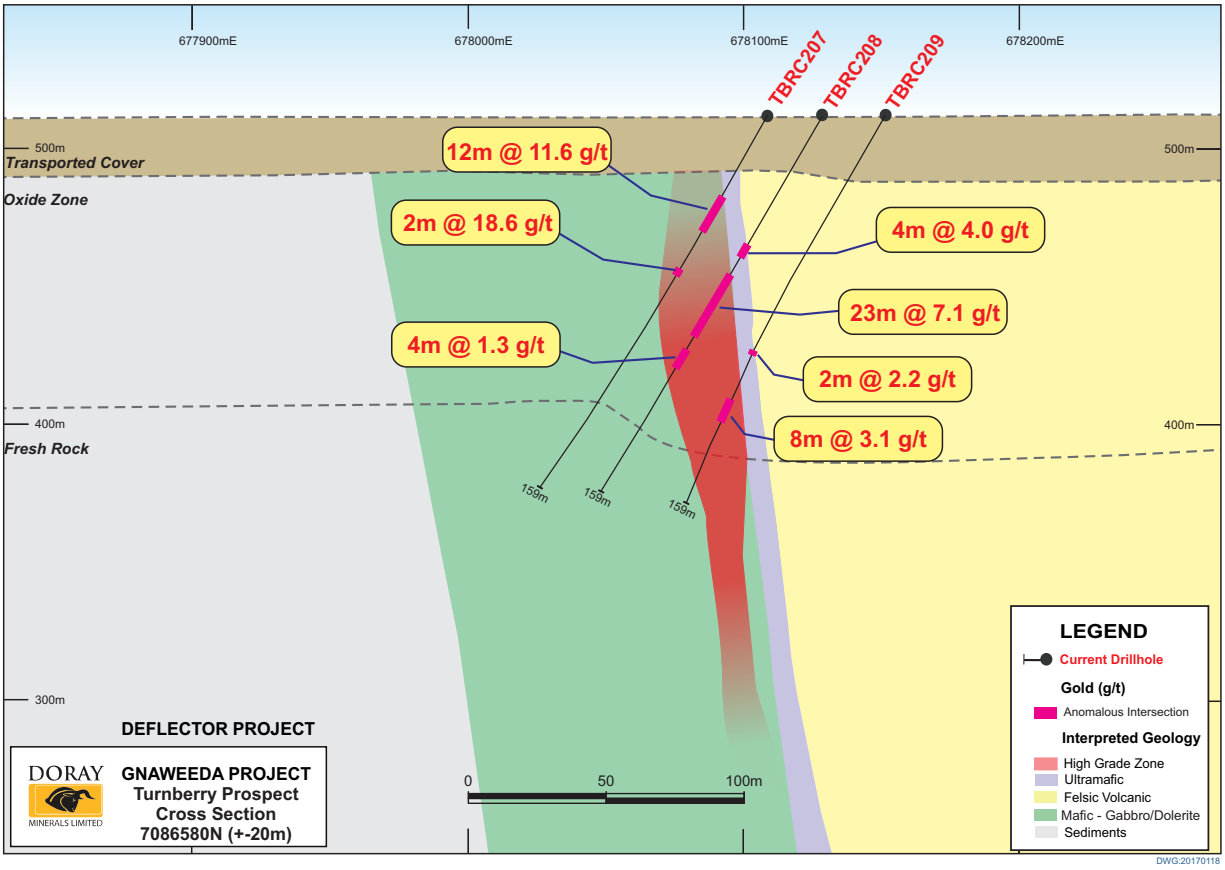

Figure 5. Turnberry Deposit, Drill hole cross-section 7087580mN

DEFLECTOR

Extensional Exploration

During the year, Doray commenced its first programme of extensional drilling on the main Deflector orebodies. This programme was aimed at confirming and extending known mineralisation at depth. To date, results have been excellent and confirm the persistence and tenor of high grade mineralisation at depth on both lodes.

Significant results returned include:

- DEDD010 – **0.87m @ 8.0g/t Au** and **0.7% Cu** from 204.5m (Western Lode)
- DEDD012 – **0.79m @ 23.1g/t Au** and **1.2% Cu** from 185.7m (Western Lode)
- DEDD013a – **1.4m @ 15.0g/t Au** and **0.2% Cu** from 318.5m (Western Lode)
- DEDD014a – **0.3m @ 349g/t Au** and **2.1% Cu** from 256.8m (Western Lode)
- DEDD019 – **0.3m @ 118g/t Au** and **3.7% Cu** from 92.3m (Contact Lode) *and* **0.3m @ 156g/t Au** and **1.0% Cu** from 306.3m (Central Lode)
- DEDD020 – **2.1m @ 10.9g/t Au** and **0.5% Cu** from 236.0m (Central Lode)
- DEDD021a – **3.1m @ 14.5g/t Au** (Cu pending) from 227.0m (Central Lode)
- DEDD024 – **1.6m @ 14.4g/t Au** and **0.4% Cu** from 290.0m (Central Lode)
- DEDD025 – **0.95m @ 56.3g/t Au** and **0.8% Cu** from 276.4m (Central Lode)
- DEDD026 – **1.1m @ 11.3g/t Au** (Cu pending) from 154.8m (Contact Lode) *and* **1.1m @ 14.4g/t Au** (Cu pending) from 300.3m (Central Lode)
- DEDD028 – **0.3m @ 17.2g/t Au** and **0.1% Cu** from 173.7m (Contact Lode)

In addition, drilling also targeted the northern end of the Western Lode, where drill coverage is much shallower than the rest of the Deflector deposit. Drilling in this area confirmed the continuity and tenor of mineralisation in this part of the Lode, with significant results including (see ASX Release 14 June 2017):

- DEDD031a – **2.6m @ 31.5g/t Au** and **3.9% Cu** from 191.2m (Western Lode)
- DEDD033 – **7.2m @ 13.1g/t Au** and **1.2% Cu** from 259m (Western Lode)
- DEDD032 – **5.5m @ 2.7g/t Au** (Cu pending) from 218m, including **1.3m @ 8.1g/t Au** (Western Lode)
- DEDD029 – **3.9m @ 6.2g/t Au** (Cu pending) from 193.5m (Western Lode)

Da Vinci Discovery

In completing this programme on the northern end of the Western Lode, drill hole DEDD031a, which was collared north of the dolerite dyke that marks the extent of the current orebody, intersected a strong mineralised lode shallow in the hole, at approximately 65m below surface. The intersection was consistent with that observed in the Western Lode of the main Deflector deposit, with quartz-carbonate veining and footwall massive sulphide development. These intersections returned assays of 0.95m @ 2.4g/t Au from 92.6m and 0.3m @ 6.8g/t Au and 1.2% Cu from 97.5m (see ASX Release 14 June 2017). This intersection is significant, in that it marks a new zone of mineralisation north of the existing orebodies, which has since been named the Da Vinci Lode.

Subsequent to the end of the year, further drilling in this new zone has continued to intersect significant mineralisation. An additional drill section, 40m along strike from DEDD031a, intersected mineralisation in DEDD045 and DEDD049 (see ASX Release 22 July 2017). Assays returned from DEDD045 were **0.8m @ 10.7g/t Au and 1.2% Cu** from 137.8m and **1.4m @ 106.2g/t Au and 4.4% Cu** from 166.1m. This new zone of mineralisation is illustrated in Figure 6 with respect to the current Deflector gold mine.

Additional drilling is underway to further test this new zone of mineralisation, stepping out further along strike to the north.

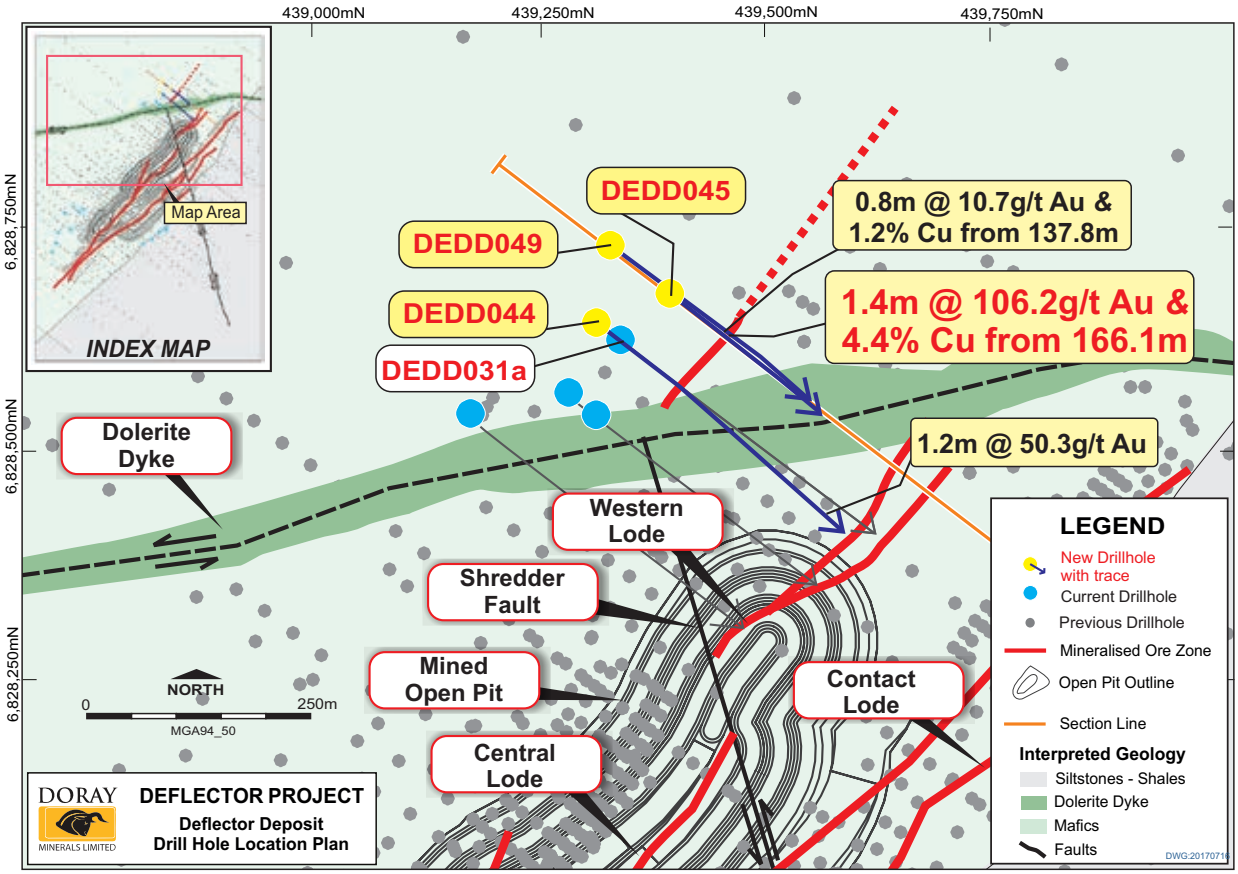

Figure 6. Deflector Gold Mine, new Da Vinci Lode mineralisation. Simplified interpreted geology and drill hole location plan

Deflector Near-Mine Exploration

During the Year, Doray received results from the first pass RC drilling undertaken at the King Solomon/New Phoenix prospect (see ASX Release 26 April 2017). The programme was successful in confirming mineralisation in the vicinity of historic mined areas of the lodes, and also in intersecting interpreted fault offsets to the mineralisation. Mineralisation is now not only open down dip of historic workings, but also along strike to the northeast as well as the southwest. Significant intersections returned from the programme include:

- KSRC001 – **2m @ 5.6g/t Au** from 8m
- KSRC002 – **4m @ 9.3g/t Au** from 67m
- KSRC004 – **2m @ 9.2g/t Au** from 149m
- KSRC012 – **1m @ 26.3g/t Au** from 173m

A follow-up RC programme will be planned for the near future, to both test the existing structures in a more systematic manner, as well as to scope out potential further extensions along strike.

WESTERN AUSTRALIAN REGIONAL EXPLORATION

Horse Well JV (Doray 60%, Alloy Resources Limited (ASX: AYR) 40%)

The Horse Well Gold Project JV ("Horse Well") is located in the North East Yilgarn of Western Australia, approximately 50km north of the Jundee Gold Mine. Doray signed a Farm-In Agreement with ASX-listed Alloy Resources Limited (ASX: AYR, "Alloy") over the Project in May 2014 and has since earned a 60% interest in the Project.

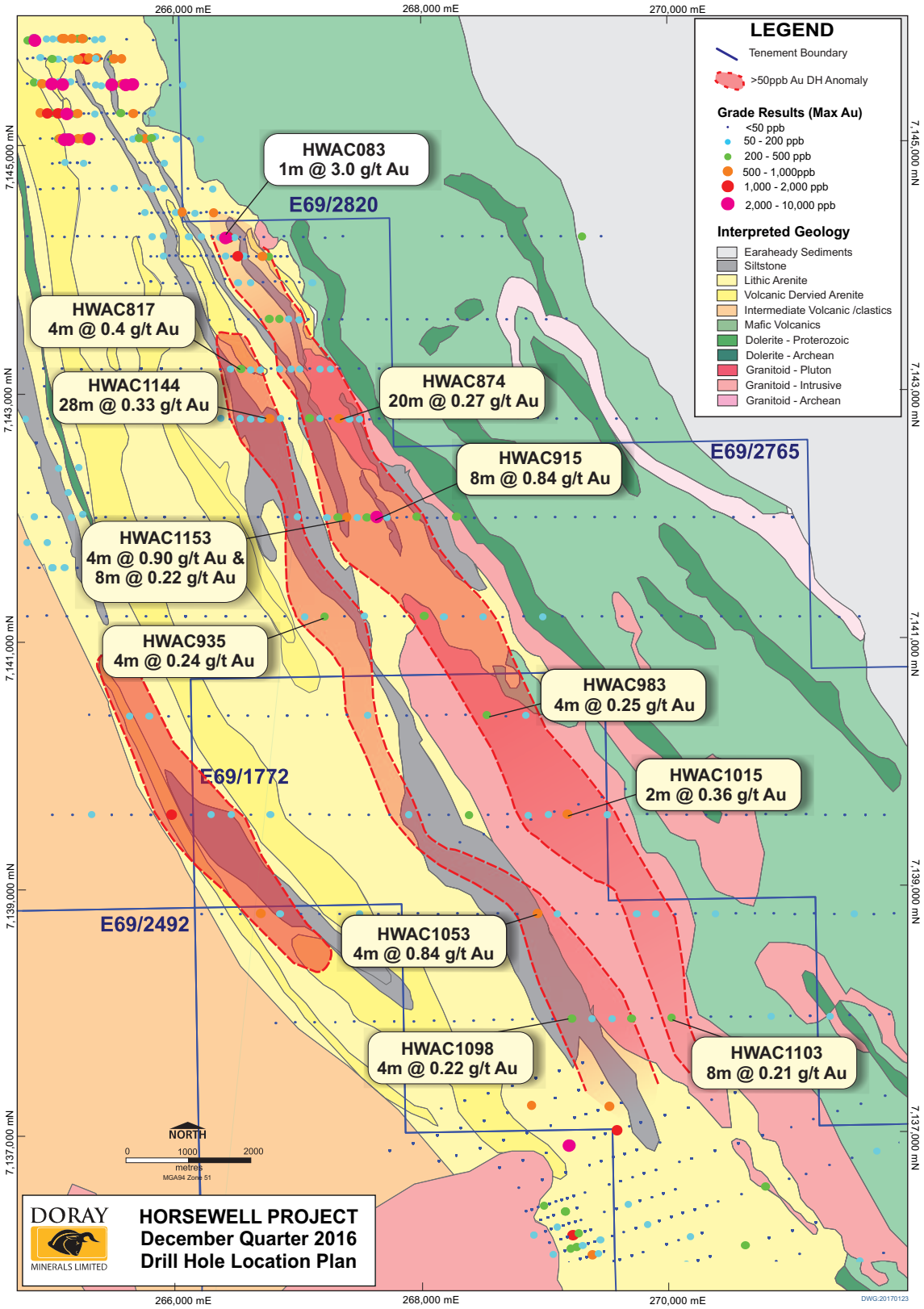

Figure 7. Horse Well JV regional aircore results, Django South Prospect

During the year, Doray completed a major aircore drilling programme at Horse Well, totalling 390 holes for 23,637m of drilling. This programme aimed to test approximately 7.5km of strike south of the previously identified Django Prospect, on an 800m x 160m pattern.

The programme was successful in outlining a large, +50ppb gold anomaly extending south from the Django Prospect over approximately 7km (see figure 7). Importantly, while the Django Prospect is situated entirely within a sequence of intermediate volcanics and volcano-sedimentary rocks, drilling at Django South encountered significantly more geological complexity, with the intermediate volcanic/volcano-sedimentary sequence disrupted by a series of granitic intrusives, and a major contact with a mafic volcanic sequence to the east. Results included a best intersection of **8m @ 1.39g/t Au** from 64m (HWAC915). A follow-up infill aircore programme is planned for the Django South anomaly.

Mt Fisher Farm-in Agreement

Doray earning in (Rox Resources Ltd (ASX:RXL) 100%)

In May 2016 Doray signed a binding term sheet with Rox covering the gold prospective tenements that form part of the Mt Fisher Project.

During the year, Doray completed a detailed ground gravity survey covering the entire Mt Fisher tenement package subject to the farm-in agreement, consisting of 14,425 stations on a 500x50m pattern (Figure 8). Interpretation of the data highlighted several areas of interest that have not been adequately tested by modern exploration.

Following this ground gravity survey, Doray completed a regional aircore drilling programme. Drilling was targeting indications of large, gold mineralised systems that could potentially host orebodies suitable for a standalone gold operation. A total of 254 holes for 12,214m of aircore drilling was completed. No significant results were returned from this programme.

As a result of this drilling, the Company informed Rox that following the satisfaction of the minimum expenditure during the period to 30 June 2017, it would not be continuing with the farm-in agreement. Doray's withdrawal from the agreement will take effect following completion of all rehabilitation of drill sites, which is expected to occur during the September 2017 Quarter.

SOUTH AUSTRALIAN REGIONAL EXPLORATION

West Gawler Farm-In (Doray earning 80% Au Rights, Iluka Resources Ltd)

During the year, the Company informed Iluka Resources Ltd that it would be withdrawing from the West Gawler Gold Farm-In Agreement. In agreement with Iluka, the withdrawal will be effective upon completion of minor rehabilitation works related to its previous drilling activities. This work is expected to be completed during the September 2017 Quarter.

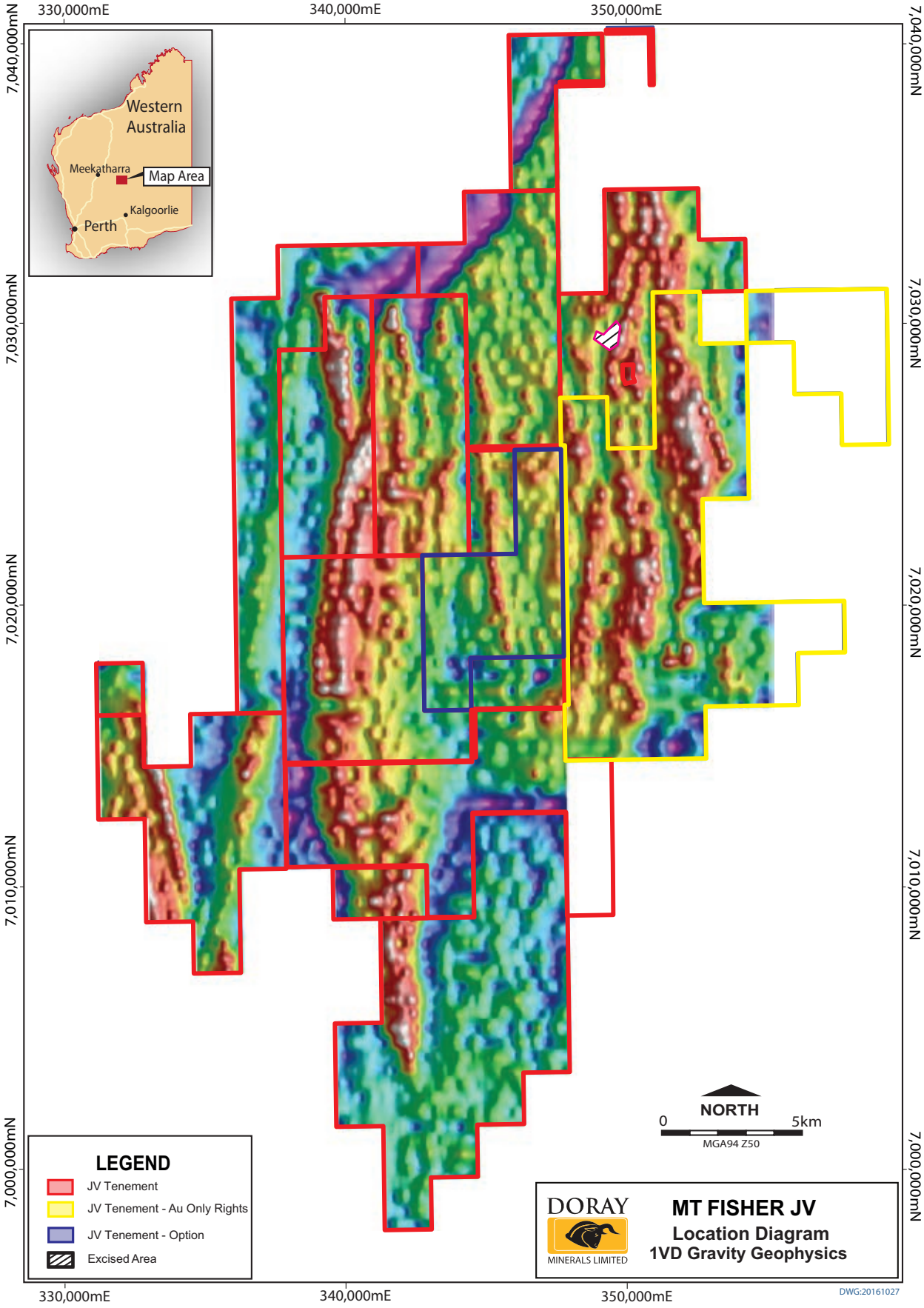

Figure 8. Mt Fisher gravity survey (1st vertical derivative)

MINERAL RESOURCES AND ORE RESERVES

In September 2017, the Company announced an updated Mineral Resource and Ore Reserve Statement as at 30 June 2017 (refer to ASX release dated 29 September 2017).

Group Mineral Resources now total approximately 1.41 million ounces of contained gold and 18,400t of contained copper across the Andy Well, Gnaweeda and Deflector Projects. The only material change from the statement as at 30 June 2016 involved an upgrade to the Turnberry Mineral Resource at the Gnaweeda Project (total increase of 56,000oz Au). There were also incremental increases at Andy Well (which saw a net replacement of mining depletion) and Deflector (which saw a minor net decrease of 22,000oz Au after depletion for mining).

Group Ore Reserves now total approximately 0.26 million ounces of contained gold and 9,200 tonnes of contained copper across the Deflector and Andy Well Projects. The major material change from the statement as at 30 June 2016 involves the reduction in Ore Reserves at Andy Well due to the decision to place the operation on Care and Maintenance.

Doray Minerals Mineral Resources and Ore Reserves as at 30 June 2017 are detailed in the tables below:

Table 8. Gold Mineral Resource Estimate as at 30 June 2017

	Measured			Indicated			Inferred			Total		
	Tonnes (Kt)	Au Grade (g/t)	Au Ounces	Tonnes (Kt)	Au Grade (g/t)	Au Ounces	Tonnes (Kt)	Au Grade (g/t)	Au Ounces	Tonnes (Kt)	Au Grade (g/t)	Au Ounces
Andy Well	145	13.7	64,000	1,070	9.4	323,000	628	6.6	134,000	1,843	8.8	520,000
Gnaweeda	-	-	-	1,200	2.6	101,000	4,300	1.6	221,000	5,500	1.8	322,000
Deflector	477	5.4	83,000	1,430	7.3	336,000	920	5.0	148,000	2,827	6.2	569,000
TOTAL RESOURCE	**622**	**7.3**	**147,000**	**3,700**	**6.4**	**760,000**	**5,848**	**2.7**	**503,000**	**10,170**	**4.3**	**1,411,000**

Notes: Mineral Resources are inclusive of those modified to generate Ore Reserves. Rounding errors may occur.
Andy Well Mineral Resources reported above 0.1g/t Au lower cut-off, Deflector Mineral Resources reported above 0.5g/t Au lower cut-off and Gnaweeda Mineral Resources reported above 0.8g/t Au lower cut-off

Table 9. Copper Mineral Resource Estimate as at 30 June 2017

	Measured			Indicated			Inferred			Total		
	Tonnes (Kt)	Cu Grade (%)	Cu Tonnes	Tonnes (Kt)	Cu Grade (%)	Cu Tonnes	Tonnes (Kt)	Cu Grade (%)	Cu Tonnes	Tonnes (Kt)	Cu Grade (%)	Cu Tonnes
Deflector	477	1.3	6,100	1,430	0.7	10,600	920	0.2	1,700	2,827	0.7	18,400
TOTAL RESOURCE	**477**	**1.3**	**6,100**	**1,430**	**0.7**	**10,600**	**920**	**0.2**	**1,700**	**2,827**	**0.7**	**18,400**

Notes: Mineral Resources are inclusive of those modified to generate Ore Reserves. Rounding errors may occur.
Deflector Cu Mineral Resource reported above 0.5g/t Au lower cut-off

Table 10. Proved and Probable Gold Ore Reserves Estimate as at 30 June 2017

	Proved			Probable			Total		
	Tonnes (Kt)	Au Grade (g/t)	Au Ounces	Tonnes (Kt)	Au Grade (g/t)	Au Ounces	Tonnes (Kt)	Au Grade (g/t)	Au Ounces
Andy Well	37	8.9	11,000	62	4.1	8,200	99	5.9	19,000
Deflector	270	3.9	34,000	1,300	4.9	210,000	1,600	4.7	240,000
TOTAL RESERVE	**310**	**4.5**	**44,000**	**1,400**	**4.9**	**220,000**	**1,700**	**4.8**	**260,000**

Notes: Estimates are rounded to two significant figures.
Rounding errors may occur.

Table 11. Proved and Probable Copper Ore Reserves Estimate as at 30 June 2017

	Proved			Probable			Total		
	Tonnes (Kt)	Cu Grade (%)	Cu Tonnes	Tonnes (Kt)	Cu Grade (%)	Cu Tonnes	Tonnes (Kt)	Cu Grade (%)	Cu Tonnes
Deflector	270	1.0	2,700	1,300	0.5	6,600	1,600	0.6	9,200
TOTAL RESERVE	**270**	**1.0**	**2,700**	**1,300**	**0.5**	**6,600**	**1,600**	**0.6**	**9,200**

Notes: Estimates are rounded to two significant figures (except % Cu to one significant figure)
Rounding errors may occur.

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mark Cossom. Mr Cossom is a full time employee of Doray Minerals Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Cossom has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activities, which he is undertaking. This qualifies Mr Cossom as a "Competent Person" as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Cossom consents to the inclusion of information in this report in the form and context in which it appears. Mr Cossom holds shares and performance rights in Doray Minerals Ltd.

The information in this report that relates to Ore Reserves is based on information compiled by Rod Jacobs. Mr Jacobs is a full-time employee of Doray Minerals Ltd and is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Jacobs has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities, which he is undertaking. This qualifies Mr Jacobs as a "Competent Person" as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jacobs consents to the inclusion of information in this report in the form and context in which it appears. Mr Jacobs holds performance rights in Doray Minerals Ltd.

INVESTOR RELATIONS

During the year the Company presented at several gold and precious metals conferences and conducted a series of roadshows marketing to existing and prospective investors.

The Company also initiated a Corporate Spotlight Facility with Hot Copper which allows the Company to directly access the 600,000 retail investors who subscribe to the service.

Conferences and roadshows included:

- Noosa Mining and Exploration Conference, July 2016
- Diggers and Dealers Conference, August 2016
- Beaver Creek Precious Metal Summit, September 2016
- Denver Gold Forum, September 2016
- Macquarie Western Australian Forum, October 2016
- 121 Mining Investment Hong Kong, October 2016
- Marketing Roadshow (Melbourne, Sydney, Miami, New York), February 2017
- Investor Roadshows (Melbourne, Sydney), June 2017

HUMAN RESOURCES

The Company currently employs 154 direct employees. These employees are located across two operating sites, the geology and exploration team and corporate Perth office. The company promotes a culture which values equal employment opportunity and embraces diversity. This commitment is demonstrated through all aspects of the employment relationship. Female participation currently represents 19% of the Company workforce.

The Core Values of the business are:

- We strive to provide a safe working environment and value safety above profits;
- We act with integrity at all times, respect the law and act accordingly;
- We do not engage in any illegal or unethical conduct and refrain from potential conflicts of interest;
- We respect the confidentiality of Company, staff and contractor information and will not use it in an unauthorised capacity;
- We are committed to developing mutually beneficial relationships with the communities within which we work;
- We are committed to providing an equal opportunity workplace free from any form of harassment; and
- We strive to minimise any negative impact of our operations on the surrounding communities and the environment.

COMMUNITY ENGAGEMENT

Doray is proud to be involved in and supportive of community groups and organisations and maintained its commitment to supporting the local communities in which we operate during FY2017.

Over the course of FY2017 Doray offered both financial and non-financial measures of support to the following groups and events:

- Cancer Council – Box Rallies
- Meekatharra District High School
- Meekatharra Race Club
- Meekatharra Golf Club
- Meekatharra Rifle Club
- Meekatharra School of the Air
- NAIDOC week (Meekatharra)
- Yalgoo Emu Cup

In addition, Doray is committed to two annual sponsorship programmes:

1. **The Doray Meekatharra Community Development Trust which supports not-for-profit organisations.**
   The Doray Meekatharra Community Development Trust most recently supported the Young Indigenous Arts & Writers Awards Program which worked with schools in Meekatharra, Karalundi, Yulga Jinna, Cue and Burringurrah.

2. **The Yugunga-Nya Native Title Claimant Group Scholarship Programme.**
   This programme provides educational scholarships to students who are members of the Yugunga-Nya group, in recognition as traditional owners of the land at the Andy Well Gold project. The scholarship provides financial support to assist students with expenses associated with education and training.

CORPORATE

On 2 September 2016, the Company was advised that, effective after the close of trading on 16 September 2016, that it would be included on the S&P/ASX 300 index.

On 26 October 2016, the Company announced that it had completed an oversubscribed institutional placement, raising approximately $24.9 million before issue costs.

On 25 November 2016, the Company announced the resignation of its Managing Director, Mr Allan Kelly, with Non-Executive Director Mr Leigh Junk joining the executive management team to perform the duties of Managing Director. Mr Kelly ceased his employment with the Company on 16 December 2016.

On 13 January 2017, the Company advised that Mr Peter Lester, Non-Executive Chairman of Doray, had informed the Board of his intention to retire from the Company effective from Monday 16 January 2017 to focus on his other business interests.

On 20 January 2017, Mr Leigh Junk accepted the appointment of the position of Managing Director on a permanent basis.

On 1 February 2017, Mr Julius Matthys was appointed as Non-Executive Chairman of the Company.

On 22 February 2017, the Company advised the market that there was likely to be an impairment in the carrying value of the Company's mining assets – Andy Well and Deflector. The impairment was confirmed in the Half Year Accounts presented on 28 February 2017 to the value of $46.9M.

On 15 March 2017, Doray advised the market that it had completed a sale agreement for the purchase of the entire production of the copper-gold Middlings product processed at the Deflector Mine.

On 16 March 2017, the Company advised that Mr Rod Jacobs was appointed as Chief Operating Officer effective 20 March 2017.

On 27 April 2017, the Company advised that there had been successful testing of the Acacia Reactor at Deflector to begin processing primary ore in mid-May 2017.

On 29 May 2017, the Company confirmed that the processing plant at Deflector had successfully reverted back to the two-product design and the gravity circuit Acacia Reactor had been successfully recommissioned.

On 20 June 2017 the Company provided production forecast guidance for the Deflector Mine for the financial year ending 30 June 2018, being 60,000 – 65,000oz gold at an AISC of between A$1,225 – A$1,275/oz.

CORPORATE GOVERNANCE STATEMENT

For 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. Act ethically and responsibly;
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: *A listed entity should disclose:*

(a) the respective roles and responsibilities of its board and management; and
(b) those matters expressly reserved to the board and those delegated to management.

Roles and Responsibilities:

The Board is responsible for:

- *providing leadership and setting the strategic objectives of the entity;*
- *appointing the chair;*
- *appointing, and when necessary replacing, the Managing Director;*
- *approving the appointment, and when necessary replacement, of other senior executives;*
- *overseeing management's implementation of the entity's strategic objectives and its performance generally;*
- *approving operating budgets and major capital expenditure;*
- *overseeing the integrity of the entity's accounting and corporate reporting systems, including the external audit;*
- *overseeing the entity's process for making timely and balanced disclosure of all material information concerning the entity that a reasonable person would expect to have a material effect on the price or value of the entity's securities;*
- *ensuring that the entity has in place an appropriate risk management framework and setting the risk appetite within which the board expects management to operate;*
- *approving the entity's remuneration framework; and*
- *monitoring the effectiveness of the entity's governance practices.*

Management is responsible for implementing the strategic objectives, with the risk parameters set by the Board, and for all other day to day running of the Group. It is also responsible for providing the Board with accurate, timely and clear information.

Recommendation 1.2: *A listed entity should:*

(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and
(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.

The Board ensures that appropriate checks are undertaken before it appoints a person, or puts forward to security holders a new candidate for election, as a director.

Recommendation 1.3: *A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.*

Written agreements are in place with each director and senior executive setting out the terms of their appointment.

Recommendation 1.4: *The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the Board.*

The role of the company secretary includes:

- advising the board and its committees on governance matters;
- monitoring that board and committee policy and procedures are followed;
- coordinating the timely completion and despatch of board and committee papers;
- ensuring that the business at board and committee meetings is accurately captured in the minutes; and
- helping to organise and facilitate the induction and professional development of directors.

Each director is able to communicate directly with the company secretary and vice versa. The decision to appoint or remove the company secretary is made by the Board.

Recommendation 1.5: *A listed entity should:*

(a) have a diversity policy which includes requirements for the Board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;

(b) disclose that policy or a summary of it; and

(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them, and either:

(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or

(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.

The Company believes that the promotion of diversity on its Board, 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 basis of performance, ability and attitude.

The Company reports annually on its gender diversity profile. 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.

The Company employs the following number of women in the following categories within its workforce:

	Number	Percentage
Women on the Board of Directors	-	0%
Women in Senior Executive Positions	-	0%
Women Employees	30	19%

Recommendation 1.6: *A listed entity should:*

(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and

(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

The board periodically reviews the performance of the board, its committees and individual directors. No performance evaluation was undertaken in the period under review.

Recommendation 1.7: *A listed entity should:*

(a) have and disclose a process for periodically evaluating the performance of its senior executives; and

(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.

A formal performance review is undertaken with each of the Company's senior executives on an annual basis to review their performance over the preceding 12 month period and to set an action plan for the following 12 months. The performance evaluations for the period under review had yet to be undertaken by 30 June 2017.

2. STRUCTURE THE BOARD TO ADD VALUE.

Recommendation 2.1: *The board of a listed entity should:*

(a) have a nomination committee which:

(1) has at least three members, a majority of whom are independent directors; and

(2) is chaired by an independent director, and disclose:

(3) the charter of the committee;

(4) the members of the committee; and

(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.

Recommendation 2.2: *A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.*

Recommendation 2.3: *A listed entity should disclose:*

(a) the names of the directors considered by the board to be independent directors;

(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and

(c) the length of service of each director.

Recommendation 2.4: *A majority of the board of a listed entity should be independent directors.*

Recommendation 2.5: *The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.*

Recommendation 2.6: *A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.*

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 five members: a Non-Executive Chairman, a Managing Director, and two 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, mining, accountancy, finance and marketing.

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. ACT ETHICALLY AND RESPONSIBLY.

Recommendation 3.1: *A listed entity should:*

(a) have a code of conduct for its directors, senior executives and employees; and
(b) disclose that code or a summary of it.

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 is issued with the Company's Policies and Procedures at the beginning of their employment with the Company.

4. SAFEGUARD INTEGRITY IN FINANCIAL REPORTING.

Recommendation 4.1: *The board of a listed entity should:*

(a) have an audit committee which:

(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and

(2) is chaired by an independent director, who is not the chair of the board,

and disclose:

(3) the charter of the committee;

(4) the relevant qualifications and experience of the members of the committee; and

(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.

Recommendation 4.2: *The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.*

Recommendation 4.3: *A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.*

Audit Committee

The Company has a formal charter for an Audit Committee. The Audit Committee comprises independent directors as Committee members.

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.

External Auditor

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.

5. MAKE TIMELY AND BALANCED DISCLOSURE.

Recommendation 5.1: *A listed entity should:*

(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and

(b) disclose that policy or a summary of it.

Being a listed entity on the Australian Securities 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 Listing Rules which the Board believes would have a material effect 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.

6. RESPECT THE RIGHTS OF SHAREHOLDERS.

Recommendation 6.1: *A listed entity should provide information about itself and its governance to investors via its website.*

Recommendation 6.2: *A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.*

Recommendation 6.3: *A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.*

Recommendation 6.4: *A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.*

The Company is committed to keeping shareholders fully informed of significant developments. 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.

7. RECOGNISE AND MANAGE RISK.

Recommendation 7.1: *The board of a listed entity should:*

(a) have a committee or committees to oversee risk, each of which:
(1) has at least three members, a majority of whom are independent directors; and
(2) is chaired by an independent director, and disclose:
(3) the charter of the committee;
(4) the members of the committee; and
(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.

Recommendation 7.2: *The board or a committee of the board should:*

(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and
(b) disclose, in relation to each reporting period, whether such a review has taken place.

Recommendation 7.3: *A listed entity should disclose:*

(a) if it has an internal audit function, how the function is structured and what role it performs; or
(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.

Recommendation 7.4: *A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.*

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 Managing Director have stated in writing to the Board that:

- The statement given in accordance with best practice recommendation 4 (the integrity of corporate reporting) 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.
- The Company does not have an internal audit function.

8. REMUNERATE FAIRLY AND RESPONSIBLY.

Recommendation 8.1: *The board of a listed entity should:*

(a) have a remuneration committee which:
(1) has at least three members, a majority of whom are independent directors; and
(2) is chaired by an independent director, and disclose:
(3) the charter of the committee;
(4) the members of the committee; and
(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or

(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

Recommendation 8.2: *A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.*

Recommendation 8.3: *A listed entity which has an equity-based remuneration scheme should:*

(a) have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in the scheme; and
(b) disclose that policy or a summary of it.

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 comprises independent directors as Committee members.

Directors' Remuneration

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

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

Departure from Best Practice Recommendations

From the Company's incorporation, the Company has complied with each of the eight 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
2.1	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 for the year ended 30 June 2017.

DIRECTORS

The following persons were Directors of the Company during or since the end of the financial year:

Mr Julius Matthys	Non-Executive Chairman (appointed 1 February 2017)
Mr Leigh Junk	Managing Director (appointed Managing Director on 20 January 2017, previously Non-Executive Director*)
Mr Peter Alexander	Non-Executive Director
Mr Jay Stephenson	Non-Executive Director
Mr Peter Lester	Non-Executive Chairman (resigned 16 January 2017)
Mr Allan Kelly	Managing Director (resigned 16 December 2016)

* Mr Junk performed the duties of Managing Director during a handover period with Mr Kelly from 25 November 2016 and was paid through an entity he controlled.

COMPANY SECRETARY

Mr Iain Garrett

PRINCIPAL ACTIVITY

The principal activity of the Group during the year was the production of gold and exploration.

RESULTS OF OPERATIONS

The Group recorded a loss for the year after tax of $74,225,000 (2016: profit $16,520,000) and generated operating cash flows of $59,130,000 (2016: $60,861,000). The loss in the current financial year includes a non-cash impairment charge of $72,041,000 (pre-tax) in the carrying value of the Company's mining assets.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no other significant changes in the nature of the Company's activities during the year other than those matters that are disclosed in this report.

DIVIDENDS

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

INDEMNITIES

The Company 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.

The Company has not entered into any arrangements to indemnify its auditors.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 6 July 2017, the Company announced that the Board had made the decision to suspend underground mining at the Andy Well operation on 1 November 2017. Current studies show ore could potentially be delivered from the Gnaweeda Project in calendar year 2018. This could potentially include a re-commissioning of the Andy Well Processing Plant.

No other 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.

INFORMATION ON DIRECTORS

Mr Julius Matthys	**Non-Executive Chairman – appointed 1 February 2017**
Qualifications	BCom (University of Western Australia)
Experience	Mr Matthys has 35 years' experience in the global minerals and mining industry and 5 years' experience as an ASX listed company director. Mr Matthys has held senior executive positions within the BHP Billiton Group, including Operations President Worsley Alumina JV, Marketing Director Alumina, Aluminium and Iron Ore and Vice President Corporate Affairs W.A. He was also a Board Member of Celebrate WA (resigned June 2017). Mr Matthys is currently interim CEO of ASX listed Quintis Ltd and Chair of Council at John XXIII College, Perth.
Interest in shares and options	Shares *Indirect holding* *300,000*
Special Responsibilities	Member of Audit Committee and Remuneration Committee
Directorships held in listed entities	Mr Matthys is currently interim CEO of ASX listed Quintis Ltd.

Mr Leigh Junk	**Managing Director – appointed 20 January 2017, previously Non-Executive Director**
Qualifications	Dip Surv, Grad Dip Min Eng, MSc Min Econ
Experience	Mr Junk is a Mining Engineer with almost 25 years' experience. He held senior positions in several Western Australian mining companies including Pilbara Manganese, WMC Resources and Mincor Operations, specialising in the planning of mining operations, project evaluation and feasibility studies. In 2000 Mr Junk started the private mining company Donegal Resources Pty Ltd, which was successful in purchasing and re-commissioning several Nickel operations around Kambalda W.A. Donegal was later sold to Canadian company Brilliant Mining Corp during the Nickel boom in late 2006. Over the last 10 years Mr Junk has been a Director of several public companies in the Mining and Financial sectors in Australia and Canada. Mr Junk was the recipient of the 2003 Ernst & Young "Young Entrepreneur of the Year Award" and the 2007 W.A Business News "40 Under 40 Award".
Interest in shares and options	Shares *Indirect holding* *600,000*
Special Responsibilities	None
Directorships held in listed entities	None

Mr Peter Alexander	**Non-Executive Director from 5 May 2011, Chairman from 16 November 2011 to 30 June 2015**
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 start-up and operation of Dominion's Challenger gold mine in South Australia and, under Mr Alexander's management, Dominion won the Gold Mining Journal's "Gold Miner of the Year" three years in succession.
Interest in shares and options	Shares *Indirect holding* *26,823*
Special Responsibilities	Member of Audit Committee and Remuneration Committee
Directorships held in listed entities	Mr Alexander is currently a Non-Executive Director of Kingsgate Consolidated Limited and Caravel Minerals Limited and was previously a Non-Executive Director of Fortunis Resources Limited (resigned 29 June 2015).

Mr Jay Stephenson	Non-Executive Director from 20 August 2009
Qualifications	MBA, FCPA, CMA, FGIA, MAICD
Experience	Mr Stephenson has been involved in business development for over 25 years including approximately 20 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	Shares *Direct holding* *962,500* *Indirect holding* *121,852* Options *Nil*
Special Responsibilities	Member of Audit Committee and Remuneration Committee
Directorships held in listed entities	Mr Stephenson is currently a non-executive Chairman of Yonder & Beyond Group Limited, and is a Non-Executive Director of Blina Minerals NL, Drake Resources Limited, Nickelore Limited, and Strategic Minerals Corporation NL as well as Company Secretary for a number of ASX Listed resource and industrial companies. In the last 3 years Mr Stephenson was a Non-Executive Director of Veriluma Limited (previously Parmelia Resources Limited), resigning 8 September 2016 and Bubs Australia Limited (previously Hillcrest Litigation Services Limited), resigning 20 December 2016.

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:

			Committee Meetings			
	Directors' Meetings		Remuneration Committee		Audit Committee	
Name	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend
Mr Julius Matthys	5	5	1	1	1	1
Mr Leigh Junk	13	13	-	-	1	1
Mr Peter Alexander	13	13	1	1	1	1
Mr Jay Stephenson	13	13	4	4	2	2
Mr Peter Lester	7	7	2	2	-	1
Mr Allan Kelly	6	6	-	-	-	-

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 the Remuneration 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 the Remuneration Report.

REMUNERATION REPORT (AUDITED)

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

The following report documents the principles used to determine the nature and amount of employee remuneration. The Board is responsible for determining and reviewing compensation arrangements for the Directors and Key Management Personnel. This 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 will obtain independent expert advice on the appropriateness of remuneration packages. Remuneration packages are set at levels with the intention of attracting and retaining the highest calibre of key management personnel to reward for performance which will result in long term growth in shareholder wealth.

Non-Executive Directors' Remuneration

The Company's policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. Fees for Non-Executive Directors are not linked to the performance of the Company.

Non-Executive Directors are remunerated by way of fees (in the form of cash and/or superannuation benefits) and are not provided with retirement benefits other than statutory superannuation entitlements.

Managing Directors' Remuneration

Executive Directors' pay and reward consists of a competitive level of base pay which is reviewed annually and performance incentives to ensure that:

a) remuneration packages involve a balance between fixed and performance / equity based remuneration which is reflective of short and long term strategic objectives;
b) a proportion of remuneration is structured in a manner designed to link reward to corporate and individual performances; and
c) recommendations are made to the Board with respect to the quantum of incentive payments to be paid by the Remuneration Committee.

All bonuses and incentives are linked to pre-determined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and performance / equity based payments.

The performance / equity based remuneration is made up of a short term incentive ("STI") and long term incentive ("LTI") scheme. Details of the 2017 plan and hurdles are provided below:

i) Short Term incentive for the financial year (July 2016- June 2017)

Maximum STI Opportunity:

- Managing Director up to 50% of base salary;
- Other executives: up to between 15% and 25% of base salary depending on responsibility and position.

Hurdles – weighted individual performance and Company / industry based hurdles; including:

	Hurdles	Weighting
Safety / Compliance	Forward Planning (lead indicators)	20%
	Actual safety and compliance performance	
Finance	Implementation of Margin's Matter programme (with the aim of reducing all in sustaining costs)	10%
Resources / Growth	Maintain the Group's Life of Mine Reserve inventory and grow the resource inventory by a minimum of 10% net of mining depletion	20%
Operational Performance	Andy Well Mine production and costs are achieved within the approved budget; and	25%
	Deflector Mine production and costs are achieved within the approved budget	25%

ii) Long-term Incentive Plan – Managing Director

The Board, and subsequently Shareholders at a General Meeting held on 10 April 2017, approved the issue of 5,000,000 Performance Rights ("Rights") to Mr Leigh Junk under the terms of the Company's Long-Term Incentive Plan ("Plan").

The Rights will be issued equally (subject to rounding) in three tranches and with half (subject to rounding) of each tranche being subject to different Performance Criteria as summarised in the following table:

Tranche	Hurdle 1	Hurdle 2	Total	Performance Period
1	833,333	833,333	1,666,666	20/01/17 – 30/06/20
2	833,333	833,334	1,666,667	01/07/18 – 30/06/21
3	833,333	833,334	1,666,667	01/07/19 – 30/06/22
Total	**2,500,000**	**2,500,000**	**5,000,000**	

In the event that the applicable Performance Criteria are not met within the relevant Performance Period, the relevant Performance Rights will not vest and as a result, no new Shares will be issued in respect of those Performance Rights. Eligibility to achieve the Performance Rights will be assessed by reference to the following hurdles ("Hurdles"):

Hurdle 1 – Industry Hurdle (50%)

Company's TSR ("Total Shareholder Return") performance relative to TSR performance of Peer Companies during the relevant Performance Period	Portion of Performance Rights in the relevant tranche that vest
Company's TSR is less than or equal to the TSR of 50% of the Peer Companies	Nil
Company's TSR is greater than the TSR of 50% of the Peer Companies but less than the TSR of 75% of the Peer Companies	Between 50% and 100% on a straight line basis
Company's TSR is greater than the TSR of 75% of the Peer Companies	100%

The Peer Companies are a group of approximately twelve ASX listed gold companies as determined by the Board. A tranche of Performance Rights will not vest in the event that the Company's TSR over the relevant Performance Period is negative.

Hurdle 2 – Internal/Company Hurdle (50%)

	Hurdles	Weighting
Safety Compliance	No fatalities Company-wide Safety Management System (implementation and management of the SMS) Year on year improvement in safety performance	20%
Operations	Demonstrated ability to manage and maintain operating cost, compared to nominated Peer Companies	30%
Growth	Resources increase by 25% Ore Reserves increase by 25% Pre / feasibility level project	30%
Financial Management	Margin / Cash Flow: deliver to approved budget (operating budget and cash flow)	20%

iii) Long-term Incentive Plan – Senior Executives

The LTI scheme in place for senior executives for the current financial year is in the form of Performance Rights and all of the Performance Rights granted are at risk. The maximum LTI as a percentage of base salary achievable by senior executives in any financial year is 50%.

Long Term Incentive: 1 July 2016 - 30 June 2019:

Eligibility to achieve the Performance Rights under the Long Term Incentive ("LTI") Plan will be assessed by reference to the following hurdles ("Hurdles"):

Hurdle 1 - Industry Hurdle (50%): the Industry Hurdle is be based on the TSR measure which is averaged over the 3 years and measured against nominated Peer Companies

Internal / Company Hurdle (50%): the Performance Rights will be assessed against a Company measure which is based on safety, operational, growth and shareholder / investor relations criteria.

iv) Long-term Incentive Payments – Previous Scheme

Performance Rights issued under the Company's previous LTI scheme are noted below. This scheme has been replaced by the Long-term Incentive Plan for Senior Executives and following the resignation of the only participant in the scheme, Mr Allan Kelly, the remaining outstanding Rights were cancelled.

Director	Balance at 1 July 2016	No. granted during the year	No. vested during the year	No. cancelled during the year	Balance at 30 June 2017
Allan Kelly*	214,536	-	(110,683)	(103,853)	-

*Mr Allan Kelly resigned as Managing Director on 16 December 2016. Performance Rights that had not vested at the date of his resignation were forfeited.

(b) Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the Key Management Personnel ("KMP") of the Company (including the Directors) for the year ended 30 June 2017 and 30 June 2016 are set out in the following table:

		FIXED REMUNERATION				PERFORMANCE RELATED		
Name	Year	Salary and fees $	Termination benefits $	Super-annuation $	Total Fixed Remuneration $	Short-term Incentive Bonus $	Share-based Payments $	Total Performance Related $
Directors:								
Mr Julius Matthys [a]	**2017**	**39,167**	**-**	**3,721**	**42,888**	**-**	**-**	**-**
	2016	-	-	-	-	-	-	-
Mr Peter Lester [b]	**2017**	**47,000**	**-**	**4,465**	**51,465**	**-**	**-**	**-**
	2016	*92,650*	-	*8,800*	*101,450*	-	-	-
Mr Leigh Junk [c]	**2017**	**289,199**	**-**	**23,691**	**312,890**	**-**	**22,481**	**22,481**
	2016	*61,800*	-	*5,871*	*67,671*	-	-	-
Mr Allan Kelly [d]	**2017**	**245,159**	**356,962**	**35,586**	**637,707**	**81,177**	**-**	**81,177**
	2016	*475,000*	-	*65,493*	*540,493*	*214,400*	*165,976*	*380,376*
Mr Jay Stephenson	**2017**	**62,750**	**-**	**5,961**	**68,711**	**-**	**-**	**-**
	2016	*61,800*	-	*5,871*	*67,671*	-	-	-
Mr Peter Alexander	**2017**	**62,750**	**-**	**5,961**	**68,711**	**-**	**-**	**-**
	2016	*61,800*	-	*5,871*	*67,671*	-	-	-
Mr Allan Brown [e]	**2017**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	2016	*61,800*	-	*5,871*	*67,671*	-	-	-
Key Management:								
Mr Jon Latto	**2017**	**346,500**	**-**	**35,602**	**382,102**	**28,260**	**-**	**28,260**
	2016	*341,250*	-	*37,340*	*378,590*	*51,800*	*47,790*	*99,590*
Mr Mark Cossom	**2017**	**315,250**	**-**	**32,299**	**347,549**	**24,743**	**-**	**24,743**
	2016	*310,500*	-	*33,511*	*344,011*	*42,250*	*41,154*	*83,404*
Mr Rod Jacobs [f]	**2017**	**270,498**	**-**	**25,697**	**296,195**	**-**	**4,202**	**4,202**
	2016	-	-	-	-	-	-	-
Mr Peter Bamford [g]	**2017**	**283,688**	**133,704**	**38,755**	**456,147**	**29,692**	**-**	**29,692**
	2016	*372,600*	-	*40,603*	*413,203*	*54,800*	*52,571*	*107,371*
TOTAL	**2017**	**1,961,961**	**490,666**	**211,738**	**2,664,365**	**163,872**	**26,683**	**190,555**
	2016	*1,839,200*	-	*209,231*	*2,048,431*	*363,250*	*307,491*	*670,741*

(a) Mr Julius Matthys was appointed as Non-Executive Chairman on 1 February 2017.

(b) Mr Peter Lester resigned as Non-Executive Chairman on 16 January 2017.

(c) Mr Leigh Junk was appointed as Managing Director on 20 January 2017. He performed the duties of Managing Director for the period 25 November 2016 to 20 January 2017 and was paid through an entity he controlled. Prior to 25 November 2016, Mr Junk was a Non-Executive Director.

(d) Mr Allan Kelly resigned as Managing Director on 16 December 2016.

(e) Mr Allan Brown resigned as a Non-Executive Director on 28 June 2016.

(f) Mr Rod Jacobs was appointed as Chief Operating Officer on 20 March 2017. Prior to this he was the Company's Business Development Manager, appointed 5 September 2016.

(g) Mr Peter Bamford resigned as General Manager – Operations on 31 March 2017.

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

The 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

2017 Name	Balance at 1 July 2016	Granted as compensation	Rights vested/ Options Exercised	Bought & (Sold)/ Transferred	Balance at 30 June 2017
Mr Julius Matthys					
Indirect[1]	-	-	-	300,000	300,000
Mr Leigh Junk					
Indirect[2]	100,000	-	-	500,000	600,000
Mr Peter Alexander					
Indirect[3]	26,823	-	-	-	26,823
Mr Jay Stephenson					
Direct	962,500	-	-	-	962,500
Indirect[4]	121,852	-	-	-	121,852
Mr Mark Cossom					
Direct	5,000	-	-	-	5,000
Mr Jon Latto	-	-	-	-	-
Total	**1,216,175**	**-**	**-**	**800,000**	**2,016,175**

The following Key Management Personnel resigned during the financial year and their balances are not included in the table above: Mr Allan Kelly, Mr Peter Lester and Mr Peter Bamford.

2016 Name	Balance at 1 July 2015	Granted as compensation	Options Exercised	Bought & (Sold)/ Transferred	Balance at 30 June 2016
Mr Peter Alexander					
Indirect	24,000	-	-	2,823	26,823
Mr Allan Kelly					
Direct	6,734,400	-	81,323	(27,769)	6,787,954
Indirect	4,834,233	-	-	533,397	5,367,630
Mr Peter Lester	-	-	-	-	-
Mr Jay Stephenson					
Direct	912,500	-	-	50,000	962,500
Indirect	116,272	-	-	5,580	121,852
Mr Leigh Junk					
Indirect	60,000	-	-	40,000	100,000
Mr Mark Cossom					
Direct	5,000	-	-	-	5,000
Mr Peter Bamford					
Direct	105,227	-	-	-	105,227
Indirect	525,200	-	-	-	525,200
Mr Jon Latto	-	-	-	-	-
Total	**13,316,832**	**-**	**81,323**	**604,031**	**14,002,186**

[1] These shares are held by the following personally related party of Mr Julius Matthys:
- Matthys Holdings Pty Ltd (Matthys S/F a/c).

[2] These shares are held by the following personally related party of Mr Leigh Junk:
- Jolee Corporation Pty Ltd.

[3] These shares are held by Suzanne Alexander, spouse of Mr Peter Alexander.

[4] These shares are held by the following personally related parties of Mr Jay Stephenson:
- Almamater Pty Ltd
- Pazzia Pty Ltd
- Wolfstar Group Pty Ltd.

OPTIONS

2017 Name	Balance at 1 July 2016	Granted as compensation	Received during the period	Net other change	Balance at 30 June 2017
Mr Jon Latto[1]	100,000	-	-	-	100,000
Total	**100,000**	**-**	**-**	**-**	**100,000**

[1] 100,000 options were issued to Mr Latto on 9 September 2013 for no consideration per the terms and conditions of his employment contract and were restricted for 3 months at the Company's discretion. These options are exercisable at $1.03 each on or before 9 September 2017.

OPTIONS

2016 Name	Balance at 1 July 2015	Granted as compensation	Received during the period	Net other change	Balance at 30 June 2016
Mr Mark Cossom	302,500	-	-	(302,500)	-
Mr Peter Bamford	322,000	-	-	(322,000)	-
Mr Jon Latto	100,000	-	-	-	100,000
Total	**724,500**	**-**	**-**	**(624,500)**	**100,000**

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

PERFORMANCE RIGHTS

Name	Balance at 1 July 2016	Granted as compensation	Vested during the year	Cancelled/ Forfeited	Balance at 30 June 2017
Mr Leigh Junk	-	1,666,666*	-	-	1,666,666
Mr Mark Cossom	560,950	162,500	-	-	723,450
Mr Jon Latto	650,359	178,608	-	-	828,967
Mr Rod Jacobs	-	121,778	-	-	121,778
Mr Allan Kelly	2,074,548	512,886	(110,683)	(2,476,751)	-
Mr Peter Bamford	712,266	194,974	-	(907,240)	-
Total	**3,998,123**	**2,837,412**	**(110,683)**	**(3,383,991)**	**3,340,861**

*Mr Leigh Junk was granted 5,000,000 Performance Rights upon his appointment as Managing Director on 20 January 2017. The full allocation of Performance Rights (which will be subject to industry and Company hurdles that are based on operational and growth criteria) will vest in successive equal tranches on 30/06/2020, 30/06/2021 and 30/06/2022. The Performance Rights were approved by shareholders at a General Meeting held on 10 April 2017.

(d) Executive Directors' and Officer's employment agreements

The Company has entered into service agreements with the following Executives and Officers on the following material terms and conditions:

Managing Director

Mr Leigh Junk is engaged by the Company under an employment contract in the capacity of Managing Director. Mr Junk is paid an annual salary of $500,000 per annum plus superannuation from the date of his appointment as Managing Director on 20 January 2017. Mr Junk performed the duties of Managing Director for the period 25 November 2016 to 20 January 2017 and was paid through an entity he controlled. Prior to 25 November 2016, Mr Junk was a Non-Executive Director. Mr Junk will also be reimbursed reasonable expenses.

The employment contract continues until it is replaced or until it is terminated in accordance with its terms. Mr Junk will have an annual pay review and the Company may pay a performance-based bonus over and above the base salary.

The employment contract has a termination notice of 6 months and a 12 months' severance payment.

Chief Operating Officer

Mr Rod Jacobs is employed by the Company under an employment contract in the capacity of Chief Operating Officer and is paid an annual salary of $350,000 per annum plus superannuation. Mr Jacobs was appointed as Chief Operating Officer on 20 March 2017. Mr Jacobs will also be reimbursed reasonable expenses.

The employment contract continues until it is replaced or until it is terminated in accordance with its terms. Mr Jacobs will have an annual pay review. The employment contract has a termination notice of 3 months and a 6 months' severance payment.

General Manager – Geology and Exploration

Mr Mark Cossom is employed by the Company under an employment contract in the capacity of General Manager – Geology and Exploration and is paid an annual salary of $315,250 per annum plus superannuation. The employment contract was approved during the year. Mr Cossom is also reimbursed reasonable expenses.

Mr Cossom's 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. The employment contract has a termination notice of 3 months and a 6 months' severance payment.

Chief Financial Officer

Mr Jon Latto is employed by the Company under an employment contract in the capacity of Chief Financial Officer on an annual salary of $346,500 per annum plus superannuation. Mr Latto is also reimbursed reasonable expenses.

The employment contract continues until it is replaced or until it is terminated in accordance with its terms. Mr Latto will have an annual pay review. The employment contract has a termination notice of 3 months and a 6 months' severance payment.

This concludes the audited Remuneration Report.

ENVIRONMENTAL REGULATION

The Group holds various mining and exploration licences to regulate its mining and exploration activities in Australia. These licences include conditions and regulations with respect to rehabilitation of areas disturbed during the course of mining and exploration activities. However the Board believes that it has adequate systems in place for the management of its environmental requirements.

LOANS TO DIRECTORS

As at 30 June 2017, 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
31 December 2017	$1.425	80,420
31 December 2017	$1.90	95,788
31 December 2017	$2.375	111,578
31 December 2017	$2.85	111,578
31 December 2017	$3.325	111,156
22 January 2018	$0.89	2,033,958
19 February 2019	$0.63	4,158,157
		6,702,635

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 2017, 839,696 employee options were exercised to purchase 839,696 fully paid ordinary shares at $0.73 per share.

NON-AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services by Nexia 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 of $12,000 were incurred for the year ended 30 June 2017 ($nil: 30 June 2016).

AUDITORS' INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 77 of the annual report.

ROUNDING OFF OF AMOUNTS

The company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, and in accordance with that legislative instrument amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

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

Julius Matthys
Chairman of the Board of Directors
Dated this 29th day of September 2017


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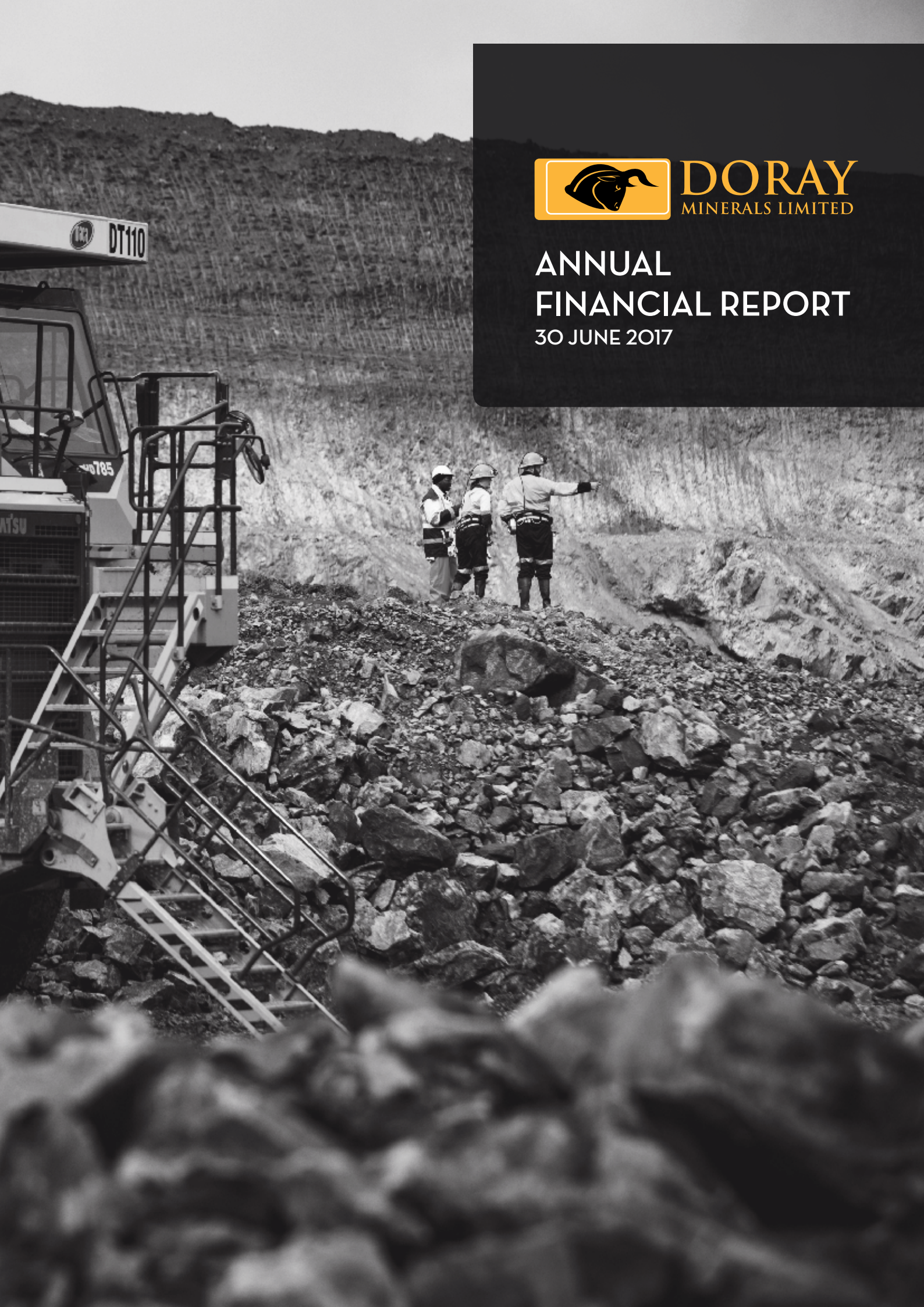

DORAY
MINERALS LIMITED

ANNUAL FINANCIAL REPORT

30 JUNE 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 $'000	2016 $'000
Revenue from sale of goods		183,019	131,083
Mining and processing costs		(104,256)	(55,029)
Depreciation and amortisation		(54,231)	(38,934)
Royalty expense		(7,719)	(4,793)
Gross profit		**16,813**	**32,327**
Exploration and evaluation expenditure written off	10	(4,367)	(5,809)
Corporate and other expenses		(7,799)	(8,555)
Results from operating activities		**4,647**	**17,963**
Financial income		406	681
Financial expense		(3,201)	(1,107)
Net financing (expense)/ income		**(2,795)**	**(426)**
Results from operating and financing activities		**1,852**	**17,537**
Impairment charge	5	(72,041)	-
(Loss)/profit before income tax	4	**(70,189)**	**17,537**
Income tax expense	15	(4,036)	(1,017)
Net (loss)/profit for the year		**(74,225)**	**16,520**
Other comprehensive (loss)/income		**-**	**-**
Total comprehensive profit/(loss) for the period		**(74,225)**	**16,520**
		Cents	**Cents**
Basic (loss)/profit per share attributable to ordinary equity holders	21	(21.75)	5.64
Anitdilutive (loss) and diluted profit per share attributable to ordinary equity holders	21	(21.75)	5.49

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	Note	2017 $'000	2016 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	6	20,483	35,034
Trade and other receivables	7	3,753	2,391
Inventories	8	14,017	13,685
Prepayments		1,607	1,378
Total Current Assets		**39,860**	**52,488**
Non-Current Assets			
Trade and other receivables	7	7	7
Property, plant and equipment	9	95,462	38,792
Exploration assets	10	51,582	36,771
Mine development asset	11	38,306	164,340
Deferred tax assets	15	-	4,162
Total Non-Current Assets		**185,357**	**244,072**
TOTAL ASSETS		**225,217**	**296,560**
LIABILITIES			
Current Liabilities			
Trade and other payables	12	18,052	21,276
Provisions	13	5,903	4,162
Borrowings	14	11,540	35,759
Total Current Liabilities		**35,495**	**61,197**
Non-Current Liabilities			
Provisions	13	19,137	8,614
Borrowings	14	40,130	46,569
Total Non-Current Liabilities		**59,267**	**55,183**
TOTAL LIABILITIES		**94,762**	**116,380**
NET ASSETS		**130,455**	**180,180**
EQUITY			
Issued capital	16	183,876	159,015
Reserves	17	5,777	6,138
Accumulated profit/(losses)		(59,198)	15,027
TOTAL EQUITY		**130,455**	**180,180**

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

	Note	Issued Capital $'000	Reserves $'000	Accumulated Losses $'000	Total $'000
At 1 July 2015		132,242	5,304	(1,493)	136,053
Comprehensive profit					
Net profit for the year		-	-	16,520	16,520
Other comprehensive income		-	-	-	-
Total comprehensive profit		-	-	16,520	16,520
Transactions with owners recorded directly in equity					
Issue of shares		28,360	-	-	28,360
Share issue costs	**16**	(1,587)	-	-	(1,587)
Share based payments	**17**	-	834	-	834
Total contributions by and distributions to owners		26,773	834	-	27,607
At 30 June 2016		**159,015**	**6,138**	**15,027**	**180,180**
At 1 July 2016		159,015	6,138	15,027	180,180
Comprehensive profit					
Net loss for the year		-	-	(74,225)	(74,225)
Other comprehensive income		-	-	-	-
Total comprehensive profit		-	-	(74,225)	(74,225)
Transactions with owners recorded directly in equity					
Issue of shares		26,087	-	-	26,087
Share issue costs	**16**	(1,226)	-	-	(1,226)
Share based payments	**17**	-	(361)	-	(361)
Total contributions by and distributions to owners		24,861	(361)	-	24,500
At 30 June 2017		**183,876**	**5,777**	**(59,198)**	**130,455**

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 $'000	2016 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from gold and other metal sales		192,986	131,390
Payments to suppliers and employees (incl royalties)		(130,328)	(69,378)
Interest paid		(3,934)	(2,417)
Interest received		406	683
Research and development refund		-	583
Net cash inflow from operating activities	**22**	**59,130**	**60,861**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(1,721)	(2,049)
Payments for exploration and evaluation assets		(16,917)	(13,464)
Payments for mine development asset, including construction		(48,675)	(117,800)
Payments for tenements		(40)	-
Proceeds from sale of tenement		-	1,020
Net cash outflow from investing activities		**(67,353)**	**(132,293)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		23,559	25,231
Proceeds from borrowings		-	55,072
Repayments of borrowings		(30,500)	-
Proceeds from exercise of options		613	1,696
Net cash inflow/(outflow) from financing activities		**(6,328)**	**81,999**
Net (decrease)/increase in cash and cash equivalents		**(14,551)**	**10,567**
Cash and cash equivalents at the beginning of the year		35,034	24,467
Cash and cash equivalents at the end of the year	**6**	**20,483**	**35,034**

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 2017

NOTE 1. REPORTING ENTITY

Doray Minerals Limited (the "Company") is a company limited by shares, incorporated and domiciled in Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2017 comprise the Company and its subsidiaries (the "Group").

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.

The financial statements comply with International Financial Reporting Standards (IFRS).

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

Financial Position
The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

Based on the Company's operational plans and forecast cash flows, the Directors are satisfied that the going concern basis of preparation is appropriate. Management continually monitors the Company's funding needs and should operational issues or market forces adversely affect the Company then it may need to reschedule debt repayments and/or raise funding as required to meet its commitments – both of which the Company has a demonstrated capacity to successfully achieve.

Functional and presentation currency
Both the functional and presentation currency of the Company is the Australian Dollar.

Rounding off of amounts
The company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, and in accordance with that legislative instrument amounts in the directors' report and the financial statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

ADOPTION OF NEW AND REVISED STANDARDS
Changes in accounting policies on initial application of Accounting Standards
In the year ended 30 June 2017, 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.

New and revised Standards and amendments thereof and Interpretations effective for the current annual reporting period that are relevant to the Group include:

- AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'

Impact of the application of AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'

- clarify the materiality requirements in AASB 101, including an emphasis on the potentially detrimental effect of obscuring useful information with immaterial information
- clarify that AASB 101's specified line items in the statement of profit or loss and other comprehensive income and the statement of financial position can be disaggregated
- add requirements for how an entity should present subtotals in the statement of profit and loss and other comprehensive income and the statement of financial position
- clarify that entities have flexibility as to the order in which they present the notes, but also emphasise that understandability and comparability should be considered by an entity when deciding that order - remove potentially unhelpful guidance in AASB 101 for identifying a significant accounting policy

AASB 2015-2 is applicable to annual reporting periods beginning on or after 1 January 2016.

The adoption of these amendments has not had a material impact on the Group.

STANDARDS AND INTERPRETATIONS ON ISSUE NOT YET ADOPTED

At the date of authorisation of the financial statements, the Standards and Interpretations that were issued but not yet effective are listed below:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers', AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15' and AASB 2016-3 'Amendments to Australian Accounting Standards – Clarifications to AASB 15'	1 January 2018	30 June 2019
AASB 16 'Leases'	1 January 2019	30 June 2020
AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2018	30 June 2018
AASB 2014-7 'Amendments to Australian Accounting Standards arising from AASB 9'	1 January 2018	30 June 2018
AASB 2014-10 'Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture'	1 January 2018	30 June 2019
AASB 2016-3 'Amendments to Australian Accounting Standards – Clarifications to AASB 15'	1 January 2018	30 June 2018
AASB 2016-5 'Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions'	1 January 2018	30 June 2018
AASB 2016-5 'Amendments to Australian Accounting Standards – Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts'	1 January 2018	30 June 2018

The Group does not anticipate the early adoption of any of the above Australian Accounting Standards, and has not assessed the full impact of these amendments at the date of this report.

The financial statements were authorised for issue by the Board of Directors on 29 September 2017.

Critical Accounting Estimates and Judgements

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.

Mine rehabilitation and site restoration provision

The Consolidated Entity assesses its mine rehabilitation and site restoration provision at each balance date in accordance with accounting policy note 2(i). Significant judgement is required in determining the provision for mine rehabilitation and site restoration as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate and restore the mine sites and related assets. Factors that will affect this liability include future development, changes in technology, price increases and changes in interest rates. When these factors change or become known in the future, such differences will impact the site restoration provision and asset in the period in which they change or become known.

Units of production method of amortisation

The Consolidated Entity amortises mine properties in production on a units of production basis over economically recoverable reserves and resources. These calculations require the use of estimates and assumptions. Significant judgement is required in assessing the available reserves and resources under this method. Factors that must be considered in determining reserves and resources are the complexity of metallurgy, product prices, cost structures and future developments. When these factors change or become known in the future, such differences will impact amortisation expense and the carrying value of mine property assets.

Determination of ore reserves and mineral resource

The Consolidated Entity estimates its ore reserves and mineral resources based on information compiled by competent persons in accordance with the Australian Code for Reporting of Mineral Resources and Ore Reserves December 2012 (the JORC code). Reserves and where applicable resources determined in this way are used in the calculation of amortisation and impairment charges, the assessment of mine lives and for forecasting the timing of the payment of restoration costs. When a change in estimated recoverable gold ounces and copper tonnes contained in proved and probable ore reserves, and where applicable, resources, is made, amortisation and depreciation is accounted for prospectively.

Impairment of exploration and evaluation assets
The ultimate recoupment of the value of exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale, of the underlying mineral exploration properties. The Consolidated Entity undertakes at least on an annual basis, a comprehensive review of indicators of impairment of these assets. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts where there are impairment indicators.

The key areas of estimate and judgement that are considered in this review include:
- recent drilling results and Reserves and Resource estimates;
- environmental issues that may impact underlying tenements;
- the estimated market value of assets at the review date; and
- fundamental economic factors such as the gold price, exchange rates and current and anticipated operating costs in the industry.

Information used in the review process is tested against externally available information as appropriate.

Recognition of deferred tax assets for unused tax losses
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 Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Impairment of mine development assets
In accordance with the Group's accounting policy set out in note 2 (g) non-current assets are assessed for impairment when there is an indication that their carrying amount may not be recoverable. The recoverable amount of each Cash Generating Unit (CGU) is determined as the higher of value-in-use and fair value less costs of disposal estimated on the basis of discounted present value of the future cash flows (a level 3 fair value estimation method). The estimates of discounted future cash flows for each CGU are based on significant assumptions including:
- estimates of the quantities of mineral reserves and ore resources for which there is a high degree of confidence of economic extraction and the timing of access to these reserves and ore resources;
- future production levels;
- future product prices based on market forecasts;
- future exchange rates for the Australian dollar compared to the US dollar using external forecasts by recognised economic forecasters;
- successful ramp up and operation of Deflector and continuing operation of Andy Well, consistent with latest forecasts;
- future cash costs of production, sustaining capital expenditure, rehabilitation and mine closure; and
- future cost of capital and debt for the Group's projects.

Given the nature of the Group's mining activities, future changes in assumptions upon which these estimates are based may give rise to material adjustments in future periods. This could lead to a reversal of part, or all, of impairment charges recorded in the current or prior years, or the recognition of new impairment charges in the future.

(b) Basis of Consolidation

Subsidiaries are entities controlled by the Group. The financial statements of entities controlled by the Group are included in the consolidated financial statements from the date control commences until the date control ceases. The Company has control over another entity when it is exposed to variable returns from that entity and has the power to affect those returns.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group balances, are eliminated in preparing the consolidated financial statements.

Business combinations
Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

(c) 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 profit or loss and other 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.

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 Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The Company and its wholly-owned subsidiaries are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is Doray Minerals Limited.

(d) Property, Plant and Equipment including Mine Development Asset

Items of property, plant and equipment and mine development assets 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 Group, 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.

(e) 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
IT software	3 – 5 years
Buildings	7 years
Mine development costs	Units of production

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.

(f) Financial Instruments

Non-Derivative Financial Instruments

Recognition

The Group 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 Group becomes a party to the contractual provisions of the instrument.

The Group 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 Group 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 Group 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.

Derivative Instruments

Derivative instruments are recorded at fair value on the consolidated statement of financial position and classified based on contractual maturity. Derivative instruments are classified as either hedges of the fair value of recognised assets or liabilities or of firm commitments ("fair value hedges"), hedges of highly probable forecast transactions ("cash flow hedges") or non-hedge derivatives. Derivatives designated as either a fair value or cash flow hedge that are expected to be highly effective in achieving offsetting changes in fair value or cash flows are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. Derivative assets and derivative liabilities are shown separately in the statement of financial position unless there is a legal right to offset and the intent to settle on a net basis.

Gold forward contracts

The Group is exposed to gold price risk and has entered into gold forward contracts to manage this risk in the current and prior years and also to comply with the requirements of its debt facilities. The Group's gold forward contracts are settled through physical delivery and are entered into and continued to be held for the purpose of delivery of gold in accordance with the Group's expected sale requirements.

(g) Impairment

Non-financial assets

The carrying amounts of the Group'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.

The Group'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 Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy and 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 Group 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.

(h) 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 wholly within one year together with benefits arising out of wages and salaries, sick leave and annual leave which will be settled within 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 contribution employee superannuation funds are charged as expenses when incurred.

(i) Provisions

Provisions are recognised when the Group 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.

Provision for site restoration and rehabilitation

In accordance with the Group's environmental policy and applicable legal requirements, a provision for site restoration and rehabilitation in respect of disturbed land is recognised when the land is disturbed.

The provision is the best estimate of the present value of the expenditure required to settle the restoration and rehabilitation obligation at the reporting date, based on current legal requirements and technology. Future restoration and rehabilitation costs are reviewed annually and any changes are reflected in the present value of the restoration and rehabilitation provision at the end of the reporting period. The unwinding of the effect of discounting on the provision is recognised as a finance cost.

(j) 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.

(k) 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 through 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.

(l) 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.

(m) Exploration and Evaluation Assets

Exploration and evaluation assets, including costs of acquiring licences, 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 Group 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(g)). 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.

(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

When the Group provides payment to service providers and related parties in the form of share-based compensation, whereby services are rendered in exchange for shares or rights over shares ('equity-settled transactions'), the cost of these equity-settled transactions is measured by reference to the fair value of the instruments at the date at which they are granted when the fair value of the goods and services is provided, unless that fair value cannot be determined reliably. The fair value is determined using an appropriate option valuation model for services provided by employees or where the fair value of the shares received cannot be reliably estimated.

For goods and services received where the fair value can be determined reliably the goods and services and the corresponding increase in equity are measured at that fair value.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions. Non market vesting conditions are included in assumptions about the number of options that are expected to become exercisable.

At each balance sheet date, the entity revises its estimates of the number of options granted subject to non-market vesting conditions that are expected to become exercisable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant parties become fully entitled to the award ('vesting date').

(q) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(r) Stripping Costs

During the development of a mine, before production commences, stripping costs, being the process of mining overburden and waste materials to access ore from which minerals can be extracted economically, are capitalised as part of the investment in construction of the mine and are subsequently amortised over the life of the mine on a units of production basis.

(s) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

(t) Research and Development Grants

Research and Development grants that are receivable as compensation for expenses already incurred are recognised in profit or loss in the period in which they become receivable.

Research and Development grants that relate to assets are included in the carrying amount of the asset. The grant is recognised in profit or loss over the life of the asset as a reduced depreciation expense.

(u) Non-current assets held for sale

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than though continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with AASB 13 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

(v) Revenue

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Revenue is recognised when the significant risk and rewards of ownership have been transferred to the buyer and the associated costs can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Metal Sales

Revenue from metal sales (gold, copper and concentrate) is brought to account when the significant risks and rewards of ownership have transferred to the buyer and selling prices are known or can be reasonably estimated.

Proceeds from the sale of by-products (silver) is offset against cost of sales.

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.

Non-derivative financial liabilities

Fair value 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

The Company has provided payment to vendors and related parties in the form of share-based compensation, whereby services are rendered in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined using an appropriate option valuation model for services provided by employees or where the fair value of the shares received cannot be reliably estimated.

For goods and services received where the fair value can be determined reliably the goods and services and the corresponding increase in equity are measured at that fair value.

NOTE 4. PROFIT BEFORE INCOME TAX

	Note	2017 $'000	2016 $'000
(Loss)/profit before income tax		**(70,189)**	**17,537**
Significant Expenses			
The following significant items are relevant in explaining the financial performance:			
Depreciation	9	16,535	10,885
Amortisation	11	37,696	28,049
Exploration expenditure written off	10	4,367	5,809
Impairment charge	11	72,041	-
Employee benefits expense		24,503	23,670
Rent and utilities		1,497	1,398

NOTE 5. IMPAIRMENT CHARGE

In accordance with AASB 136 - *Impairment of Assets* an impairment charge has been made against the carrying value of the Company's two Cash Generating Units ("CGUs"), namely the Andy Well Gold Project and the Deflector Gold-Copper Project based on estimates of carrying values.

An impairment is recognised when the carrying amount of the Project exceeds the recoverable amount. In accordance with the Group's accounting policy, recoverable amount is assessed as the higher of fair value less costs to sell and value in use. The Group has adopted value in use in its assessment, using discounted cash flows over the life of the mines.

The key assumptions, in addition to the life of mine plan used in the discounted cash flow valuation, are Australian dollar metal (gold and copper) prices and the discount rate.

Gold price, copper price and AUD:USD exchange rate assumptions are estimated by management, with reference to external market forecasts, and updated at least annually. The forecast gold price was estimated at US$1,233 to US$1,283/oz, the forecast copper price was estimated at US$5,744 to US$6,064/lb and the forecast exchange rate was estimated at US$0.74 to US$0.76.

Significant changes to either the forecast gold price, the forecast copper price or the forecast exchange rate will have an impact on the carrying value of the respective CGUs in future periods.

Andy Well Gold Mine
The Andy Well Gold Mine is a gold project, located approximately 45km north of Meekatharra, in the northern Murchison region of Western Australia and produces primarily gold bullion. First gold production at Andy Well was in August 2013.

The impairment at Andy Well is a result of the reduced production levels and mine life in the current mine plan which now extends to 31 October 2017.

On 6 July 2017, the Company announced that the Board had made the decision to suspend underground mining at the Andy Well operation on 1 November 2017. A final investment decision on mining at the Gnaweeda Project is not due from the Board until later in the 2017 calendar year. Current studies show ore could potentially be delivered from the Gnaweeda Project as early as June 2018. This could potentially include a re-commissioning of the Andy Well Processing Plant.

An equivalent post-tax discount rate of 11.2% was applied to the estimated future cash flows. The discount rate was derived from the Group's post tax weighted average cost of capital (WACC), with appropriate adjustments made to reflect the risks specific to the CGU.

As a result of the impairment assessments completed during the year ended 30 June 2017, the Group has recorded a total impairment charge for Andy Well of $27.6 million pre-tax related to the carrying value of the Mine's acquisition and development costs. This impairment charge is reflected in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Deflector Gold-Copper Mine
The Deflector Gold-Copper Project is located approximately 170km east of Geraldton, in the Mid-West region of Western Australia and was brought into production in May 2016.

After 14 months of production, the Deflector project currently has a 4 year mine life and is open at depth and along strike. Doray plans to produce approximately 60,000oz annually from Deflector with significant copper and silver by-product credits.

The impairment charge recognised at Deflector for the year ended 30 June 2017 is primarily due to:

- the rationalisation of the mine development asset (specifically that component which related to capitalised exploration expenditure) as part of the takeover of Mutiny Gold Ltd; and
- the completion of a new Life of Mine plan which utilises current cost and production projections to calculate future estimated cash flows.

An equivalent post-tax discount rate of 9.1% was applied to the estimated future cash flows. The discount rate was derived from the Group's post tax weighted average cost of capital (WACC), with appropriate adjustments made to reflect the risks specific to the CGU.

As a result of the impairment assessments completed during the year ended 30 June 2017, the Group has recorded a total impairment charge for Deflector of $44.4 million pre-tax related to the carrying value of the Mine's acquisition and development costs. This impairment charge is reflected in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

NOTE 6. CASH AND CASH EQUIVALENTS

	2017 $'000	2016 $'000
Cash at bank and in hand	20,483	35,034
Total cash and cash equivalents in the Statement of Cash Flows	**20,483**	**35,034**

NOTE 7. TRADE AND OTHER RECEIVABLES

Current		
Trade and other receivables	2,420	482
GST receivable	1,333	1,909
	3,753	**2,391**
Non-Current		
Other receivables	7	7
	7	**7**

NOTE 8. INVENTORIES

Current		
Ore stockpiles	5,511	5,346
Concentrate on hand	1,267	2,637
Gold in circuit	447	395
Bullion on hand	1,849	3,259
Store consumables, fuel and reagents	4,943	2,048
	14,017	**13,685**

NOTE 9. PROPERTY, PLANT AND EQUIPMENT

	2017 $'000	2016 $'000
Land and buildings	26,842	9,951
Accumulated depreciation	(6,212)	(3,627)
	20,630	**6,324**
Plant and equipment	118,063	60,000
Accumulated depreciation	(44,289)	(28,000)
	73,774	**32,000**
Motor vehicles	2,834	1,688
Accumulated depreciation	(1,776)	(1,220)
	1,058	**468**
Total property, plant and equipment at cost	147,740	71,639
Total accumulated depreciation	(52,278)	(32,847)
	95,462	**38,792**

Movements in carrying amounts during the year

	Land and buildings $'000	Plant and equipment $'000	Motor vehicles $'000	Total $'000
Carrying amount at 1 July 2015	7,319	41,849	610	49,778
Additions	656	1,494	118	2,268
Disposals	-	-	(32)	(32)
Transferred to Development	-	(2,337)	-	(2,337)
Depreciation charge	(1,651)	(9,006)	(228)	(10,885)
Carrying amount at 30 June 2016	**6,324**	**32,000**	**468**	**38,792**
Carrying amount at 1 July 2016	6,324	32,000	468	38,792
Additions	347	2,865	916	4,128
Transferred from/(to) Development	16,544	52,312	221	69,077
Depreciation charge	(2,585)	(13,403)	(547)	(16,535)
Carrying amount at 30 June 2017	**20,630**	**73,774**	**1,058**	**95,462**

NOTE 10. EXPLORATION AND EVALUATION ASSETS

	2017 $'000	2016 $'000
Exploration at cost		
Balance at the beginning of the year	36,771	25,601
Exploration of tenements	19,178	16,979
Exploration expenditure written off	(4,367)	(5,809)
Balance at the end of the year	**51,582**	**36,771**

A regular review is undertaken of each area of interest within the exploration and evaluation asset to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Exploration and evaluation assets are assessed for write down if the exploration expenditures are not expected to be recouped through successful development or exploitation of the area of interest or by its sale, which resulted in a write off of $4,367,000 on exploration and evaluation assets for the year ended 30 June 2017 (2016: $5,809,000).

NOTE 11. MINE DEVELOPMENT ASSETS

Mine Development Assets		
Balance at the beginning of the year	164,340	66,923
Additions	52,780	123,129
Impairment	(72,041)	-
Transfer (to)/from Property, Plant and Equipment	(69,077)	2,337
Amortisation	(37,696)	(28,049)
Balance at the end of the year	**38,306**	**164,340**

NOTE 12. TRADE AND OTHER PAYABLES

Current		
Trade payables	12,605	14,267
Accrued expenses and bank guarantee	4,880	6,081
Other payables	567	928
	18,052	**21,276**

NOTE 13. PROVISIONS

	2017 $'000	2016 $'000
Current		
Annual leave provision	1,446	1,356
Provision for stamp duty	3,845	2,806
Other provisions	612	-
	5,903	**4,162**
Number of employees at year end	154	156
Employee benefits		
Balance at the beginning of the year	1,356	1,068
Additional provisions	385	350
Amounts used	(295)	(62)
Balance at the end of the year	**1,446**	**1,356**
Non-Current		
Provision for rehabilitation	19,137	8,614
	19,137	**8,614**
Rehabilitation provision		
Balance at the beginning of the year	8,614	5,482
Additional provisions	10,047	2,839
Unwinding of discount	476	293
Balance at the end of the year	**19,137**	**8,614**

NOTE 14. BORROWINGS

Current		
Finance lease liabilities	971	759
Insurance premium funding	69	-
Bank loans	10,500	35,000
	11,540	**35,759**
Non-Current		
Finance lease liabilities	630	1,069
Bank loans	39,500	45,500
	40,130	**46,569**

The bank loan is secured over the assets of the Andy Well Project and the Deflector Gold Project.

NOTE 15. INCOME TAX

	2017 $'000	2016 $'000
Tax recognised in profit or loss		
Current tax expense		
Current year	-	-
Deferred tax expense recognised in profit or loss		
Origination and reversal of temporary differences	228	4,510
Adjustments in respect of prior year deferred income tax	3,808	(3,493)
Total income tax expense in profit or loss	**4,036**	**1,017**
Tax benefit recognised directly in equity		
Share-raising costs	126	212
Derivative financial instruments	-	-
Total income tax (benefit)/expense recognised in equity	**126**	**212**

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

(Loss)/profit before income tax	(70,189)	17,537
Income tax (benefit)/expense using the domestic corporation tax rate of 30%	(21,057)	5,261
Increase/(decrease) in income tax expense due to:		
Non-deductible expenses	139	280
Tax losses and temporary differences not brought to account as a deferred tax asset	22,240	-
Adjustments in respect of previous deferred income tax	3,196	(721)
Tax loss not previously recognised, now brought to account as a deferred tax asset	-	(3,372)
Amortisation of capital raising costs	(482)	(431)
Income tax benefit reported in the Statement of Profit or Loss and Other Comprehensive Income	**4,036**	**1,017**

NOTE 15. INCOME TAX (CONTINUED)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	30 June 2017 $'000	30 June 2016 $'000	30 June 2017 $'000	30 June 2016 $'000	30 June 2017 $'000	30 June 2016 $'000
Trade and other receivables	-	-	117	139	117	139
Inventories	-	(297)	187	65	187	(232)
Property, plant and equipment	-	-	2	8	2	8
Exploration assets	(10,608)	(11,255)	15,326	7,810	4,718	(3,445)
Mine development asset	(36,058)	(23,762)	32,789	41,250	(3,269)	17,488
Trade and other payables	(72)	(47)	-	-	(72)	(47)
Provisions	(561)	(2,991)	-	-	(561)	(2,991)
Borrowing costs	(6)	-	-	-	(6)	-
Capital raising costs - P&L	(396)	(379)	-	-	(396)	(379)
Capital raising costs - Equity	(720)	(846)	-	-	(720)	(846)
Tax losses	-	(13,857)	-	-	-	(13,857)
Tax (assets)/liabilities	(48,421)	(53,434)	48,421	49,272	-	(4,162)
Set off of tax	48,421	49,272	(48,421)	(49,272)	-	-
Net tax (assets)/liabilities	-	(4,162)	-	-	-	(4,162)

Movement in temporary differences during the year:

	Balance 30 June 2015 $'000	Recognised In Income $'000	Recognised In Equity $'000	Balance 30 June 2016 $'000	Recognised In Income $'000	Recognised In Equity $'000	Balance 30 June 2017 '000
Trade and other receivables	72	67	-	139	(22)	-	117
Inventories	52	(285)	-	(233)	419	-	186
Property, Plant and Equipment	9	(1)	-	8	(6)	-	2
Exploration	7,845	(11,290)	-	(3,445)	8,164	-	4,719
Mine Development	(2,306)	19,795	-	17,489	(20,007)	-	(2,518)
Trade and other payables	(227)	180	-	(47)	(26)	-	(73)
Provisions	(2,143)	(848)	-	(2,991)	1,680	-	(1,311)
Borrowing costs	(21)	21	-	-	(6)	-	(6)
Capital raising costs - P&L	(217)	(162)	-	(379)	(17)	-	(396)
Capital raising costs - Equity	(1,058)	-	212	(846)	-	126	(720)
Tax losses	(7,397)	(6,460)	-	(13,857)	13,857	-	-
	(5,391)	1,017	212	(4,162)	4,036	126	-

NOTE 16. ISSUED CAPITAL

	2017 Shares	2017 $'000	2016 Shares	2016 $'000
Issued and paid up capital				
Ordinary shares				
- Fully paid	357,089,610	191,080	309,355,704	164,993
- Capital raising costs (net of tax)	-	(7,204)	-	(5,978)
Total issued and paid up capital	**357,089,610**	**183,876**	**309,355,704**	**159,015**

Movements in ordinary shares issued

		Number of Shares	Issue Price $	Total $'000
Balance at 1 July 2015		239,701,786		132,242
6 July 2015	Conversion of Performance Rights	81,323	-	-
4 September 2015	Shared issued (Placement)	34,404,315	0.40	13,762
2 October 2015	Shares issued (Entitlement Issue)	24,659,613	0.40	9,864
6 October 2015	Shares issued (Entitlement Issue)	7,595,473	0.40	3,038
22 October 2015	Options exercised at 32.1 cents	1,052,631	0.321	338
4 Mar – 30 Jun 2016	Options exercised at 73 cents	1,860,563	0.73	1,358
		309,355,704		160,602
Less: Capital raising costs during the year		-		(1,587)
Balance at 30 June 2016		**309,355,704**		**159,015**
Balance at 1 July 2016		309,355,704		159,015
1 July 2016	Conversion of Performance Rights	110,683	-	-
5 July – 25 July 2016	Options exercised at 73 cents	839,696	0.73	613
14 July 2016	Shares issued (Transaction)	400,000	1.235	494
9 Aug 2016	Shares issued (Transaction)	65,000	0.90	59
1 Nov 2016	Shares issued (Placement)	46,150,662	0.54	24,921
11 Apr 2017	Shares issued (Transaction)	167,865	-	-
		357,089,610		185,102
Less: Capital raising costs during the year		-		(1,226)
Balance at 30 June 2017		**357,089,610**		**183,876**

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 votes by poll if so called.

Capital risk management

The Group's objective is to maintain a strong capital base so as to sustain the business through exploration, development and production, through a balance of debt and equity funds and cash flow from the Company's operations.

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

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

NOTE 17. RESERVES AND SHARE BASED PAYMENTS

	2017 $'000	2016 $'000
Options reserve	5,511	5,547
Performance rights reserve	266	591
Total reserves	**5,777**	**6,138**

Nature and purpose of reserves

Options reserve

The options reserve is used to recognise the fair value of options on their issue date.

Performance rights reserve

The performance rights reserve is used to recognise the fair value of performance rights on their issue date.

Movements in UNLISTED OPTIONS issued

		Number of Options	Option Price $	Total $'000
Balance at 1 July 2015		8,384,607		5,215
Charge on options issued in prior periods				30
	Exercise of options at $0.321	(1,052,631)	-	-
	Exercise of options at $0.73	(1,860,563)	-	-
	Expiry or forfeiture of options	(4,023,090)	-	-
	Employee options issued	3,204,885	0.0942	302
Balance at 30 June 2016		**4,653,208**		**5,547**
Balance at 1 July 2016		4,653,208		5,547
Charge/(reversal) on options issued in prior periods				(391)
	Exercise of options at $0.73	(839,696)	-	-
	Expiry or forfeiture of options	(1,245,387)	0.0751	(28)
	Employee options issued	5,100,429	0.0751	383
Balance at 30 June 2017		**7,668,554**		**5,511**

Movements in PERFORMANCE RIGHTS issued

		Number of Rights	Fair Value of Rights/Options $	Total $'000
Balance at 1 July 2015		385,424		87
6 July 2015	Vesting of Rights and Conversion	(116,626)		-
	Performance Rights issued	4,478,067	0.11	504
Balance at 30 June 2016		**4,746,865**		**591**
Balance at 1 July 2016		4,746,865		591
5 July 2016	Vesting of Rights and Conversion	(110,683)		-
	Performance Rights issued	1,409,146	0.926	21
	Performance Rights issued	1,666,666	0.392	22
	Performance Rights forfeited	(3,799,204)		(368)
Balance at 30 June 2017		**3,912,790**		**266**

Inputs for measurement of grant date fair values

The grant date fair value of all share-based payment plans, excluding performance rights, was measured based on using the Black and Scholes formula. Expected volatility is estimated by considering historic average share price volatility. The performance rights were valued using a Monte Carlo methodology. The inputs used in the measurement of the fair values at grant date of the share-based payment plans are the following:

Share option and performance rights plans 2017

	Key Management Personnel				Employees
Fair value and assumptions	**Performance Rights (T1-A)**	**Performance Rights (T1-B)**	**Performance Rights[1] (T2-A)**	**Performance Rights[1] (T2-B)**	**Options**
Number granted	1,409,146	1,409,146	1,666,666	1,666,666	5,100,429
Grant/Valuation date	24/08/16	24/08/16	10/04/17	10/04/17	20/02/17
Expiry/Vesting date	30/06/19	30/06/19	30/06/20	30/06/20	20/02/19
Fair value at grant date	$0.835	$0.091	$0.037	$0.355	$0.075
Share price at grant date	$0.835	$0.835	$0.355	$0.355	$0.420
Exercise price	-	-	-	-	$0.630
Life (years)	2.85	2.85	3.22	3.22	2.00
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	1.39%	1.39%	1.79%	1.79%	2.75%

[1] Performance Rights approved at the General Meeting held on 10 April 2017

	2017 $'000	**2016 $'000**
Employee expenses		
Share options granted to employees	228	332
Performance rights granted to Key Management Personnel	(284)	449
Performance rights granted to employees	(41)	55
Total share-based payment expense recognised	**(97)**	**836**

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

	Weighted average exercise price 2017	**Number of options 2017**	**Weighted average exercise price 2016**	**Number of options 2016**
Outstanding at the beginning of the year	$1.03	4,653,208	$0.92	8,384,607
Forfeited during the year	$0.80	(1,062,112)	$0.83	(286,177)
Exercised during the year	$0.73	(839,696)	$0.58	(2,913,194)
Expired during the year	$0.73	(183,275)	$1.03	(3,736,913)
Granted during the year	$0.63	5,100,429	$0.89	3,204,885
Outstanding at the end of the year	**$1.11**	**7,668,554**	**$1.03**	**4,653,208**
Exercisable at the end of the year	$1.52	2,946,606	$0.87	3,630,237

The unlisted options outstanding at 30 June 2017 have an exercise price in the range of $0.63 to $3.325 (2016: $0.73 to $3.325) and a weighted average contractual life of 1.22 years (2016: 1.31 years).

The weighted average share price at the date of exercise for share options exercised in 2017 was $1.14 (2016: $1.03).

At 30 June 2017, options over unissued shares are as follows:

Expiry date	**Exercise Price**	**Number under option**
9 September 2017	$1.03	100,000
31 December 2017	$1.425	80,420
31 December 2017	$1.90	95,788
31 December 2017	$2.375	111,578
31 December 2017	$2.85	111,578
31 December 2017	$3.325	111,156
22 January 2018	$0.89	2,336,086
19 February 2019	$0.63	4,721,948
		7,668,554

NOTE 18. SEGMENT REPORTING

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

Management has determined the operating segments of the Group, based on the reports reviewed by the Board in its decision making.

The Group has three reportable operating segments, namely:

i) Andy Well Gold Mine
ii) Deflector Gold-Copper Mine
iii) Doray Minerals Limited

The Group has two predominantly-gold projects, both located in Western Australia, from which the Group's revenues are derived. The Andy Well Gold Mine produces primarily gold bullion. The Deflector Gold-Copper Mine produces gold bullion and gold-copper concentrate.

Revenue derived from bullion sales at both the Andy Well Mine and the Deflector Mine is sold either through the Perth Mint or to Westpac Bank. Revenue derived from the sale of Deflector's gold-copper concentrate is predominantly received from MRI Trading AG who are responsible for marketing the product.

Budgeting is managed at a project level with the Chief Operating Officer and respective Registered Manager being responsible for the budgets and expenditure at a site level. Corporate expenditure is reported under the Doray Minerals Ltd segment.

The Group's General Manager – Geology and Exploration is responsible for the budgets and expenditure relating to the Group's exploration targets. Capitalised expenditure on the exploration and mining leases is reported under the respective project's segment. Capitalised regional exploration costs are reported under the Doray Minerals Ltd segment.

The Group operates in one principal geographic area, Australia.

30 June 2017	Andy Well Gold Mine A$'000	Deflector Gold-Copper Mine A$'000	Doray Minerals Ltd A$'000	Total A$'000
Revenues from external customers	85,722	97,297	-	183,019
Segment net operating profit/(loss) before income tax	(40,505)	(17,948)	(11,737)	(70,189)
Segment assets	39,564	46,051	139,602	225,217
Segment liabilities	(34,670)	(27,222)	(32,870)	(94,762)
Financial income/(expense)	(1,209)	(1,951)	365	(2,795)
Income tax (expense)/benefit	11,535	3,905	(19,476)	(4,036)
Significant non-cash expenses				
Impairment charge	(27,615)	(44,426)	-	(72,041)
Depreciation & amortisation	(42,412)	(11,526)	(293)	(54,231)
Exploration written-off	(167)	(10)	(4,190)	(4,367)

The Group had only one reportable operating segment in the previous reporting period.

NOTE 19. CONTINGENT ASSETS AND LIABILITIES

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

NOTE 20. COMMITMENTS

Exploration Expenditure Commitments

In order to maintain the current rights of tenure to mining tenements, the Group 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:

	2017 $'000	2016 $'000
Not longer than one year	3,758	3,776
Longer than one year, but not longer than five years	-	-
Longer than five years	-	-
Total	**3,758**	**3,776**

If the Group 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.

Finance Leases		
Included in the financial statements (note 14) as:		
Current borrowings	971	759
Non-current borrowings	630	1,069
	1,601	**1,828**

Finance Lease Commitments		
Lease Payments	1,669	1,927
Less: Future Interest Charges	(68)	(99)
	1,601	**1,828**

Not longer than one year	1,001	806
Longer than one year, but not longer than five years	668	1,121
Longer than five years	-	-
Total	**1,669**	**1,927**

Operating Lease Commitments

Minimum operating lease commitments contracted for but not capitalised in the financial statements are payable as follows:

Not longer than one year	2,528	2,470
Longer than one year, but not longer than five years	5,969	8,652
Longer than five years	-	-
Total	**8,497**	**11,122**

Capital expenditure commitments		
Infrastructure	**1,635**	**1,325**

NOTE 21. BASIC AND DILUTED EARNINGS/(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 profit

	2017 $'000	2016 $'000
Net (loss)/profit attributable to ordinary equity holders	(74,225)	16,520
Earnings used to calculate basic and diluted EPS	**(74,225)**	**16,520**

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

	2017	2016
Weighted average number of ordinary shares outstanding during the period used in calculating:		
Basic EPS	341,229,846	293,047,867
Weighted average number of options and performance rights	5,221,765	7,667,587
Diluted EPS*	346,451,611	300,715,454

*As the Group has incurred a loss in 2017, any exercise of options and performance rights would be antidilutive, therefore the diluted and basic earnings per share are equal

NOTE 22. CASH FLOW INFORMATION

	2017 $'000	2016 $'000
Reconciliation of cash flows from operating activities to (loss)/profit after income tax:		
(Loss)/profit after income tax	(74,225)	16,520
Non-cash flows in loss		
- Depreciation	16,535	10,885
- Amortisation	37,696	28,049
- Impairment charge	72,041	-
- Share-based payment expense	(97)	868
- Royalties	658	-
- Finance costs	733	-
- Annual leave expense	406	385
- Exploration expenditure written off	4,367	5,809
	58,114	62,516
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other receivables	(1,362)	(586)
- (Increase)/decrease in prepayments	(229)	(1,187)
- (Increase)/decrease in inventories	(332)	(4,579)
- (Increase)/decrease in deferred tax assets	4,036	1,229
- (Increase)/decrease in non-current assets held for sale	-	1,105
- Increase/(decrease) in trade and other payables	(3,224)	(2,609)
- Increase/(decrease) in provisions	2,127	4,972
Cash inflow from operating activities	**59,130**	**60,861**

NOTE 23. RELATED PARTY TRANSACTIONS

Doray Minerals Limited has advanced the following funds to its subsidiaries by way of intergroup loans:

	2017	2016
Andy Well Mining Pty Ltd	60,732,285	54,018,063
Murchison Resources Pty Ltd	11,255	11,006
Meehan Minerals Pty Ltd	42,639	42,390
Deflector Mining Limited	68,646,182	83,431,653
	129,432,361	**137,503,112**

No guarantees have been given or received in respect of the advances.

Transactions and balances between the Company and its subsidiaries were eliminated in the preparation of consolidated financial statements of the Group.

Transactions with Directors and their related entities are disclosed in the Remuneration Report.

NOTE 24. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors and Key Management Personnel

Names and positions held of Directors and other Key Management Personnel in office during the year were:

Directors

Mr Julius Matthys	Non-Executive Chairman (appointed 1 February 2017)
Mr Leigh Junk	Managing Director (appointed 20 January 2017) / Non-Executive Director
Mr Peter Alexander	Non-Executive Director
Mr Jay Stephenson	Non-Executive Director
Mr Peter Lester	Non-Executive Chairman (resigned 16 January 2017)
Mr Allan Kelly	Managing Director (resigned 16 December 2016)

Key Management Personnel

Mr Mark Cossom	General Manager – Geology and Exploration
Mr Rod Jacobs	Chief Operating Officer (appointed 20 March 2017)
Mr Jon Latto	Chief Financial Officer
Mr Peter Bamford	General Manager – Operations (resigned 31 March 2017)

(b) Key Management Personnel Compensation

	2017	2016
Short term employee benefits	2,125,833	2,202,450
Post-employment benefits	211,738	209,231
Termination benefits	490,666	-
Equity	26,683	307,491
	2,854,920	**2,719,172**

Other transactions with Directors

There were no loans made to Directors during the financial year 30 June 2017.

NOTE 25. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk, commodity price risk, liquidity risk and cash flow interest rate risk. The Group'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 Group.

The fair value of the Group's financial assets and liabilities approximate their carrying value with the exception of its gold forward contracts which are not recognised in the Statement of Financial Position.

The Group holds the following financial instruments:

	2017 $'000	2016 $'000
Financial assets		
Cash and cash equivalents	20,483	35,034
Trade and other receivables	3,753	482
	24,236	**35,516**
Financial liabilities		
Trade and other payables	18,052	21,276
Borrowings	51,670	82,329
	69,722	**103,605**

(a) Market risk

(i) Price risk

The Group's derivative financial liabilities are currently exposed to commodity price risk, namely a change in the Australian Dollar gold price, which acts to offset any change in the future cash flows from the sale of gold.

(ii) Fair value interest rate risk

Refer to (d) below.

(iii) Gold price and foreign exchange risk

Gold price risk arises from the risk of an adverse effect on current or future earnings resulting from fluctuations in the price of gold. The Group will have transactional foreign exchange exposures, which will arise from sales or purchases by the group in currencies other than the group's functional currency. The gold market is predominately priced in US dollars which exposes the group to the risk that fluctuations in the Australian dollar/US dollar exchange rate may have an adverse effect on current or future earnings. The Group is also exposed to certain by-product commodity price risk, namely copper and silver.

Doray has undertaken a gold hedging programme which has been in place since 2013 with additional hedging being put in place from 2014 to 2016. As at 30 June 2017 the Group had 81,265 ounces (2016: 155,650 ounces) hedged at an average hedge price of A$1,603/oz comprising approximately 40% of the forecast production out to September 2019. A A$100 per ounce increase in the spot price of gold with all other variables being held constant at period end would have increased profit by approximately $10,200,000 and vice versa.

The Group has designated these contracts as cash flow hedges. In the period there was no ineffectiveness in respect of these hedges.

(b) Credit risk

Credit exposure represents the extent of credit related losses that the Group may be subject to on amounts to be received from financial assets. Credit risk arises principally from receivables on the sale of gold to The Perth Mint or banks, bank deposits and derivative financial assets. The objective of the Group is to minimise the risk of loss from credit risk through dealings with banks which have a minimum AA- credit rating with Standard & Poor's. The Group's maximum credit risk 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	2017 $'000	2016 $'000
Financial assets			
Interest-bearing deposit	High	20,483	35,034
		20,483	**35,034**

No impairment losses have been recorded on the amounts receivable from third parties at 30 June 2017.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The objective of the Group 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. The Group aims to maintain flexibility in funding by maintaining adequate reserves of liquidity.

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

$'000	Carrying Amount	Contractual Cash flows	< 3 months	3-6 months	+6 months
Trade and other payables and borrowings:					
At 30 June 2017	69,722	69,722	20,375	755	48,592
At 30 June 2016	103,604	103,604	21,276	35,759	46,569

The maturity profile of the remaining gold forward contracts is as follows:

Ounces	Ave. Price	Total Ounces	< 3 months	3-6 months	+6 months
Gold forward contracts					
At 30 June 2017	A$1,603	81,265	11,974	17,386	51,905
At 30 June 2016	A$1,602	155,650	18,263	20,120	117,267

(d) Interest rate risk

From time to time the Group 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 Group's interest rate profile is set out below:

$'000	Floating interest rate	Non-interest bearing	Fixed rate	2017 Total	Floating interest rate	Non-interest bearing	Fixed rate	2016 Total
Financial Assets								
Cash and cash equivalents	20,483	-	-	20,483	35,034	-	-	35,034
	20,483	**-**	**-**	**20,483**	**35,034**	**-**	**-**	**35,034**
Weighted average interest rate	1.35%				1.93%			
Financial Liabilities								
Trade and other creditors	-	18,052	-	18,052	-	21,276	-	21,276
Finance lease liabilities	-	-	1,601	1,601	-	-	1,828	1,828
Bank loans	50,000	-	-	50,000	80,500	-	-	80,500
	50,000	**18,052**	**1,601**	**69,653**	**80,500**	**21,276**	**1,828**	**103,604**
Weighted average interest rate	4.86%				3.70%			

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate instruments at fair value through profit or loss and therefore a change in interest rates at period end would not affect profit or loss.

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 Group's profit or loss by $295,000 (2016: $450,000).

NOTE 26. SUBSIDIARIES

	Ownership Interest	
Subsidiaries	**2017**	**2016**
Doray Gold Operations Pty Ltd	100%	100%
Andy Well Mining Pty Ltd	100%	100%
Meehan Minerals Pty Ltd	100%	100%
Murchison Resources Pty Ltd	100%	100%
Deflector Mining Limited (previously Mutiny Gold Limited)	100%	100%
MYG Tenement Holdings SPV Pty Ltd	100%	100%
MYG Tenement Holdings Pty Ltd	100%	100%
Brandy Hill SPV Pty Ltd	100%	100%
Brandy Hill Pty Ltd	100%	100%
Central Infrastructure SPV Pty Ltd	100%	100%
Central Infrastructure Pty Ltd	100%	100%
Deflector Gold SPV Pty Ltd	100%	100%
Deflector Gold Pty Ltd	100%	100%
Gullewa Gold Project SPV Pty Ltd	100%	100%
Gullewa Gold Project Pty Ltd	100%	100%

NOTE 27. AUDITOR'S REMUNERATION

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

	2017	**2016**
Auditors Services		
Audit and review of financial reports	145,000	95,000
Other Services		
Financial model reviews	12,000	-
	157,000	**95,000**

NOTE 28. PARENT ENTITY INFORMATION

(a) Information relating to Doray Minerals Limited

Results of the parent entity	2017 $'000	2016 $'000
Loss for the period	(24,424)	(11,938)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(24,424)**	**(11,938)**
Financial position of the parent entity at year end		
Current assets	21,964	36,402
Non-current assets	163,619	178,821
Total assets	**185,583**	**215,223**
Current liabilities	17,218	40,089
Non-current liabilities	39,435	46,569
Total liabilities	**56,653**	**86,658**
Net assets	**128,930**	**128,565**
Issued capital	183,876	159,015
Reserves	6,066	6,138
Accumulated losses	(61,012)	(36,588)
Total equity	**128,930**	**128,565**

(b) Details of any guarantees entered into by parent entity in relation to the debts of subsidiaries

Doray Minerals Limited acts as Borrower under the terms of the bank facility agreement with the following wholly owned subsidiaries, Doray Gold Operations Pty Ltd, Deflector Mining Limited, Andy Well Mining Pty Ltd, Deflector Gold SPV Pty Ltd, Deflector Gold Pty Ltd, Gullewa Gold Project Pty Ltd, Central Infrastructure SPV Pty Ltd and Central Infrastructure Pty Ltd, acting as Guarantors.

(c) Details of any contingent liabilities of the parent

There are no contingent liabilities at year end.

(d) Details of any contractual commitments by the parent entity for the acquisition of plant and equipment

There are no contractual commitments by the parent entity for the acquisition of plant and equipment.

(e) Tax Consolidation

The Group and its 100%-controlled entities have formed a tax consolidation group.

NOTE 29. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 6 July 2017, the Company announced that the Board had made the decision to suspend underground mining at the Andy Well operation on 1 November 2017. Current studies show ore could potentially be delivered from the Gnaweeda Project in calendar year 2018. This could potentially include a re-commissioning of the Andy Well Processing Plant.

No other 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.

DIRECTORS' DECLARATION

1 In the opinion of the Directors of Doray Minerals Limited ('the Group'):
   (a) the financial statements and notes as set out on pages 44 to 75, and the Remuneration Report in the Directors' Report as set out on pages 34 to 40, are in accordance with the *Corporations Act 2001*, including:
      (i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
      (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001;
   (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a); and
   (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
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 2017.

Signed in accordance with a resolution of the Directors:
Dated at Perth on 29 September 2017.

Julius Matthys
Chairman of the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION

Nexia Australia

AUDITOR'S INDEPENDENCE 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 2017 except for the matter described below there has 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.

Nexia Perth Audit Services Pty Ltd

TJ Spooner
Director
Perth
29 September 2017

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DORAY MINERALS LIMITED

Nexia Australia

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Doray Minerals Limited (the Company and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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Key audit matter	How our audit addressed the key audit matter
Funding and Liquidity *Refer to note 14 (Borrowings) and note 2(a) (Basis of Preparation)* The Group has external debt with covenants in place. Recent losses incurred by the Group may have an impact on the Group's Funding Arrangement. The adequacy of funding as well as the potential impact on the classification of the Borrowings as at 30 June 2017 is a key audit matter due to the requisite level of management's judgments and estimates to this assessment.	Our procedures included, amongst others: • Reading the Facility Agreement including any amendment deeds and considered the impact on the Group's forecasted cash flow as well as covenant ratios; • Confirming that the Group's cash flow forecast takes into account management's most recent assessment of the remaining Life of Mine; • Evaluating the underlying cash flow assumptions with reference to current year results and current economic market conditions; • Obtaining board meeting minutes and ASX announcements subsequent to year end to ascertain whether any additional facts or information have become available since the date on which management made its assessment; • Assessing the accuracy of management's forecasting by assessing the reliability of historical forecasts; and • We performed a sensitivity analysis using reasonably possible changes to forecast revenue and estimated expenditure.
Mining Assets Impairment Analysis *Refer to note 11 (Mine Development Asset)* The Group had two Cash Generating Units ("CGU"s), Andy·Well and Deflector mines. The Group's assessment of the recoverable amount of its mine development assets was a key audit matter because the carrying value of the assets are material to the financial statements, there is a prior history of impairments and management's assessment of recoverable amounts incorporate significant internal and external judgements and assumptions including commodity prices, available reserves, residual values and discount rates.	Our procedures included, amongst others: • We checked that the forecasts used in the respective valuation models were consistent with the Life of Mine plan; • Assessing the competence and independence of management's external experts; • Testing the assumptions and methodology used for the impairment test, in particular, those relating to the gold price, forward rates, exchange rates, discount rates and production forecasts by reference to contractual arrangements and current and forecast market prices; • We tested the underlying cash flow assumptions with reference to current year results, expected production levels and grades and external industry information and market data; • We performed sensitivity analysis of the recoverable amount to reasonably possible changes in the key cash flow forecast assumptions and compared the discount rates to available market information; • We also checked the mathematical accuracy of the calculation in the respective valuation models; and • We assessed whether appropriate disclosure regarding significant areas of management judgement has been made in the financial report.

Key audit matter	How our audit addressed the key audit matter
Rehabilitation provision *Refer to note 13 (Provisions)* There is significant judgement and estimation by internal and external experts in the calculation of the rehabilitation provision. Assumptions are required to be made relating to the methods of rehabilitation required, future costs that would be incurred due to these methods identified and the timing of these costs. The assessment of the rehabilitation process is a key audit matter as the amount is material and requires significant judgement from both internal and external experts.	Our procedures included, but were not limited to: • Assessing the qualifications, objectivity and experience of management's internal and external experts; • Assessing the respective mine closure plans and ensuring that the scope is relevant to the nature of the provision; • Testing the assumptions used in calculating the cost estimate in the mine closure plan to costs provided in an external contract with a third party; • Assessing the calculation of the net present value of the provision ensuring that the discount rate and inflation rate estimates used, are consistent with available economic data; and • Comparing the tenements noted in the Tenement Schedule to the tenement status report for completeness.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the consolidated financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Australian Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_files/ar2.pdf. This description forms part of our auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 34 to 40 of the Directors' Report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Doray Minerals Limited, for the year ended 30 June 2017, complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

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.

Nexia Perth Audit Services Pty Ltd

TJ Spooner
Director
Perth
29 September 2017

ADDITIONAL INFORMATION

FOR LISTED PUBLIC COMPANIES

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

Shareholding as at 26 September 2017
Distribution of Shareholders

Range	Number of Shares	Number of Holders
1 – 1,000	344,257	666
1,001 – 5,000	5,645,801	1,957
5,001 – 10,000	9,257,312	1,163
10,001 – 100,000	75,315,328	2,337
100,001 – and over	266,526,912	318
	357,089,610	**6,441**

The number of shareholdings holding less than a marketable parcel is 1,499.

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 26 September 2017

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	90,504,392	25.35
2.	CITICORP NOMINEES PTY LIMITED	40,337,953	11.30
3.	J P MORGAN NOMINEES AUSTRALIA LIMITED	9,941,924	2.78
4.	NATIONAL NOMINEES LIMITED	6,315,852	1.77
5.	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	6,299,229	1.76
6.	UBS NOMINEES PTY LTD	4,000,000	1.12
7.	MR IAN DAVIES	3,836,009	1.07
8.	MR MILAN RADOVAC	3,800,000	1.06
9.	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	3,769,419	1.06
10.	CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	3,057,731	0.86
11.	CAPRICORN MINING PTY LTD	3,000,000	0.84
12.	MR DAVID GEORGE METFORD <STL SUPER FUND A/C>	3,000,000	0.84
13.	BNP PARIBAS NOMS PTY LTD <DRP>	2,890,030	0.81
14.	RATCLIFFE SMSF PTY LTD <RATCLIFFE SUPERFUND A/C>	2,274,550	0.64
15.	MR WALTER SCOTT WILSON + MRS MARIA ANDREA WILSON	1,984,000	0.56
16.	GEARED INVESTMENTS PTY LTD <INVESTMENT A/C>	1,500,000	0.42
17.	NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	1,356,697	0.38
18.	MR ADRIAN RUSSELL NISBET	1,300,000	0.36
19.	MR MARTIN JAMES HICKLING + MRS JANE FRANCES HICKLING <M & J HICKLING SUPER A/C>	1,100,000	0.31
20.	BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	975,381	0.27
		191,243,167	**53.56**

The name of the Company Secretary is Iain Garrett.

The address of the principal registered office in Australia is Level 1, 1292 Hay Street, West Perth WA 6005.
Telephone (08) 9226 0600.

Registers of securities are held at the following address
Computershare Registry Services
Level 11
172 St George's Terrace
PERTH, WA 6000

Stock Exchange Listing
Quotation has been granted for all the ordinary shares of the Group on all Member Exchanges of ASX Limited.

Unquoted Securities
Options over Unissued Shares
A total of 6,702,635 options are on issue of which no options are on issue to Directors.

Use of Funds
The Group has used its funds in accordance with its initial business objectives.

TENEMENT SCHEDULE

AS AT 30 JUNE 2017

Lease	Status	Project	Expiry Date	Registered Holder or Applicant	Ownership
			Western Australia		
E51/1609	Granted	Abbotts	30/06/2020	Doray Minerals Limited	100%
E51/1708	Granted	Abbotts	9/06/2021	Doray Minerals Limited	100%
E51/1757	Application	Abbotts		Doray Minerals Limited	100%
E51/1790	Granted	Abbotts	3/07/2022	Doray Minerals Limited	100%
E51/1791	Granted	Abbotts	3/07/2022	Doray Minerals Limited	100%
M51/390	Granted	Abbotts	11/03/2033	Doray Minerals Limited	100%
M51/567	Granted	Abbotts	1/05/2033	Doray Minerals Limited	100%
P51/2578	Granted	Abbotts	6/09/2017	Doray Minerals Limited	100%
P51/2579	Granted	Abbotts	6/09/2017	Doray Minerals Limited	100%
P51/2958	Granted	Abbotts	15/06/2020	Doray Minerals Limited	100%
P51/2959	Granted	Abbotts	15/06/2020	Doray Minerals Limited	100%
P51/2960	Granted	Abbotts	15/06/2020	Doray Minerals Limited	100%
P51/2961	Granted	Abbotts	15/06/2020	Doray Minerals Limited	100%
P51/2962	Granted	Abbotts	15/06/2020	Doray Minerals Limited	100%
P51/2963	Granted	Abbotts	15/06/2020	Doray Minerals Limited	100%
E51/1217	Granted	Andy Well	21/01/2018	Andy Well Mining Pty Ltd	100%
E51/1625	Granted	Andy Well	14/07/2020	Doray Minerals Limited	100%
E51/1626	Granted	Andy Well	16/07/2020	Doray Minerals Limited	100%
E51/1648	Granted	Andy Well	20/03/2021	Doray Minerals Limited	100%
M51/870	Granted	Andy Well	26/04/2033	Andy Well Mining Pty Ltd	100%
E09/2034	Granted	Carnarvon Sands	15/06/2019	Doray Minerals Limited	100%
E59/1240	Granted	Deflector	9/07/2019	Brandy Hill Iron Pty Ltd	100%
E59/1241	Granted	Deflector	4/08/2019	Gullewa Gold Project Pty Ltd	100%
E59/1242	Granted	Deflector	9/07/2019	Gullewa Gold Project Pty Ltd	100%
E59/1274	Granted	Deflector	19/11/2017	Brandy Hill Iron Pty Ltd	100%
E59/1275	Granted	Deflector	6/04/2019	Deflector Mining Pty Ltd	100%
E59/2156	Granted	Deflector	22/12/2021	Deflector Mining Pty Ltd	100%
E59/2173	Granted	Deflector	26/03/2022	Deflector Mining Pty Ltd	100%
L59/35	Granted	Deflector	24/10/2019	Central Infrastructure Pty Ltd	100%
L59/49	Granted	Deflector	1/03/2021	Deflector Gold Pty Ltd	100%
L59/50	Granted	Deflector	1/03/2021	Central Infrastructure Pty Ltd	100%
L59/64	Granted	Deflector	17/04/2033	Deflector Gold Pty Ltd	100%
L59/70	Granted	Deflector	18/09/2031	Central Infrastructure Pty Ltd	100%
L59/71	Granted	Deflector	18/09/2031	Deflector Gold Pty Ltd	100%
M59/132	Granted	Deflector	25/01/2031	Gullewa Gold Project Pty Ltd	100%
M59/133	Granted	Deflector	1/12/2030	Brandy Hill Iron Pty Ltd	100%
M59/224	Granted	Deflector	1/07/2033	Brandy Hill Iron Pty Ltd	100%
M59/294	Granted	Deflector	6/12/2035	Central Infrastructure Pty Ltd	100%
M59/335	Granted	Deflector	17/10/2036	Gullewa Gold Project Pty Ltd	100%
M59/336	Granted	Deflector	17/10/2036	Gullewa Gold Project Pty Ltd	100%
M59/356	Granted	Deflector	5/12/2036	Gullewa Gold Project Pty Ltd	100%
M59/391	Granted	Deflector	6/02/2038	Gullewa Gold Project Pty Ltd	100%
M59/392	Granted	Deflector	6/02/2038	Gullewa Gold Project Pty Ltd	100%
M59/442	Granted	Deflector	4/11/2018	Deflector Gold Pty Ltd	100%
M59/49	Granted	Deflector	18/03/2029	Central Infrastructure Pty Ltd	100%
M59/507	Granted	Deflector	13/12/2019	Central Infrastructure Pty Ltd	100%
M59/522	Granted	Deflector	8/03/2022	Central Infrastructure Pty Ltd	100%
M59/530	Granted	Deflector	27/08/2022	Gullewa Gold Project Pty Ltd	100%
M59/531	Granted	Deflector	2/05/2022	Gullewa Gold Project Pty Ltd	100%
M59/68	Granted	Deflector	8/12/2029	Gullewa Gold Project Pty Ltd	100%

Lease	Status	Project	Expiry Date	Registered Holder or Applicant	Ownership
E51/1577	Granted	Gnaweeda	7/10/2019	Doray Minerals Limited	100%
E51/1596	Granted	Gnaweeda	7/10/2019	Doray Minerals Limited	100%
E51/926	Granted	Gnaweeda	30/07/2017	Doray Minerals Limited	100%
E51/927	Granted	Gnaweeda	30/07/2017	Doray Minerals Limited	100%
L51/97	Application	Gnaweeda		Doray Minerals Limited	100%
M51/881	Application	Gnaweeda		Doray Minerals Limited	100%
P51/2652	Granted	Gnaweeda	14/07/2019	Doray Minerals Limited	100%
E53/1466	Granted	Horse Well	22/07/2020	Doray Minerals Limited/Alloy Resources Ltd	60%
E53/1471	Granted	Horse Well	22/07/2020	Doray Minerals Limited/Alloy Resources Ltd	60%
E53/1924	Granted	Horse Well	24/07/2022	Doray Minerals Limited/Alloy Resources Ltd	60%
E69/1772	Granted	Horse Well	1/06/2018	Doray Minerals Limited/Alloy Resources Ltd	60%
E69/2492	Granted	Horse Well	11/03/2020	Doray Minerals Limited/Alloy Resources Ltd	60%
E69/2765	Granted	Horse Well	4/05/2021	Doray Minerals Limited/Alloy Resources Ltd	60%
E69/2820	Granted	Horse Well	5/05/2021	Doray Minerals Limited/Alloy Resources Ltd	60%
E69/3069	Granted	Horse Well	30/07/2018	Doray Minerals Limited/Alloy Resources Ltd	60%
E69/3427	Granted	Horse Well	9/10/2021	Doray Minerals Limited/Alloy Resources Ltd	60%
P53/1524	Granted	Horse Well	8/07/2018	Doray Minerals Limited/Alloy Resources Ltd	60%
P53/1525	Granted	Horse Well	8/07/2018	Doray Minerals Limited/Alloy Resources Ltd	60%
P53/1526	Granted	Horse Well	8/07/2018	Doray Minerals Limited/Alloy Resources Ltd	60%
			South Australia		
EL5665	Granted	Iluka-DRM	11/08/2019	Doray Minerals Limited	100%
EL5679	Granted	Iluka-DRM	7/09/2019	Doray Minerals Limited	100%
EL5457	Granted	Lake Everard	31/07/2019	Doray Minerals Limited	100%
EL5310	Granted	Narlaby Tank	23/07/2018	Doray Minerals Limited	100%
EL5466	Granted	Nuckulla Hill	24/08/2019	Doray Minerals Limited	100%
EL5620	Granted	Nuckulla Hill	20/05/2019	Doray Minerals Limited	100%
EL5664	Granted	Nuckulla Kondoolka	26/04/2020	Doray Minerals Limited	100%
EL5552	Granted	Nuckulla Lake Gardiner	23/12/2019	Doray Minerals Limited	100%
EL5954	Granted	Pimba	17/04/2019	Doray Minerals Limited	100%
EL5955	Granted	Streaky Bay	17/04/2019	Doray Minerals Limited	100%
EL5295	Granted	Toondulya	26/06/2018	Doray Minerals Limited	100%

DORAY

MINERALS LIMITED

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