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ASX Announcement
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2013 EXPLORATION PROGRAMME – STAGE 1

Draig Resources Limited (ASX: DRG) is pleased to advise that the Joint Venture Management Committee has approved Stage 1 of the 2013 Exploration Programme for the Joint Venture's exploration licences in Mongolia. The Programme is part of an overall exploration plan to test new areas of interest among the existing licences and to build solidly upon previous work.

Work to be undertaken as part of Stage 1 includes field mapping, ground magnetic surveys and drilling over anomalies identified from exploration work carried out in the previous programme.

Stage 2 of the Exploration Programme will depend on the results of Stage 1.

1 BACKGROUND

The eight exploration licences in Mongolia are managed under a joint venture arrangement (Mongolian Coal Joint Venture (No. 1)) ("Joint Venture"). A subsidiary of Draig Resources Limited ("Draig" or "the Company") holds a 75% interest in the Joint Venture and subsidiaries of Trinity Mongolia Pty Ltd ("Trinity") hold 10% and 15% interests. The Draig subsidiary is the manager of the Joint Venture. This subsidiary holds the licences on a 100% basis on behalf of the Joint Venture.

Four of these licences are located in the Ovorhangay region and four are located in the South Gobi region. See Figure 1 below.



Figure 1 – Exploration Licences - Mongolia

2 EXPLORATION PROGRAMME

The Company has formulated a strategic exploration plan to test new areas of interest among the existing licences and to build solidly upon existing works.

2.1 Ovorhangay

The locations of the exploration licences in the Ovorhangay region are shown in Figure 2.



Figure 2 – Exploration Licences - Ovorhangay

Teeg (13879X) and Urtnii-Am (13581x)

The initial work to be undertaken on this licence during this Programme is field mapping and trenching. This will be followed by ground magnetic surveys. Shallow rotary air blast (“RAB”) drilling will also be undertaken to determine the depth from the surface to coal.

The objective of the work on this licence is to obtain data to better understand the geological structure and stratigraphy from which to build upon the existing resource base.

Khongor (13880X)

Field mapping and trenching are also the initial work to be undertaken on Khongor. Shallow RAB drilling will be carried out in areas previously identified containing coal blooms.

Drilling of several anomalies identified from geophysical data obtained by the Company will also be carried out over the licence’s western area.

2.2 South Gobi

The locations of the exploration licences in the South Gobi region are shown in Figure 3.

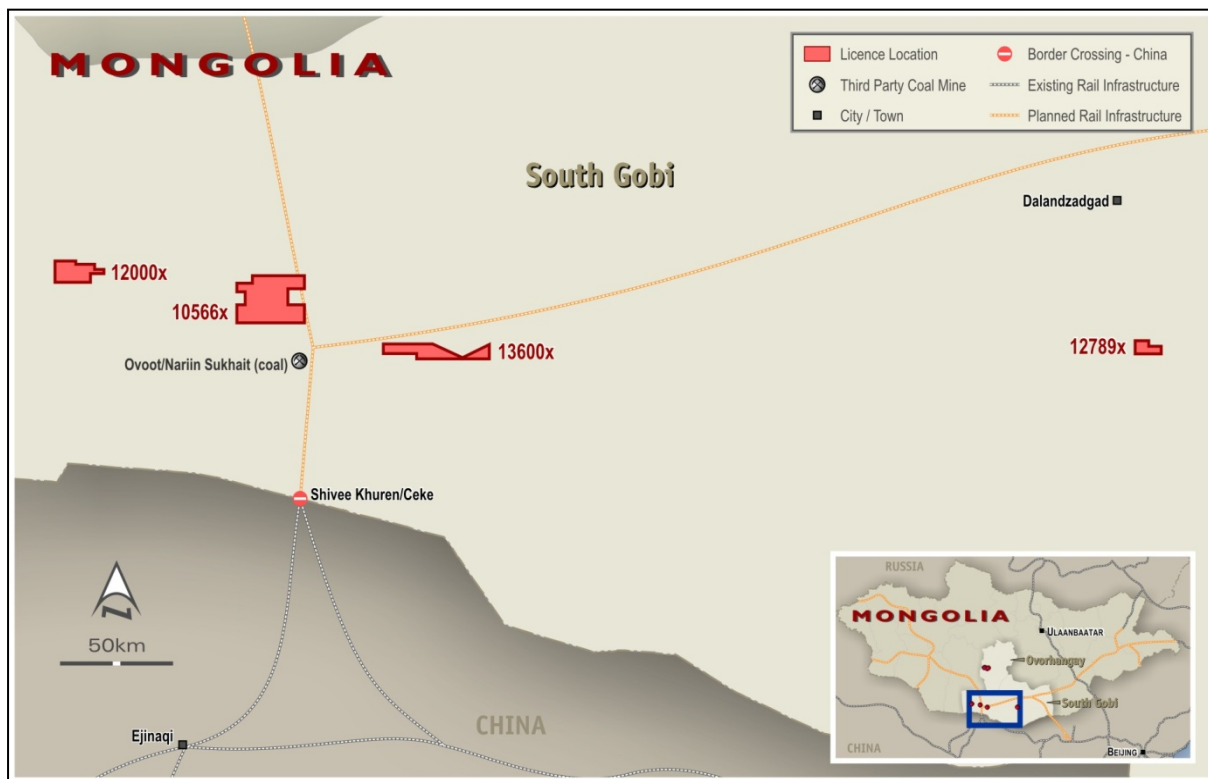


Figure 3 – Exploration Licences – South Gobi

Zamt Uul (13600X)

Magnetic survey work will be carried out on this licence. The data from this work will then be utilised to re-evaluate resistivity data previously obtained. Depending upon the results, this may lead to some drilling being undertaken.

Gurvantes (10566X)

Mapping will be undertaken over the areas with exposed coal in the licence's north.

Drilling will be undertaken in the south of the licence over anomalies identified from resistivity work carried out in the previous programme.

3 SHAREHOLDER ENQUIRIES

Please contact Peter Doherty or Jarrod Smith on +61-2-9230-0760 or enquiries@draigresources.com for further information.