



ASX Announcement

14 August 2014

Drake Strategy Update

Strategy Update August 2014

- Seimana Gold Project results and plan forward
- Granmuren Nickel Sulphide Project
- Joma Copper Zinc Project
- Panoramic JV projects

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Drake Resources has released a presentation placing recent activity in the context of Drake's corporate strategy and highlighting approaching activity at a number of priority assets.

The Narrated Presentation can be accessed via the following you tube link or from the video section of Drake's website

<http://www.drakeresources.com.au/videos.html>

A standard presentation pack can be accessed via the following link.

<http://www.drakeresources.com.au/investorpresentations.html>

A copy of the presentation and transcript follows.

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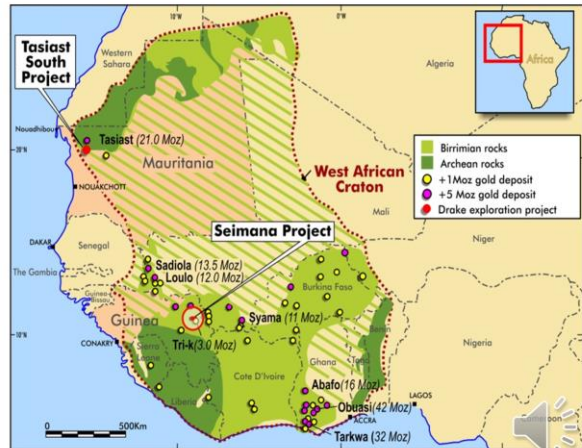
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A fully narrated and animated version of this presentation is available on Drake's website



Hello, My name is Jason Stirbinskis and I am the CEO of Drake Resources. We are midway through a busy exploration season and this presentation provides an update on results thus far and our plans. Drake has a large portfolio of assets across the Nordic region with areas prospective for nickel, copper and gold and we have two gold parcels in West Africa – Our Tasiast South project in Mauritania and our Seimana Gold project in Guinea. Our Three priority projects are Seimana gold in Guinea, Granmuren nickel sulphide in Sweden and our Joma copper/zinc project in Norway.

Disclaimer & Competent Persons Statement



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Caution Regarding Forward Looking Information.

This document contains forward looking statements concerning Drake. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Drake's beliefs, opinions and estimates of Drake as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments

Competent Persons Statement

The information related to Seimana exploration results is extracted from the report entitled "Final Drill Results – Seimana Gold Project" created on 30/7/14 and is available to view on www.drakeresources.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The information related to Lokken exploration results is extracted from the report entitled "Strong Electromagnetic Conductors Identified at Lokken" created on 9/1/12 and is available to view on www.drakeresources.com.au. The information related to Granmuren exploration results is extracted from the report titled "Granmuren Final Results adds deeper Ni/Cu mineralisation" created on 28/5/13 and is available to view on www.drakeresources.com.au. The information related to Joma exploration results is extracted from the report titled "Joma EM results confirm prospective targets" created on 5/9/13 and is available to view on www.drakeresources.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement. This information was prepared and first disclosed under the JORC code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was reported.

This presentation will discuss those 3 projects and also cover off the 3 Panoramic JV Nordic assets which are all seeing activity, funded by Panoramic, in this Northern summer.

Seimana Gold - Guinea

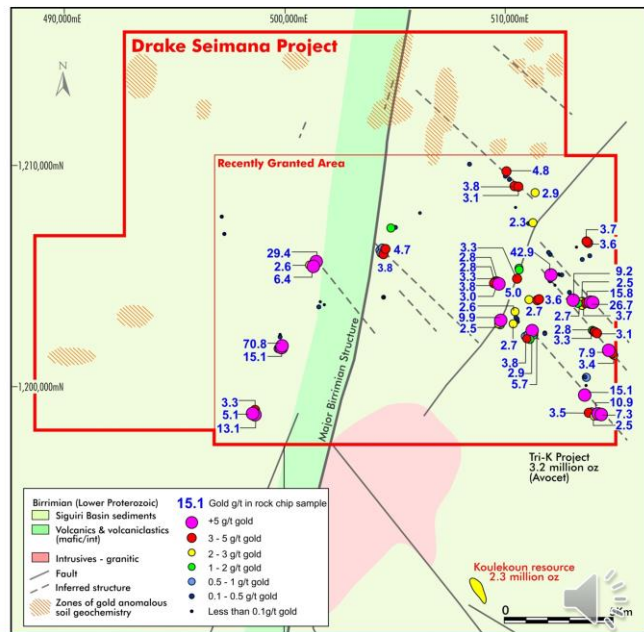
Seimana Gold - Guinea

- Spectacular rock chip and drill gold assays across 18km

Best rock chip sample- 70.8g/t
Best drill result – 4m@19.8g/t

- 40+ Clusters! 12 of which >5g/t Gold, some >500m long
- Abundance of ancient and modern Artisanal gold mine workings
- Avocet's TriK ~3.2Moz Gold deposit 7km from Drake's southern border
- Multimillion Ounce projects at Siguri and Lero
- Many >1M oz projects within 100km of Seimana

Potential to be a world class discovery!



We acquired land to the south of Seimana in January this year and as expected it has generated some exciting early results with the best surface sample result being over 70g/t which is one of the most Western results visible on this map and a very encouraging 4m @ 19.8g/t at Tamdian which you will see on the next slide but is at the opposite end of the licence area where you can see the 10.9 and 15.1 g/t surface results on this slide. Our field programs and rock chip sampling covered multiple sites mainly identified from artisanal workings and the regional setting extrapolating from Avocet's interests to the south and our soil sampling results to the North from 2012. In addition to those great surface results I've just mentioned we also recorded 42.9g/t, 29.4g/t and 26.7g/t and several other hits between 10 and 15g/t but more importantly we encountered very encouraging results from multiple sites across almost the entire width of the recently granted land. In fact there were 12 separate sites that returned grades over 5g/t gold. Its not surprising that we recorded impressive results given the proximity to Avocet's 3.2Moz Tri-K project, part of which is visible at the bottom of the map, which is just one of several multimillion ounce deposits in this region of the Birrimian; and also given the prevalence of artisanal mines across the licence area. What is surprising is that the area has never been drilled before. So with these encouraging surface results, we immediately set about defining our first drill program, the only drill program ever conducted on this land.

Seimana Gold – Drilling

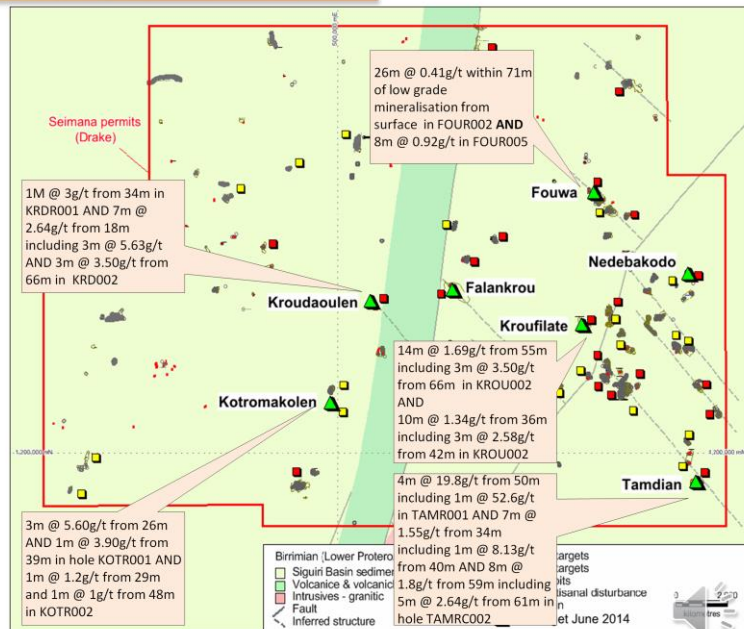
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- 17 RC holes ~100m deep at 7 locations for ~1600m
- 10 intersections of better than 10m x g/t
- 6 holes intersected >5g/t

Results include

- 4m @ 19.80g/t Au
- 7m @ 2.64g/t Au
- 3m @ 5.60g/t Au
- 5m @ 2.64g/t Au
- 3m @ 3.50g/t Au

5 of the 7 projects drilled returned strong results. 33+ more 'priority' targets to go!



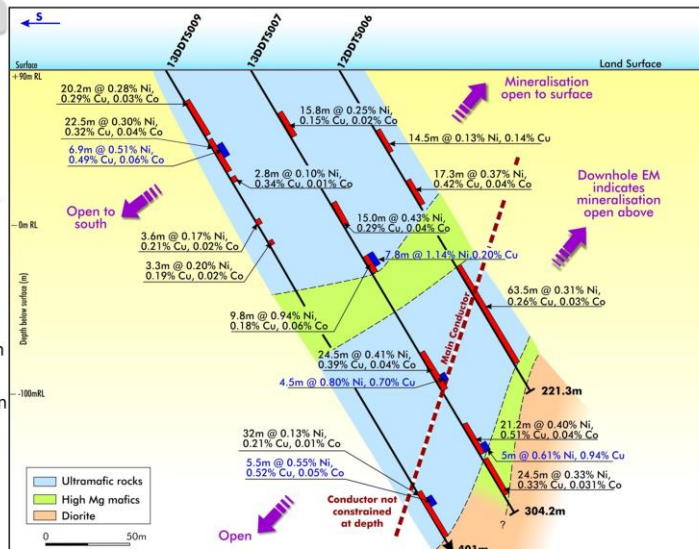
We selected 7 drill targets from the 40+ targets and in most cases drilled 2 RC holes down to fresh rock which we expected to be roughly 100m vertical depth. Now its important to note that these are the first holes into these structures, we are not drilling up or down strike from previous drill results and we are limited in what we can interpret from the minimal outcrop across this entire region– and in that context we are very happy with the results. We encountered note worthy results at 5 of the 7 targets with 10 intersections greater than 10mxgt (which essentially means an intersect length times its grade is greater than 10) and 6 holes intercepting greater than 5g/t. We were quite surprised by Tamdian which didn't have the strongest surface results but as mentioned delivered the best result of the program with 4m @ 19.8g/t including 1m @ 52.6g/t which bodes well for the numerous other targets of lower grade surface results across the area. It's the wet season in Guinea at the moment so we are using the time to consider the drill results in the context of some regional geophysics we've acquired and looking at comparisons to early discoveries and results of multimillion ounce projects in the region. That view will help us define next steps which will probably be a combination of drilling along strike from the better results from the first program and first drill holes into some of the other 33 or so targets we've yet to drill.

Granmuren Nickel Discovery

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Granmuren Deposit

- Nickel / copper massive and disseminated sulphides
- Pyrrhotite, pentlandite, chalcopyrite in gabbros and norites
- From surface to +300m
- Open laterally in all directions & at depth
- Long intercepts of low grade sulphides
 - 115m (cumulative) above 0.25% Ni in TS 007
- Higher grade intercepts at depth
- Grades comparable to open pit nickel mines of the Nordic region
- Excellent infrastructure



As I am sure you are all aware we are seeing a very strong nickel price currently and some very encouraging forecasts so its worth discussing Granmuren and our plans here. Granmuren is our near-surface greenfield nickel copper sulphide discovery in central Sweden. This is a substantial intrusion of massive and disseminated sulphides, mainly pyrrhotite, pentlandite and chalcopyrite hosted in gabbros and norites. Mineralisation occurs from near surface, we've tracked it down to about 330m and it remains open at depth and laterally. Drake completed drilling at Granmuren last year and the cross section here displays some of those drill results. This is is your typical Scandinavian nickel deposit with very long intercepts such as 63.5m @ 0.31%Ni and 0.26% Cu But we are also seeing higher grades in places such as 7.8m @ 1.14% Ni and 0.2% Cu Now its important to note that these results are sulphides at potential open pit depths and as such very long intercepts or broad bands of mineralisation of lower grade material remain appealing from an operational perspective and the results we are seeing compare to nickel grades of open pit nickel operations in the Nordic region.

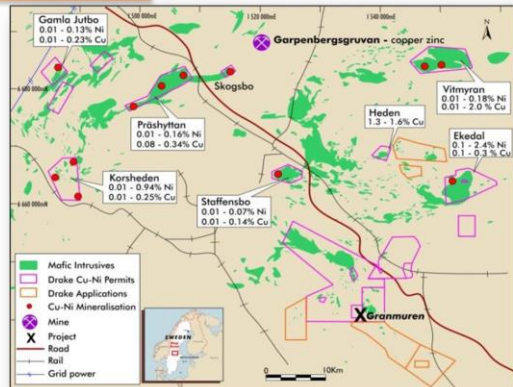
Granmuren Nickel Province

Regional - Bergslagen

- 1000 years of mining, 6000 known deposits
- Diverse – BIF, Skarn, Base Metals and REE
- Eg. Garpenberg polymetallic and Sala silver
- Ni/Cu sulphides hosted on Gabbros mined since 18C but not a focus of recent until Drake's Granmuren discovery.

Drake's Regional Footprint

- Numerous magmatic Ni-Cu occurrences – 100% Drake
- Independent view – 'Potential World Class Nickel Camp' conforms to classic Ni-Cu (-PGE) system
- Inferred age co-magmatic with GDG suite ~ 1.88-1.86 Ga
- Correlates with global nickel deposit forming era eg Thompson, Raglan, Sudbury, Kotalahti



"The combination of these aspects, and the demonstrated presence of numerous magmatic Ni-Cu occurrences within the Bergslagen, all point to the area having potential for the region to contain a world-class Ni camp".



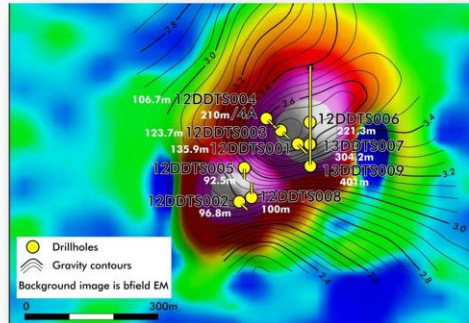
Granmuren occurs in the Bergslagen region of Sweden and this area has a very deep mining history across many metals including the famous Sala silver mine and the Falun copper/gold mine (which is actually one of Drake's assets). However it is interesting that although nickel sulphides have been mined here since the 18C but not a focus since Drake's discovery and this adds considerable interest to our Granmuren project because it is the first in a long time and people had not been focussed on looking for this style of mineralisation in this region. So with knowledge and drill results in hand, the Company engaged an independent specialist with an impressive track record in the identification of magmatic hosted base metal sulphide targets, to assess Drake's entire Bergslagen portfolio. The key comments from that report which was announced November last year was that the regional geological setting conforms to a classic Ni-Cu (+/- PGE) system and is dated as being from a period of the Earth's history that generated significant nickel mines such as Thompson, Raglan and Sudbury nickel mines in Canada which is not a coincidence given the Nordic region was up against Canada around the time these deposits were forming. So right system and right time in history, right address and we also see the right host rocks which are typically wehrites and pyroxinites deformed to amphibolite facies with sources of sulphur near-by. This is an extract from that expert report "The combination of these aspects, and the demonstrated presence of numerous magmatic Ni-Cu occurrences within the Bergslagen, all point to the area having potential for the region to contain a world-class Ni camp".And as you can see from the Drake permits on the map Drake controls this potential nickel province.

Granmuren Next Steps

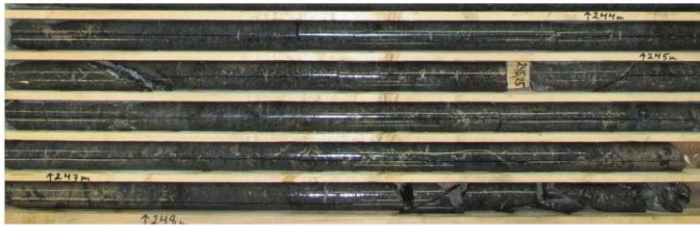
Drake controls this potential Nickel Province!

Granmuren Regional VTEM

- Early investigation of 5 regional targets
- Based on geological setting and sampling
- Previous Ni-Cu production
- Geophysics suggestive of mafic intrusions (Gabbros)



Plan view of Granmuren EM anomaly (VTEM z28) and location of drill holes



Deeper disseminated and semi-massive sulphides hole 007

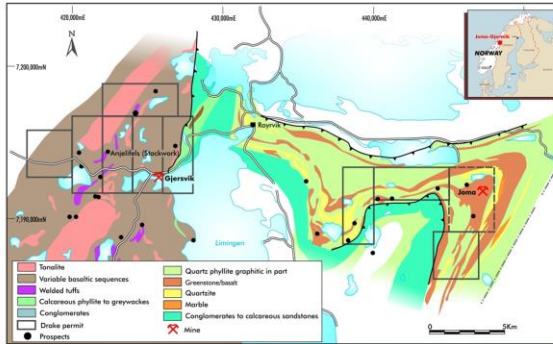
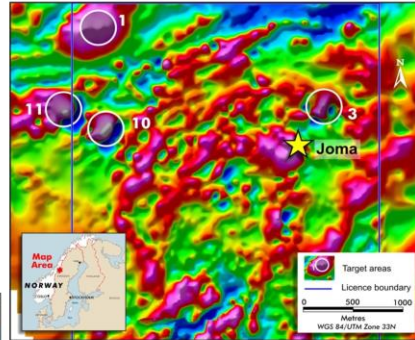


With also this information at hand, We then set about defining next steps for the Granmuren region. The independent expert worked with our geologist and geophysicist to select five targets within our regional portfolio, which you can see on the map on the previous slide, for investigation. The geophysics technique VTEM was the method that finally revealed Granmuren to the world which is the image on the right along with drill locations, and so next steps for the broader Granmuren region is a program of VTEM over the 5 targets. Drake has not committed to that program yet but it is certainly high on our priorities.

Joma Copper Zinc

Joma Mine

- Possible production opportunity involving nearby assets owned by Vilhelmina Mineral
- Formal arrangement not in place - dialogue continues
- Joma Mine Exploration target - <http://drk.live.irmau.com/IRM/Company/ShowPage.aspx/PDFs/1417-29785341/HighgradecopperreturnedfromchecassaysatJoma>



Joma Exploration

- 100km² of Koli Copper/Zinc complex
- Under explored
- Next Steps – Drilling of Target 1. Geophysics signature larger than the historic Joma mine



In March this year we announced a LOI defining a 90 day period to formally explore the potential for near term production by combining Drake's Joma assets and Vilhelmina Mineral AB which holds similar assets near-by. We have a good understanding of past performance and the nature of remaining mineralisation and extensions at all the assets involved and we believe there is a good possibility of achieving economically appealing, near term production by combining the assets. The 90 day DD period with Vilhelmina concluded without a formal agreement being reached, however dialogue remains open. In the mean time Drake will keep its options open and this potentially includes exploration of our very large footprint in this highly prospective Koli Thrust Complex. Our regional investigations to date have focussed on a small area around Joma and we've got some very exciting targets, such as target 1 which I've spoken about previously in several announcements and further investigation of this target would be a logical next step and that program is tentatively budgeted for late Q4 this year. We've only really looked at around 12km² of the 100km² or so we have in this region and Drake's permits are relatively under explored so the potential to find additional mineralisation within the vicinity of Joma and Gjørvik to the west of Joma is relatively high.

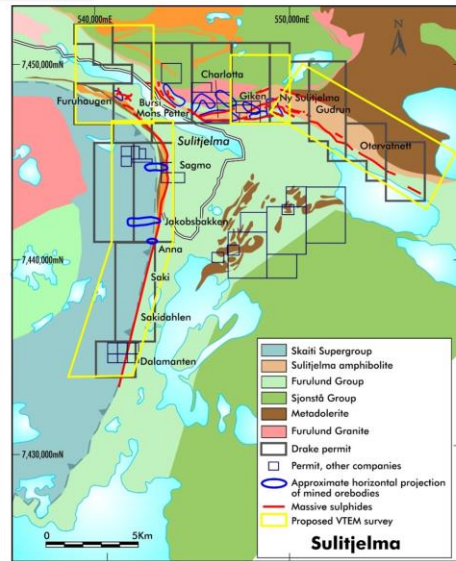
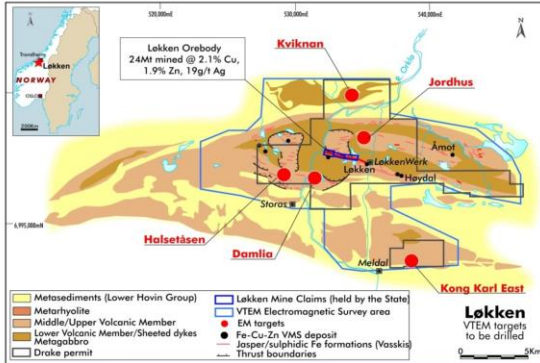
Other Copper assets

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PAN JV assets¹

- Summer VTEM Sulitjelma – covering 70km² of highly prospective region of Norway
- Summer drilling Løkken. 5 targets. Results expected late August
- Summer drilling at Nordgruva. Complete.

1: Under the JV terms, Panoramic has the right to sole-fund exploration to earn a 70% interest in the projects. The planned programs will achieve the 70% hurdle at Nordgruva and Løkken



Drake and our JV partner, Panoramic Resources are progressing all three JV copper/zinc interests in Norway this summer. We've announced a VTEM survey planned for the Sulitjelma prospect covering approximately 70km² of this highly prospective region of Norway. The objective of the program is to identify targets for potential ground EM and/or follow up drilling and is planned to commence in late August. Drake holds a strategic footprint over the Løkken Cu/Zn region. The drill program of 900m targeting five sites around the mine has finished and we expect assay results in late August. The single diamond drill hole drilled at Nordgruva targeting two off-hole conductors identified iron sulphides as the likely source of those particular conductors. We have other potential copper/zinc targets at Nordgruva and next steps here will be considered as part of the broader Nordic strategy with Panoramic Resources. Under the JV terms, Panoramic has the right to sole-fund exploration to earn a 70% interest in each of the three projects. The summer programs at Nordgruva and Løkken will achieve the 70% hurdle.

Work Plan

June / July

- Nordgruva Drilling complete
- Seimana Drilling complete
- Løkken Drilling Complete – Results Aug

August

- Sulitjelma VTEM commences
- Løkken Drill Results

September

- Sulitjelma VTEM results
- Define Seimana next drill program

Decisions pending

- Granmuren VTEM – September?
- Joma target 1 drilling – December?
- Seimana Drilling #2 – December / January?



Photo: Drake's Soil sampling crew at the Seimana project



Drake is in a period of significant activity and we've kept to the timeline released back in June with the exception of Nordgruva results slipping by 1 week. We expect Løkken results this month and remain on target for the VTEM to be flown over Sulitjelma this month, although results will not be until September. We will have a plan for the next round of exploration at Seimana completed in September. Just when that program will occur depends on a number of variables but at this stage we'd be looking at late December or January. As I mentioned we have activity budgeted for Joma in December and we'd also like to conduct the VTEM over Granmuren this year so we are primed for Northern winter drilling of what ever the VTEM reveals but we've yet to make that commitment. To our shareholders, thank you for your continued support and I hope you watch with interest as we continue to explore our priority assets.