

DRAIG

RESOURCES LIMITED

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

Unlocking the potential of
 one of Australia's historic
 great high-grade gold mines

Corporate Directory

Non-Executive Chairman
 Mr Ray Shorrocks

Executive Director
 Mr Steve Parsons

Non-executive Director
 Mr Guy Robertson

Company Secretary
 Mr Michael Naylor

Contact Details

Principal and Registered Office
 Level 3, Suite 3,
 24 Outram Street
 West Perth, WA 6005
 T: +61 8 9424 8077
 E: admin@draigresources.com

ASX CODE: DRG

www.draigresources.com

Visible Gold in Multiple Holes from ongoing drilling at the Tribune Discovery

Bellevue Gold Project

- **Visible gold logged in a further three step-out diamond drill holes, assay results pending** (*refer figure 1*).
- **Significant Bellevue style quartz sulphide veins have now been intercepted along the entire 500 metre strike currently drilled.**
- **Mineralization remains completely open to the south & down dip.**
- **Nearest step out holes are 1.1 kilometers to the south** in the 'Western Mineralized Corridor' include historical drill intercepts of **4.45m @ 22.87 g/t gold & 1.85m @ 25.88 g/t gold** at the Southern Belle Lode.
- Mineralisation appears **similar in style & nature to the previously mined Bellevue Lode** (800,000oz @ 15g/t historically mined).
- **Historical mined Bellevue Lode surface strike length was ~500 metres.**
- A total of five new diamond drill holes for 640 metres have recently been completed on broad 80 metre step-out spacings at Tribune Lode over a current strike length of 500 metres (**assay results pending**).
- The 'Western Mineralized Corridor' is a major target area with relatively little drilling across 10 kilometers of the Bellevue Project.
- Further drilling at the Tribune Lode discovery has been accelerated and is continuing since the recent successful capital raising taking the Company's cash position to approximately A\$7 million.
- Assay results are expected over the coming weeks from these drill holes as well as anticipated drilling to test the southern and down dip extensions of the Tribune Lode.

Executive Director Mr Steve Parsons commented:

“We are extremely excited to have confirmed so far mineralisation along 500 metres strike length with visible gold now identified in multiple drill holes.

The identified geology has been extremely encouraging with significant quartz sulphide lode veins of Bellevue style intercepted with fine grained visible gold in five holes of which the first two holes returned results of 5m @ 37.5g/t and 5m @ 16.5g/t gold (refer ASX 20/11/17 & 11/12/17).

Recent drilling has confirmed our belief that the Tribune Lode has the potential to be a significant discovery for the company and we look forward to updating the market with results as we continue to drill stepping out and below the discovery hole.”

Tribune Lode Discovery - Located within the high priority Western Mineralized Corridor & similar in style and nature to the historic Bellevue Lode (historically mined 800,000oz @ 15g/t gold)

The Tribune Lode is a Bellevue parallel structure located immediately to the west of the Highway Fault and the historic Bellevue underground mine. This relatively untested area is mostly under shallow transported sand cover and is known as the ‘Western Mineralised Corridor’. Recently released drill holes from the discovery are DRDD0004 (5m @ 16.5g/t gold) and drill hole DRRC0024 (5m @ 37.5g/t gold).

A total of 6 Diamond holes have now been completed at the Tribune Lode including the recently announced DRDD0004 which intercepted 5m @ 16.5 g/t in the RC pre-collar. The holes are located on 80 metre spaced sections through the known lode strike to the north and extending the lode to the south.

The diamond drill core has been designed to allow the first detailed interpretation of the prospect geology and has enabled the initial stratigraphic and geological interpretation. **Importantly significant Bellevue Lode style quartz sulphide veins have been intercepted across the 500 metres strike length of the discovery including in the currently southern-most drill hole (DRDD0008 – results pending), indicating the continuation of the Tribune structure to the south.**

At least two lodes have currently been identified although it is uncertain whether this represents later stage faulting of a single more continuous lode as is apparent at Bellevue. Mineralisation dips at approximately 75 degrees to the west. The Tribune lode is hosted in a basalt flow to shallow intrusive sequence with occasional fedspar-quartz porphyry units locally important.

Visible gold has been logged in five drill holes (including DRDD0004 and DRRC00024 previously released). The gold identified is in the quartz veining as fine-grained inclusions of 2-3mm grain length. Significant sulphide has also been logged locally associated with some of the veins which is an important association with gold at the Bellevue Lode.

Detailed logging and core cutting is currently underway on the recently completed core and results will be made available to the market at first opportunity. The current drill program is set for a short 2 week break over the Christmas holiday period with drilling set to recommence first week of January. The next phase of diamond drilling is planned as 40 metre step back holes on the 80 metre spaced sections and extensional drilling to the south.

Figure 1: Diamond drill core photos from the recent drilling.

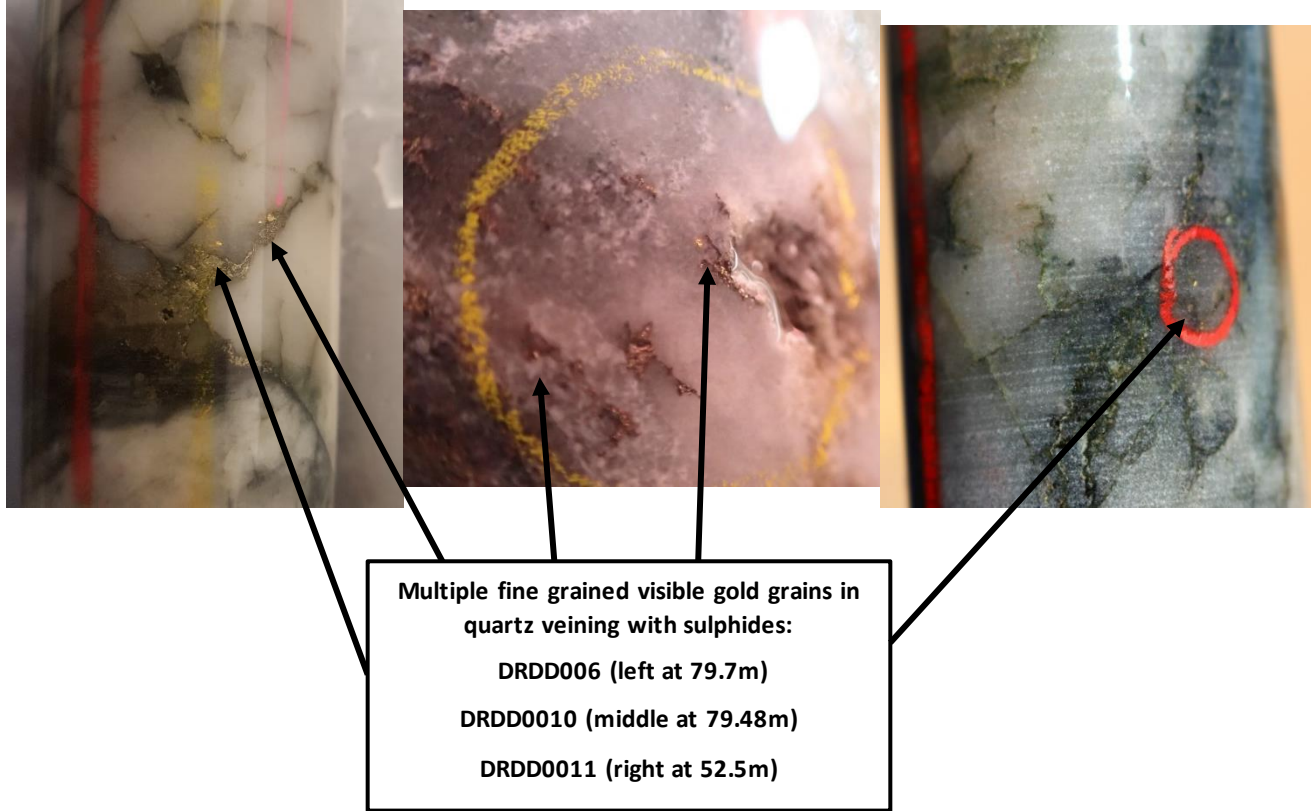


Figure 2: Diamond drill core from hole DRD006 showing a typical quartz sulphide veining over a total interval of ~7metres (typical of Bellevue Style mineralisation).

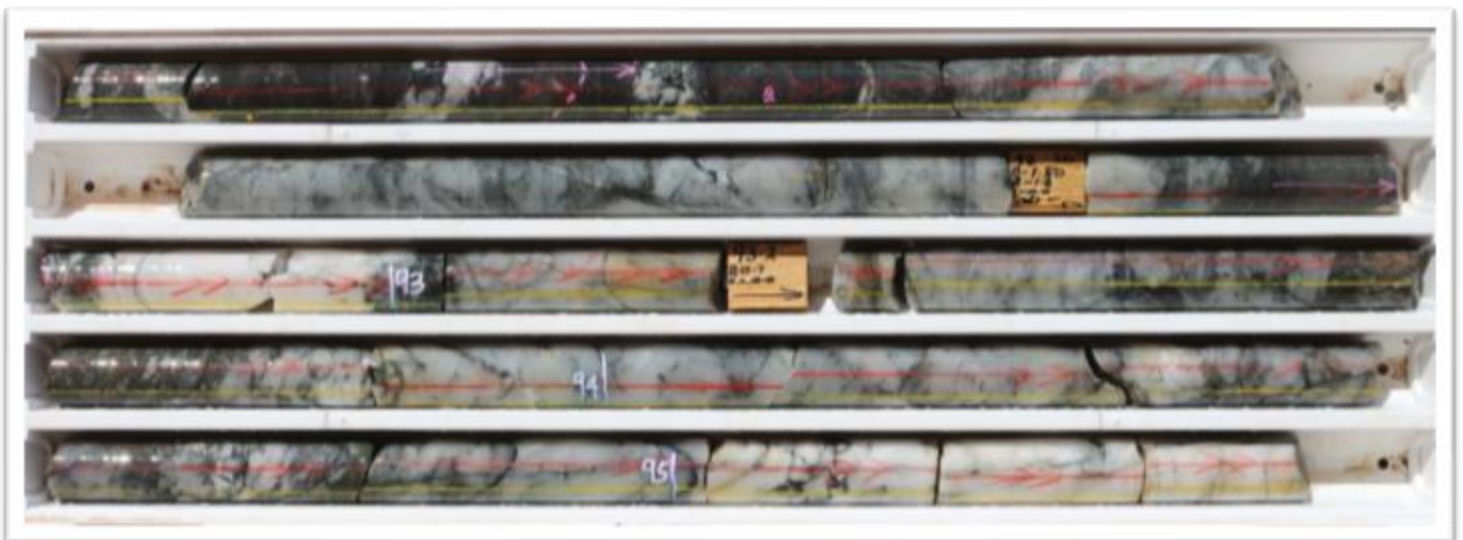


Figure 3: Map of Collar Locations of recently completed DD holes (assay results pending)

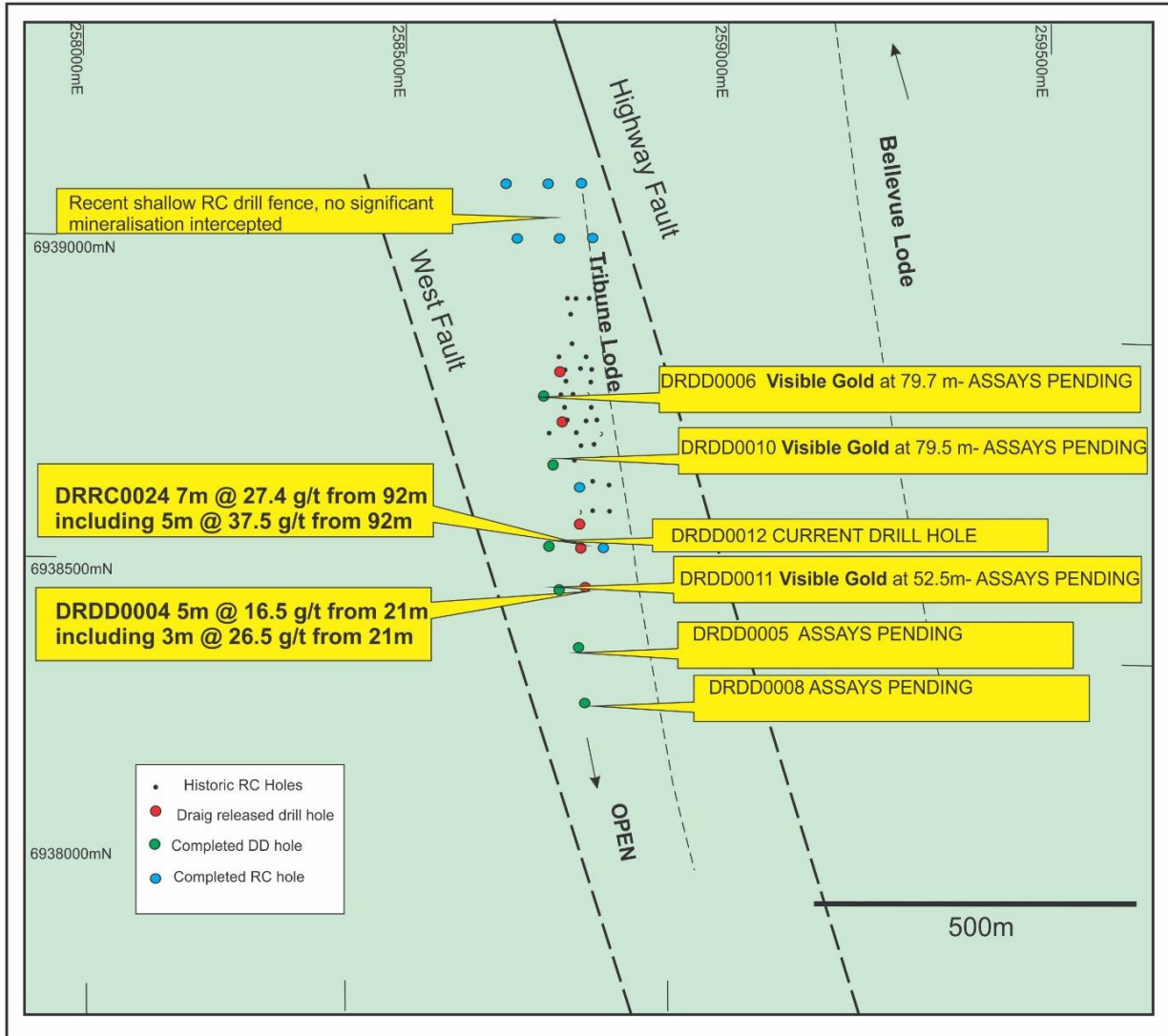
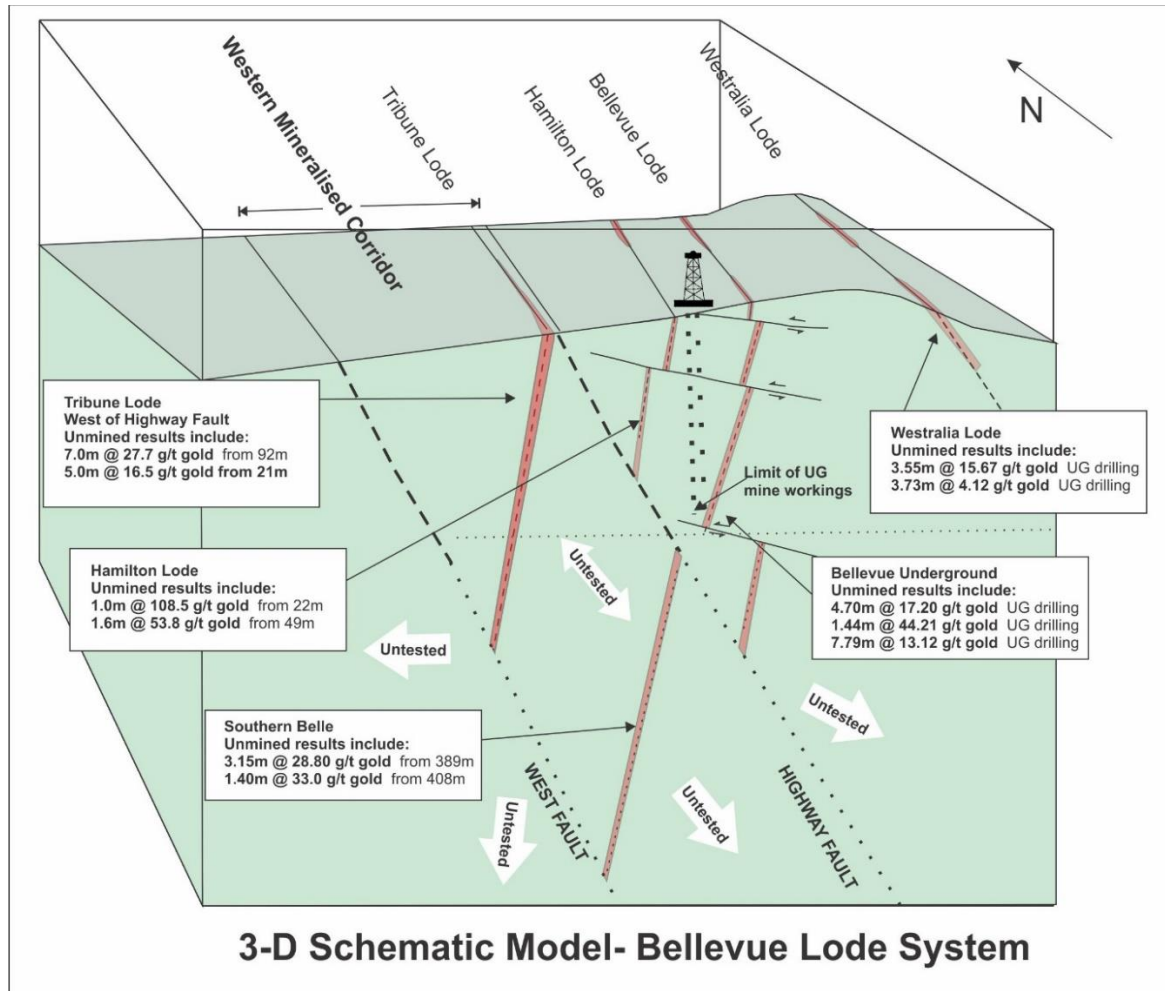


Table 1: Collar Locations of recently completed DD holes

Hole	MGA East	MGA North	RL	Dip	Azi	EOH	Comments
DRRC00024	268889	6939067	647	-60	90	118	5m @ 37.5g/t from 92m with visible gold (ASX 20/11/17)
DRDD00004	258922	6938980	464	-55	90	87.6	5m @ 16.6 g/t from 21m with visible gold (ASX 11/12/17)
DRDD00005	258910	6938899	468	-60	90	177.8	results pending
DRDD00006	258856	6939241	469	-60	90	125.8	Visible gold identified 79.7m – results pending
DRDD00008	258911	6938823	468	-60	90	138.8	results pending
DRDD00010	258885	6939160	468	-60	90	124	Visible gold identified 79.48m – results pending
DRDD00011	258900	6938980	460	-55	90	141	Visible gold identified 52.5m – results pending

Figure 4: Schematic map of the multiple mineralised Lodes at the Bellevue project. Mineralisation to the west of the Highway Fault is within what is known as the 'Western Mineralised Corridor'.



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

Your faithfully,

Mr Steve Parsons
Executive Director
T: +61 8 6424 8077
E: admin@draigresources.com

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 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 	<ul style="list-style-type: none"> • The holes were sampled by NQ Diamond Core drilling. • Sampling was nominally at 1 m intervals however over narrow zones of mineralisation it was as short as 0.5 m. • QAQC samples were inserted in the sample runs, comprising gold standards (CRM's or Certified Reference Materials) and commercially sourced blank material (barren basalt). • Sampling practice is appropriate to the geology and mineralisation of the deposit and complies with industry best practice.

Criteria	JORC Code explanation	Commentary
	warrant disclosure of detailed information.	
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"> • Diamond coring was undertaken with a modern truck mounted rig and industry recognized quality contractor. Core (standard tube), was drilled at HQ3 size (61.1mm) from surface until competent ground was reached. The hole was then continued with NQ2 size (45.1mm) to total depth. The core was orientated using a Reflex Ez-Ori tool.
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"> • Diamond core recovery was measured for each run and calculated as a percentage of the drilled interval, in weathered material, core recoveries were generally 80 to 90%, in fresh rock, the core recovery was excellent at 100%. • There has been no assessment of core 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 estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • All core was geologically logged. Lithology, veining, alteration, mineralisation and weathering are recorded in the geology table of the drill hole database. Final and detailed geological logs were forwarded from the field following cutting and sampling. • Geological logging of core is qualitative and descriptive in nature.
Sub-sampling techniques	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. 	<ul style="list-style-type: none"> • Core was cut in half, one half retained as a reference and the other sent for assay.

Criteria	JORC Code explanation	Commentary
and sample preparation	<ul style="list-style-type: none"> • 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"> • Sample size assessment was not conducted but used sampling size typical for WA gold deposits.
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"> • Not applicable, no assay results reported. • Not applicable, no assay results reported. • Not applicable, no assay results reported.
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. 	<ul style="list-style-type: none"> • Not applicable, no assay results reported. • No drill holes were twinned.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • 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"> • Not applicable, no assay results reported. • Not applicable, no assay results reported.
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"> • All drill collars are located with hand held GPS. These positions are considered to be within 5 metres accuracy in the horizontal plane and less so in the vertical. The positions will be accurately survey with a differential GPS system to achieve x – y accuracy of 2 cm and height (z) to +/- 10 cm. • All collar location data is in UTM grid (MGA94 Zone 51). • Down hole surveys were by a north seeking gyroscope.
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 highly variable and of progressive exploration in nature, 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 	<ul style="list-style-type: none"> • Drill lines are orientated approximately at right angles to the currently interpreted strike of the known mineralization. • No bias is considered to have been introduced by the existing sampling orientation.

Criteria	JORC Code explanation	Commentary
	should be assessed and reported if material.	
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Not applicable, no assay results reported.
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"> Not applicable, no assay results reported.

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%. 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 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

Criteria	JORC Code explanation	Commentary
		<p>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.</p> <ul style="list-style-type: none"> • 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. • If the exclusion of this information is justified on the 	<ul style="list-style-type: none"> • All requisite drill hole information is tabulated elsewhere in this release.

Criteria	JORC Code explanation	Commentary
	<p>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.</p>	
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"> • Not applicable, no assay results reported.
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"> • Not applicable, no assay results reported.
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, 	<ul style="list-style-type: none"> • Included elsewhere in this release.

Criteria	JORC Code explanation	Commentary
	but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
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"> Not applicable, no assay results reported.
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"> Down hole electromagnetic surveys support the in hole geological observations and will continue to be used to vector drill targeting.
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 that the Tribune Lode has the potential to contribute significantly to future gold resources within the project is currently the companies major focus. Other targets exist in the project and the company continues to assess these.