

ASX Announcement

30 January 2014

QUARTERLY REPORT FOR THE PERIOD ENDED 31 DECEMBER 2013

1 HIGHLIGHTS

- Three exploration licences were formally relinquished;
- Expenses were further reduced; and
- Cash balance of \$2.772 million at the end of the quarter.



Location of Exploration Licences

2 EXPLORATION LICENCE RELINQUISHMENTS

As previously announced (19 September 2013), the Board and the Joint Venture Management Committee decided to relinquish certain exploration licences due to the assessed low probability of coal deposits occurring within these licence areas which could be extracted on a commercial basis. To this end, exploration licences 10566X, 12789X, and 9116X were relinquished during the reporting period, with 12000X being relinquished in the prior reporting period.

3 CORPORATE

Administration expenditure for the quarter was \$0.194 million which is less than the expenditure in the previous quarter of \$0.254 million.

The cash balance as of 31 December 2013 was \$2.772 million and there was no debt.

4 STRATEGY

The Board is continuing to consider the future strategy for the Company.

In the meantime, the Company's cash is being conserved and the remaining assets in Mongolia are being evaluated and explored.

5 ENQUIRIES

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

6 ABOUT DRAIG RESOURCES LIMITED

Draig Resources Limited ("Draig" or "the Company") is exploring for coal in Mongolia. Four exploration licences are managed under a joint venture arrangement ("Joint Venture"). A subsidiary of Draig 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 operator of the Joint Venture. This subsidiary holds the licences on a 100% basis on behalf of the Joint Venture. Draig also owns 16% of Trinity.