

DRAIG

RESOURCES LIMITED

Bellevue Gold Mine
"A forgotten treasure"
 Historically produced
 800,000oz @ 15g/t gold

New gold discovery at
Tribune Lode of 7m @ 27.7g/t
gold incl 5m @ 37.5g/t from
92m with visible gold

Corporate Directory
 Non-Executive Chairman
 Mr Ray Shorrocks

Executive Director
 Mr Steve Parsons

Non-Executive Director
 Mr Guy Robertson

Company Secretary
 Ms Oonagh Malone

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ASX CODE: DRG

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Ground position significantly increased by over 3000% Bellevue Gold Project

- Land position has increased to 866km² through acquisition of tenements adjoining the Bellevue Gold Project, comprising:
 - 22km² of granted Mining Licenses from a subsidiary of Liontown Resources Limited (ASX: LTR).
 - Applications for 816km² through a wholly owned subsidiary of Draig Resources, Green Empire Pty Ltd.
- Liontown tenements are highly prospective for gold & base metals with historical gold workings located in M36/328 (Big Mill Well) & M36/176 (Palmyra).
 - Historical drill intercepts of:
 - 2m @ 19.77g/t gold** from 32m in GC02 (a53946*)
 - 5m @ 9.78g/t gold** from 8m in H7 (a60278*)
 - 10m @ 1.65g/t gold** from 14m in GC01 (a53946*)
 - **18.46g/t gold** in historical rock chips (a60278*)
- Green Empire tenement applications highly prospective for gold, as well as brine SO₄ Potash, Lithium, Uranium.
 - Historical highly anomalous results for Potash brine include **14,260mg/l SO₄ (14.26kg/m³ equivalent)** (a66827*)
- The Company is now undertaking detailed geological reviews and targeting in preparation for future exploration programmes.
- Drilling at Bellevue Gold Project's new Tribune Lode discovery is continuing with step-out drilling and Down Hole EM surveying commencing this coming week.

Executive Director Mr Steve Parsons commented:

"We are very pleased to significantly increase our land holding in a well-endowed mining district and which complements our Bellevue gold Project.

We have been very encouraged by our recent exploration success at Bellevue and we now have a very large presence in the area. Our geological team will now look to target areas prospective for high grade gold as well as a range of other commodities.

However, our key focus currently is progressing our high-grade gold discovery at Bellevue and we look forward to updating the market as results come to hand."

Footnote: * relates to WAMEX database

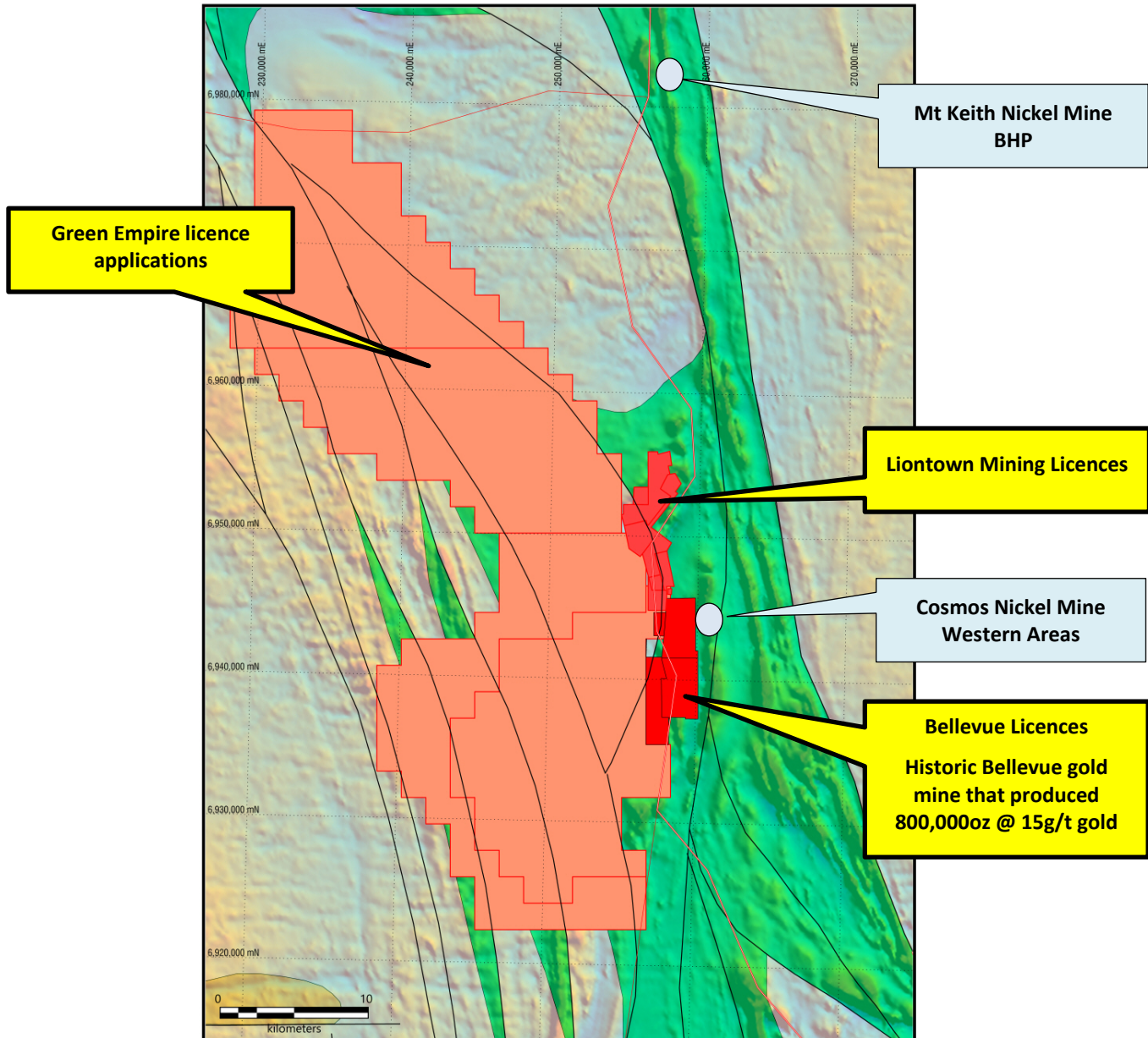


Figure 1: Location of tenements acquired in relation to the Bellevue Gold Project

Acquisition Terms

With regard to the mining tenements that were acquired from Liontown Resources Limited (ASX: LTR), the terms of the acquisition were \$25,000 and 1,000,000 DRG shares. Completion is subject to minor conditions precedent including third party agreements and ministerial consent.

The Green Empire tenements were applied for by a 100% owned subsidiary of Draig Resources Limited.

Bellevue Gold Project, Western Australia

The Bellevue Gold Project was acquired by Draig Resources due to the high potential of the Project to host narrow vein, high grade gold mineralisation. The project is located in the northern part of the Norseman-Wiluna belt in the Yilgarn Craton, Western Australia. The project is approximately 40 kilometres north-west from the regional centre of Leinster and consists of two granted mining leases.

High grade gold was mined continuously at the Project for over 100 years through to 1997 when the operation shut down at around 430 metres below surface. Around 800,000 ounces of gold have been produced at a reported head grade of ~ 15 g/t from a narrow vein operation. After the mine closure in 1997 very little modern exploration has been completed at the Project.

Draig Resources has commenced on a systematic exploration program targeting the definition of high grade underground and open pit gold resources in the near term.

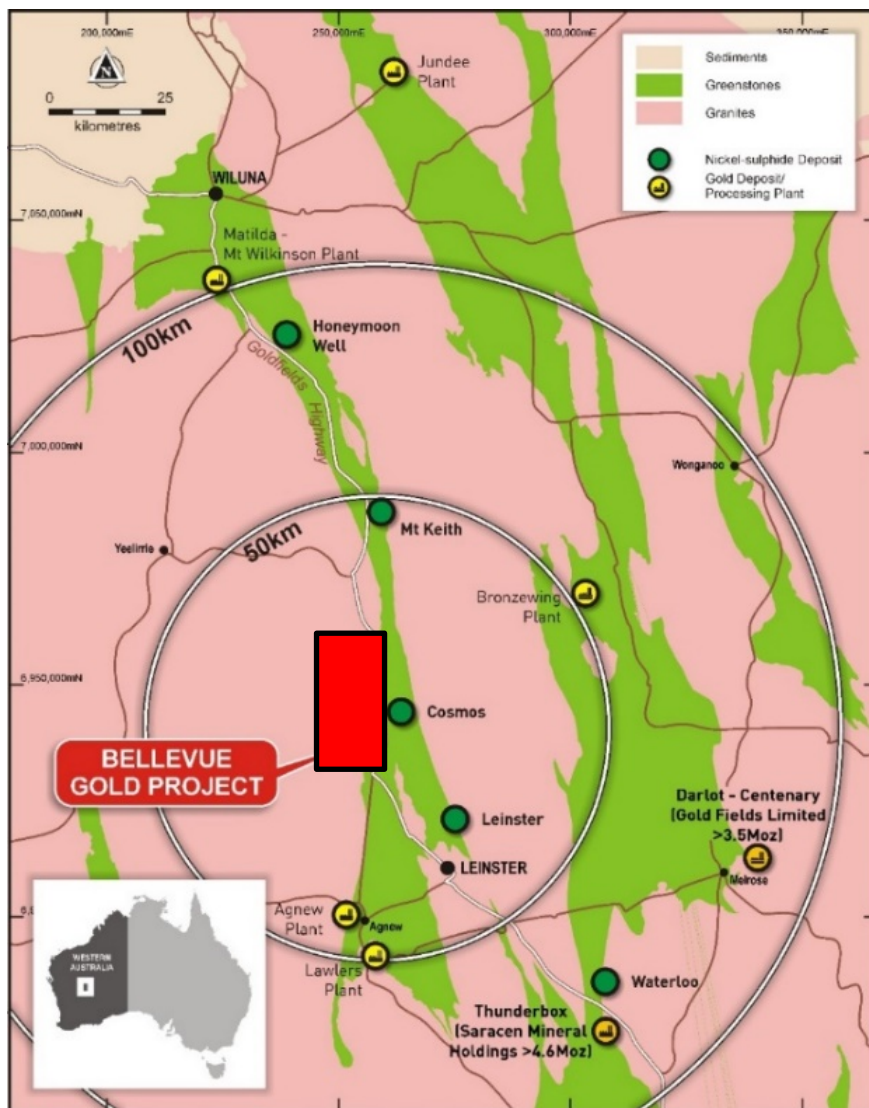


Figure 2: Bellevue Gold Project Location.

A well-endowed mining district with several significant gold processing facilities in close proximity.

For further information regarding Draig Resources please visit the ASX platform (ASX: DRG) or the Company's website www.draigresources.com

Yours faithfully,

Mr Steve Parsons
 Executive Director
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Competent Person Statement

The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Shane Hibbird. Mr Hibbird is a full-time employee of Draig Resources and is a member of the AusIMM, Australian Institute of Geoscientists (AIG) and the Society of Exploration Geologists (SEG). Mr Hibbird has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify 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 Hibbird has provided his prior written consent as to the form and context in which the Exploration Results and the supporting information are presented in this announcement.

Table of Acquired Licences:

Tenement	Area (km ²)	Grant Date	Expiry Date	Rents, Rates, MRF Levy	Annual Expenditure Commitment
M36/162	0.82	06 / 11 / 89	05 / 11 / 31	\$2,495	\$10,000
M36/176	2.03	04 / 04 / 90	03 / 04 / 32	\$5,942	\$20,400
M36/266	5.34	28 / 06 / 93	27 / 06 / 35	\$15,597	\$53,400
M36/328	2.85	04 / 05 / 99	03 / 05 / 20	\$8,271	\$28,500
M36/342	1.20	04 / 03 / 99	03 / 03 / 20	\$3,539	\$12,000
M36/603	7.88	25 / 05 / 07	24 / 05 / 28	\$22,560	\$78,800
M36/660	1.85	23 / 02 / 07	22 / 02 / 28	\$5,395	\$18,500
E36/906	213.3	Application	-	-	-
E36/907	212.9	Application	-	-	-
E36/908	182.5	Application	-	-	-
E36/909	213.5	Application	-	-	-

Appendix 1

Table 1 - JORC Code, 2012 Edition.

Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections.)

Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • Nature and quality of sampling (eg cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> • Reporting of re-sampling by Jubilee Gold Mines NL in 1997 of historical reverse circulation drill holes H7 and GC02. • Sampling method was not recorded. • RC drilling was sampled on 1 m intervals.
Drilling techniques	<ul style="list-style-type: none"> • Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> • RC drilling details of the historic drill holes was not recorded.
Drill sample recovery	<ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> • RC drilling details of the historic drill holes was not recorded. • There has been no assessment of RC sample recovery and grade.
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource 	<ul style="list-style-type: none"> • All RC samples were geologically logged. Lithology, veining,

Criteria	JORC Code explanation	Commentary
	<p>estimation, mining studies and metallurgical studies.</p> <ul style="list-style-type: none"> • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<p>alteration, mineralisation and weathering are recorded in the historical reports.</p> <ul style="list-style-type: none"> • Geological logging of RC samples is qualitative and descriptive in nature.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • RC drill sampling details of the historic drill holes was not recorded. • Sample size assessment was not conducted.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • Assaying details were not recorded.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • Sampling and assaying details were not recorded. • No drill holes were twinned. • No assay adjustment was applied.

Criteria	JORC Code explanation	Commentary
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Details of hole collar location surveying is not known.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Hole spacing is not suitable for mineral resource estimation at this time. No sample compositing has been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Inadequate information is available on the historical data to determine if any bias is present in the sampling.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Details were not recorded.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews completed.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area. 	<ul style="list-style-type: none"> The Bellevue Gold Project consists of three granted mining licenses M36/24, M36/25, M36/299 and one granted exploration license E36/535. Golden Spur Resources, a wholly owned subsidiary of Draig Resources owns the tenements 100%. Additional tenements pertaining to this announcement are tabulated in the main body of the report. There are no known issues affecting the security of title or impediments to operating in the area.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Historical work reviewed was completed by a number of previous workers over 100 years. More recently

Criteria	JORC Code explanation	Commentary
		and particularly in terms of the geophysical work reviewed the companies involved were Plutonic Operations Limited, Barrick Gold Corporation and Jubilee Mines NL.
Geology	<ul style="list-style-type: none"> • Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> • The Bellevue Project is located within the Agnew-Wiluna portion of the Norseman-Wiluna Greenstone belt, approximately 40 km NNW of Leinster. The project area comprises felsic to intermediate volcanic sequences, meta-sediments, ultramafic komatiite flows, Jones Creek Conglomerates and tholeiitic meta basalts (Mt Goode Basalt) which hosts the known gold deposits. • The major gold deposits in the area lie on or adjacent to north-northwest trending fault zones. • The Bellevue gold deposit is hosted by the partly tholeiitic meta-basalts of the Mount Goode Basalts in an area of faulting, shearing and dilation to form a shear hosted lode style quartz/basalt breccia.
Drill hole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. 	<ul style="list-style-type: none"> • Hole H7 located at 257201mE/6947474mN, inclination -60 degrees, azimuth 180 degrees. RL is not recorded. • Hole GC02 located at 257183mE/6947786mN, inclination -60 degrees, azimuth 180 degrees. RL is not recorded.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Details of data aggregation methods were not reported. No metal equivalent reporting has been applied.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Insufficient information is available to determine the relationship between mineralisation widths and intercept lengths.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Included elsewhere in this release.

Criteria	JORC Code explanation	Commentary
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • Only the more significant historical intersections have been referred to in this release.
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> • Work is progressing on evaluating the potential of the tenement package acquired by Draig Resources Limited.
Further work	<ul style="list-style-type: none"> • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> • Draig is drill testing strike, down plunge and faulted off-set extensions to known gold mineralization. The recent work has confirmed numerous exploration targets exist in the project and the company has high expectations to define significant gold resources through on-going drilling programs guided by the geophysical methods.