

30 October 2017

**STATEMENT OF COMMITMENTS
BASED ON ACTUAL FUNDS RAISED - \$1,750,000**

Drake Resources Limited (the **Company**) intends to apply funds raised from the Offer over the first two years following reinstatement of the Company to the official list of ASX as follows:

	Full Subscription Raised (\$)	Percentage of Funds (%)
Cash balance before raising	150,000	8
Total funds raised under the Offer (before costs)	1,750,000	92
Total	1,900,000	100%
Expenditure (including exploration expenditure) on European projects and assessment of new opportunities ¹	600,000	32
Corporate administration and overheads	320,000	17
Expenses of the Offer and reinstatement costs ²	180,000	9
Working Capital	800,000	42
Total	1,900,000	100%

Notes:

1. Funds will be allocated to projects based on exploration and development results as they arise, as well as the review and acquisition of new projects.
2. Funds will be allocated toward general working capital purposes, to payment of administrative costs as they arise, to payment of fees rendered in respect of the Offer and toward the repayment of monies owed to creditors of the Company.
3. Refer to table below for the itemised expenses of the Offer:

Expenses of the Offer	Full Subscription Raised (\$)
ASIC fees	2,350
ASX fees	7,711
Legal fees	50,000
Computershare fees	10,000
Printing, distribution and miscellaneous	4,939
Lead Manager Fees	105,000
TOTAL	180,000