



ASX Announcement
7 March, 2013

Multiple conductors confirmed by ground geophysical program Granmuren, Sweden

- **Ground & downhole EM survey confirms multiple conductors supporting recent drill hole success intersecting massive & semi-massive sulphide mineralisation**
- **Very strong conductor responsible for higher nickel grade massive sulphides in holes 006 & 007 confirmed open at depth with a lateral strike extent of about 200m**
- **Further drilling planned to test extents of known mineralisation & higher grade mineralisation at depth**

Drake Resources (ASX: DRK, Drake) has confirmed multiple conductors from ground and downhole electromagnetic (EM) surveys, at its Granmuren copper-nickel discovery in central Sweden.

The surveys included a fixed loop surface EM survey to infill previous data, and an EM survey down one hole (DHEM) which was in addition to the five holes surveyed in 2012.

Interpretation of the data confirmed the presence of multiple conductors which are explained by the intersections of massive and semi-massive sulphide mineralisation in the existing drillholes within the mafic-ultramafic host rocks.

The very strong conductor, the source of the massive mineralisation and high nickel grades recently reported in holes TS006 and TS007, extends over a 200m strike length and is open at depth.

Hole 007, located under Hole 006, contained a longer intersection of nickel mineralisation, and better grades than Hole 06. Unfortunately, Hole 007 was found to be blocked by a collapse zone at around 60m, and could not be geophysically surveyed. As a result the depth extent, and conductivity, of the very strong conductor was not able to be determined.

Commenting on the results, Drake's CEO, Mr Jason Stirbinskis said, "We were very excited by the higher grade nickel results at depth in Hole 007 announced in mid-February and so it was disappointing to encounter the blockage preventing our DHEM from seeing deeper and to the south where we would expect to see the higher grade zone trend.

“What we can glean from the results is that the geophysics has not defined a depth limit to the strong conductor responsible for recent drilling success”.

The results further validate Drake’s regional original airborne (VTEM) survey which successfully identified the Granmuren anomaly. Mr Stirbinskis added, “With this reassurance, we are better placed to understand how to identify potential additional occurrences of nickel mineralisation in our regional footprint”.

Drake is currently planning a follow up drill program to explore depth and lateral extents of the Granmuren mineralisation. Results of recently commissioned metallurgical work are also expected shortly.

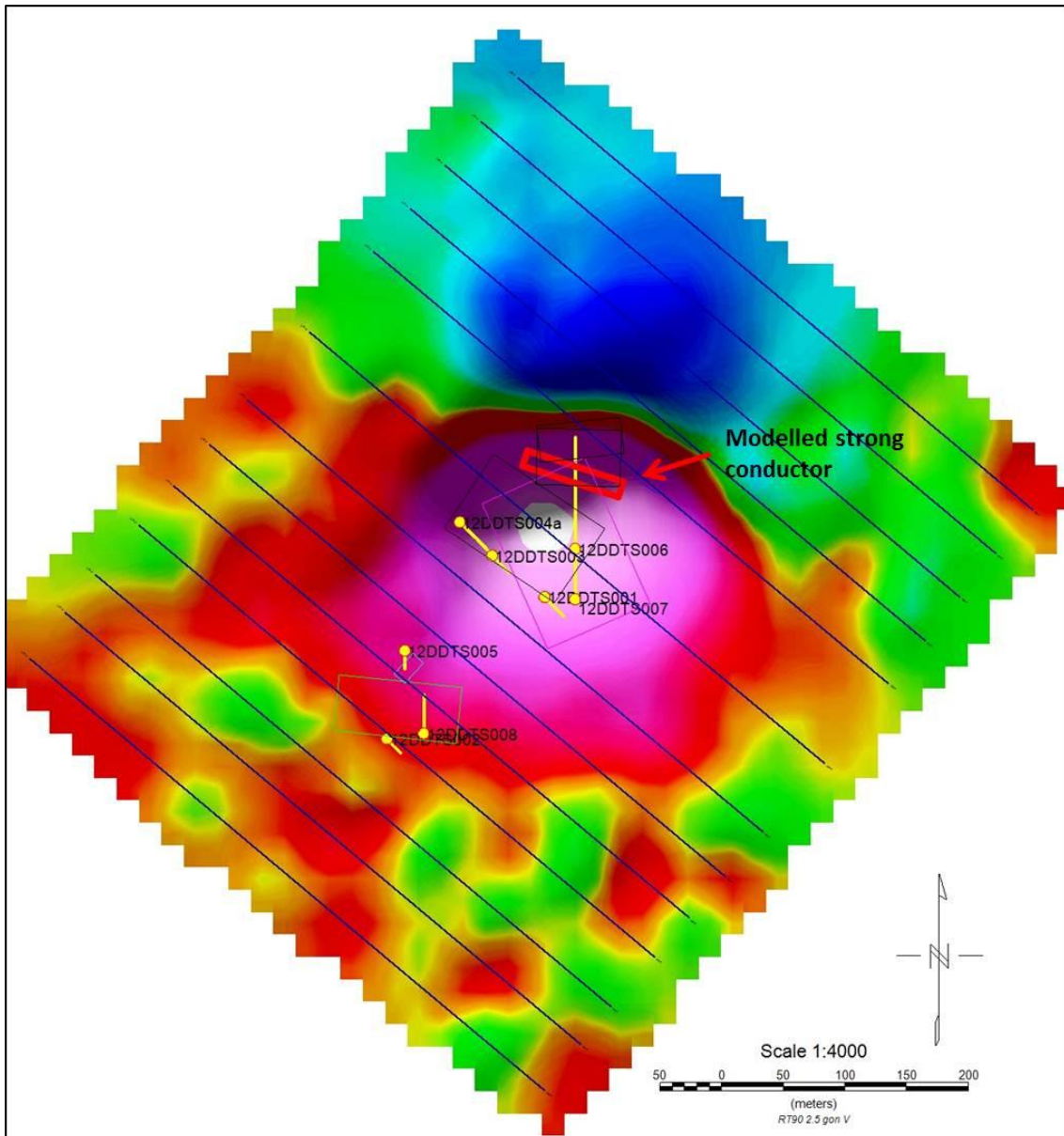


Fig. 1: Plan view of gridded Granmuren ground EM data (ch30) with drill holes and modelled plate. Plate model targeted in holes TS006 and TS007 highlighted.

Nickel in Scandinavia

Scandinavia and the adjoining Karelia Province in north west Russia is one of the major nickel-copper provinces of the world. It includes the giant Pechenga deposit in Karelia, Anglo-American's recent Sakatti discovery and First Quantum's Kevitsa Project, both in Finland (Figure 2).

Scandinavian operations are both open pit and underground with typical grades of 0.25% to 1.0% nickel with current mining operations at Pechenga, Kevitsa and Hitura (23 million tonnes at 0.2-0.7% nickel).

The Scandinavian countries are exceptional locations for the development of new mineral discoveries. Sweden, Finland and Norway always rank in the top handful of countries for mining investment. Sweden, in particular, has the advantages of excellent infrastructure, trained workforce, supportive legislation and low taxation rates.



Fig 2: Nickel projects and operations in Scandinavia (source published company documents and analysts reports)

About Drake Resources

Drake Resources (DRK) is an Australian gold and base metals explorer with advanced and highly prospective projects in resource-rich West Africa and Scandinavia. Projects in Scandinavia focus on nickel and copper. Scandinavian projects include nickel resources at Espedalen in Norway, a new nickel-copper discovery at Granmuren in Sweden, and significant remaining mineralisation in the Joma copper-zinc mine. In the underexplored West African provinces of Mauritania, Senegal and Guinea, Drake's focus is gold, including projects on the highly mineralised Tasiast greenstone belt. Drake's aim is to be a successful and profitable mining company delivering strong shareholder value by taking robust projects through to mining.

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For further information, please contact:

Mr Jason Stirbinskis

CEO, Drake Resources

+61 (0)8 6141 3585

info@drakeresources.com.au

Ms Barbara Pesel

Media & Investor, Pesel & Carr

+61 (0)3 9036 6900

barbara.pesel@peselandcarr.com.au

Competent Persons Statement

Dr Robert Beeson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking. This qualifies Dr Beeson as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Robert Beeson is a director of Drake and consents to the inclusion in the Announcement of the matters based on his information in the form and context in which it appears. Dr Beeson is a member of the Australian Institute of Geoscientists.