

22 June 2011

High grade gold intersected at Conchita Prospect, Mauritania

Drake Resources Ltd (ASX:DRK) is pleased to announce drilling at the Conchita gold prospect in Mauritania has confirmed widespread vein mineralisation.

The reverse circulation (RC) drilling program intersected extensive mineralised quartz veins targeted from surface mapping.

Highlights include:

- **2m @ 10.23 g/t gold** (in hole 11NSRC025)
- **2m @ 5.27 g/t gold** (11NSRC020)
- **2m @ 5.39g/t gold** (11NSRC021)
- **2m @ 6 g/t gold** (11NSRC027)
- **4m @ 2.18 g/t gold** (11NSRC028)

The average of all intersections greater than 2g/t is 5.0 g/t gold (4.96 g/t gold).

Approximately 80% of drill holes returned an intersection of at least 1 g/t gold with all intersections greater than 1 g/t averaging 3.5 g/t gold.

The program targeted a 100 - 200m wide zone along an approximately two km strike length of the Hendrix Shear Zone, where mineralised quartz veins had been identified from regional and prospect-scale mapping and previously collected soil samples.

The drilling only tested approximately 10% of the area of known quartz veins and geochemical anomalies.

A total of 2,033m of RC drilling was completed in 37 holes.

Drake's Managing Director Dr Bob Beeson said although this was a relatively short drill program, it confirmed the Hendrix Shear Zone is a well mineralised structure.

"The results from the drilling will assist the planning for a more extensive follow up program at Conchita after the heat of the northern summer."

"A more widespread drilling programme is required to better establish the grade of these mineralised quartz veins because of the nuggetty form of the gold present."

A summary of the drilling is presented in Table 1 with mineralised intersections determined using a 1 g/t gold cut-off.

Representative sections (Figure 6) show that overall the distribution of quartz veins are reasonably continuous over the strike length tested.

All holes were angled and drilled to an average depth of 55m, ranging from 31m to 97m (end of hole depth).

Only gold results are currently available with multi-element ICP results expected in July.

Drake Resources in Mauritania

Drake's extensive package of gold exploration permits in Mauritania comprises nine granted permits covering 8,477 km² and five applications covering a further 2,269km².

These permits target gold mineralisation associated with Birimian age rocks of the Reguibat Craton. Birimian rocks host most of the known gold mineralisation in the prolific West African gold province.

Drake's two main project areas are:

1. **Tasiast South Project** comprises permits over interpreted extensions of the Aouéouat greenstone belt that hosts the Tasiast gold mine (>18 million ounces of gold)
2. **Hendrix Shear Project** covers a 150km long shear zone with extensive gold anomalism and includes the **Conchita Prospect** with high to very high gold values in poorly outcropping and sub-outcropping quartz veins

Drake Resources' project team includes local and expatriate professionals with strong local knowledge and operational experience in Mauritania and West Africa.

Mauritania has a long history of mining, a favourable and well administered Mining Act and a government supportive of foreign investment. Until recently, Mauritania has seen little systematic gold exploration compared to other countries in the region.

-ENDS-

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Corporate Information

Directors

B Fraser	Non-Executive Chairman
Dr R Beeson	Managing Director
J Stephenson	Non- Executive Director and Company Secretary
J Hoon	Non-Executive Director

Issued Capital

As at the date of this report the issued capital of the Company is comprised of:

60,829,231 fully paid ordinary shares

The information in this report that relates to Exploration Results, Mineral Resources, or Ore Reserves is based on information compiled by Dr Robert Beeson. 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 consents to the inclusion in the report 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.

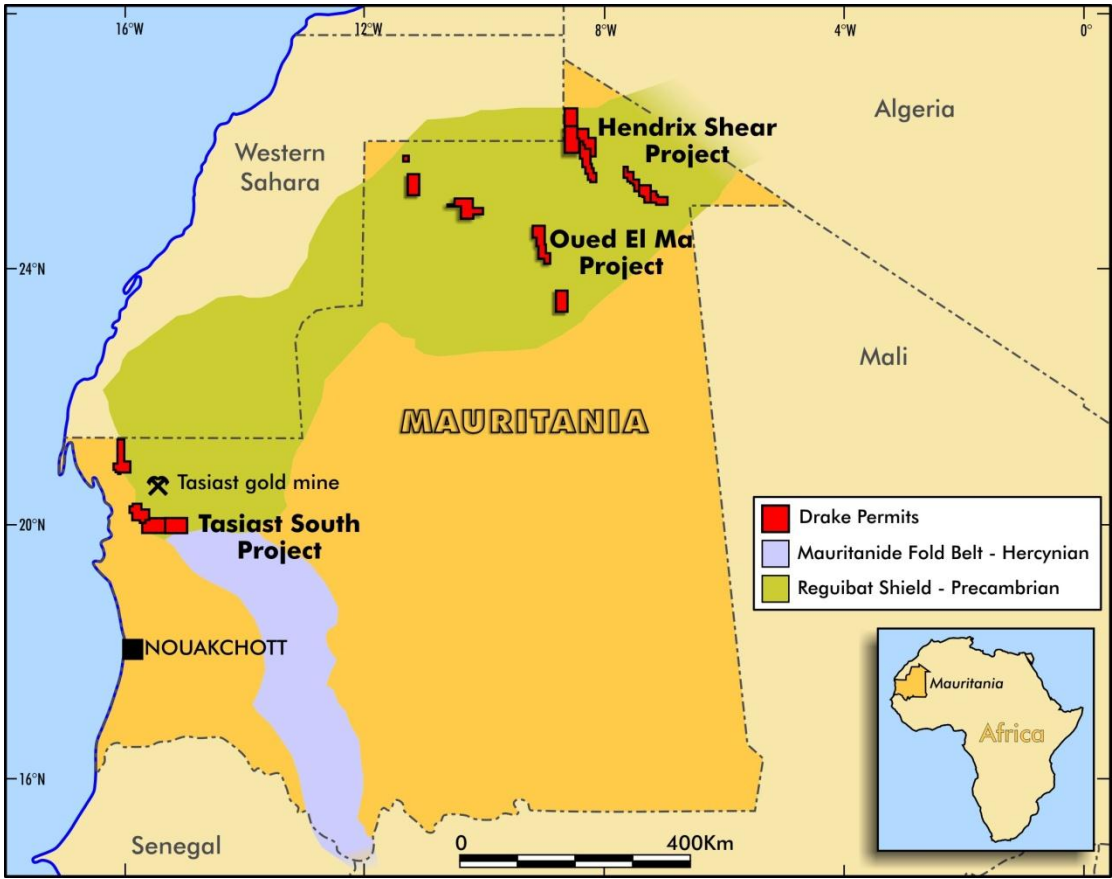


Figure 1: Location of Drake Resources' gold projects in Mauritania

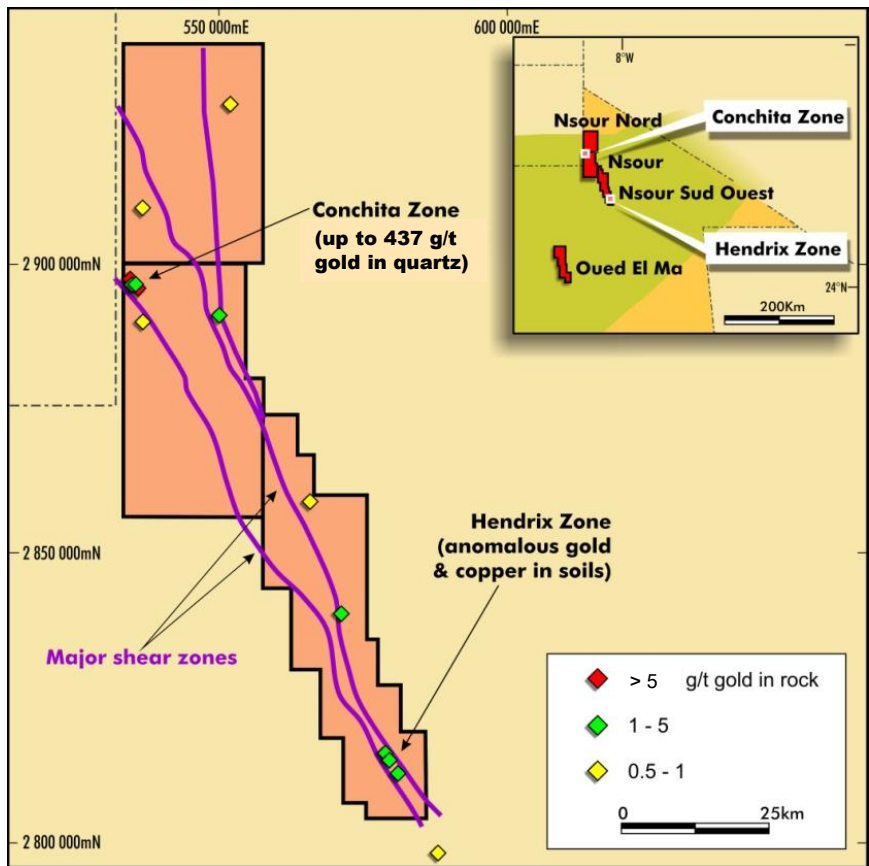


Figure 2: 100% Drake granted permits in the Conchita area, Hendrix Shear Project

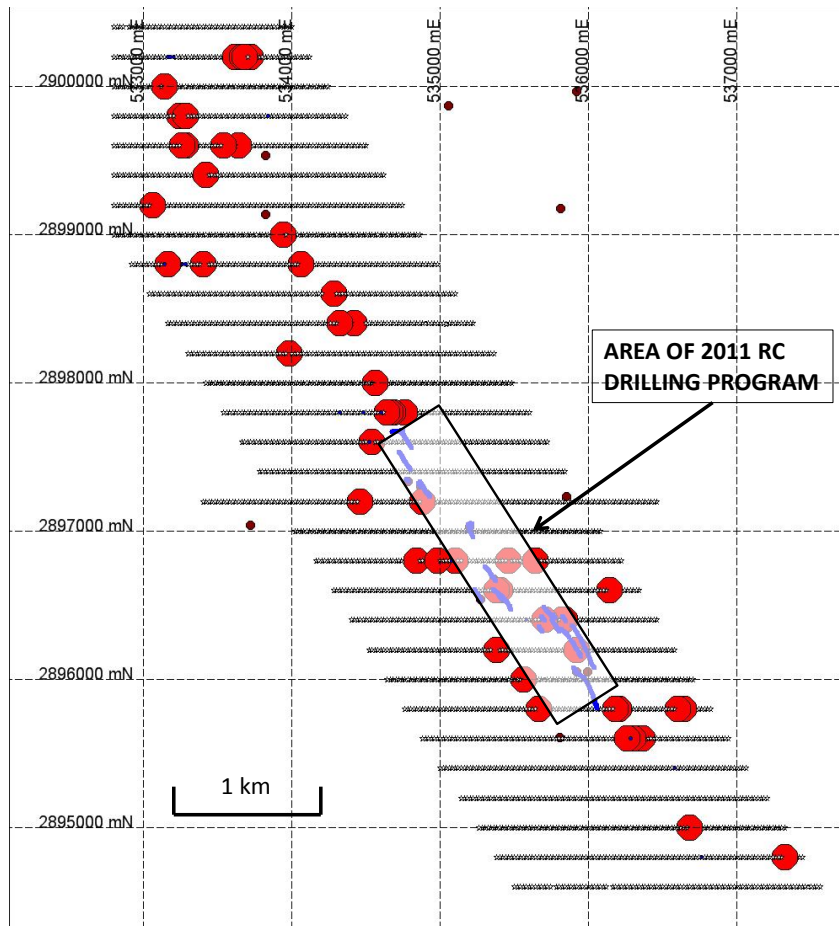


Figure 3: Anomalous gold soil geochemistry (>3ppb Au) at the Conchita Prospect with mapped and interpreted quartz veins in blue.

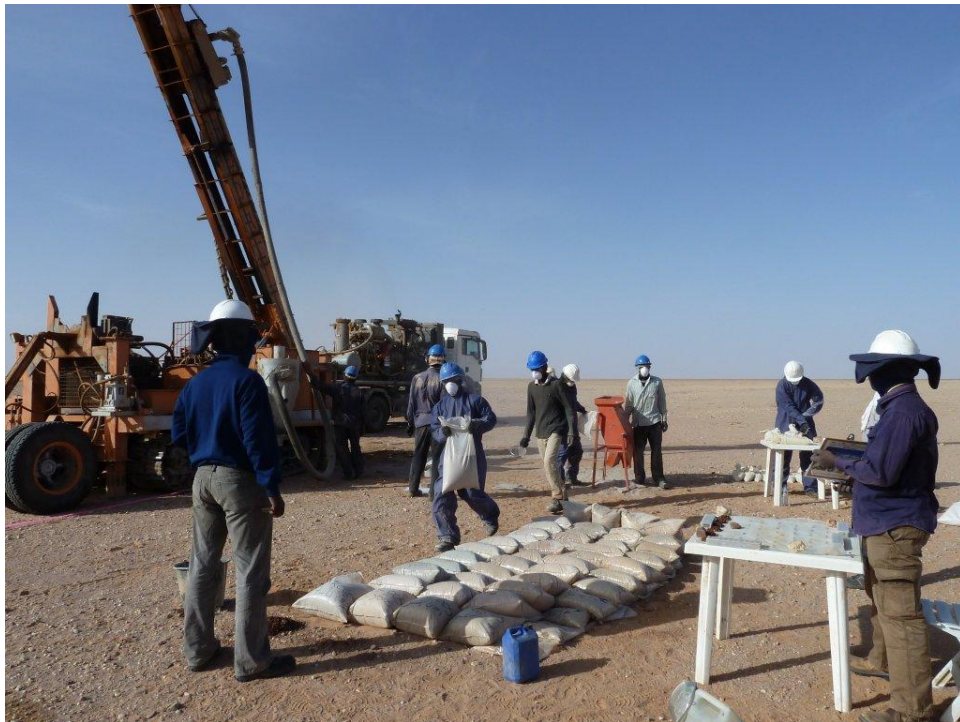


Figure 4: RC drilling at Conchita

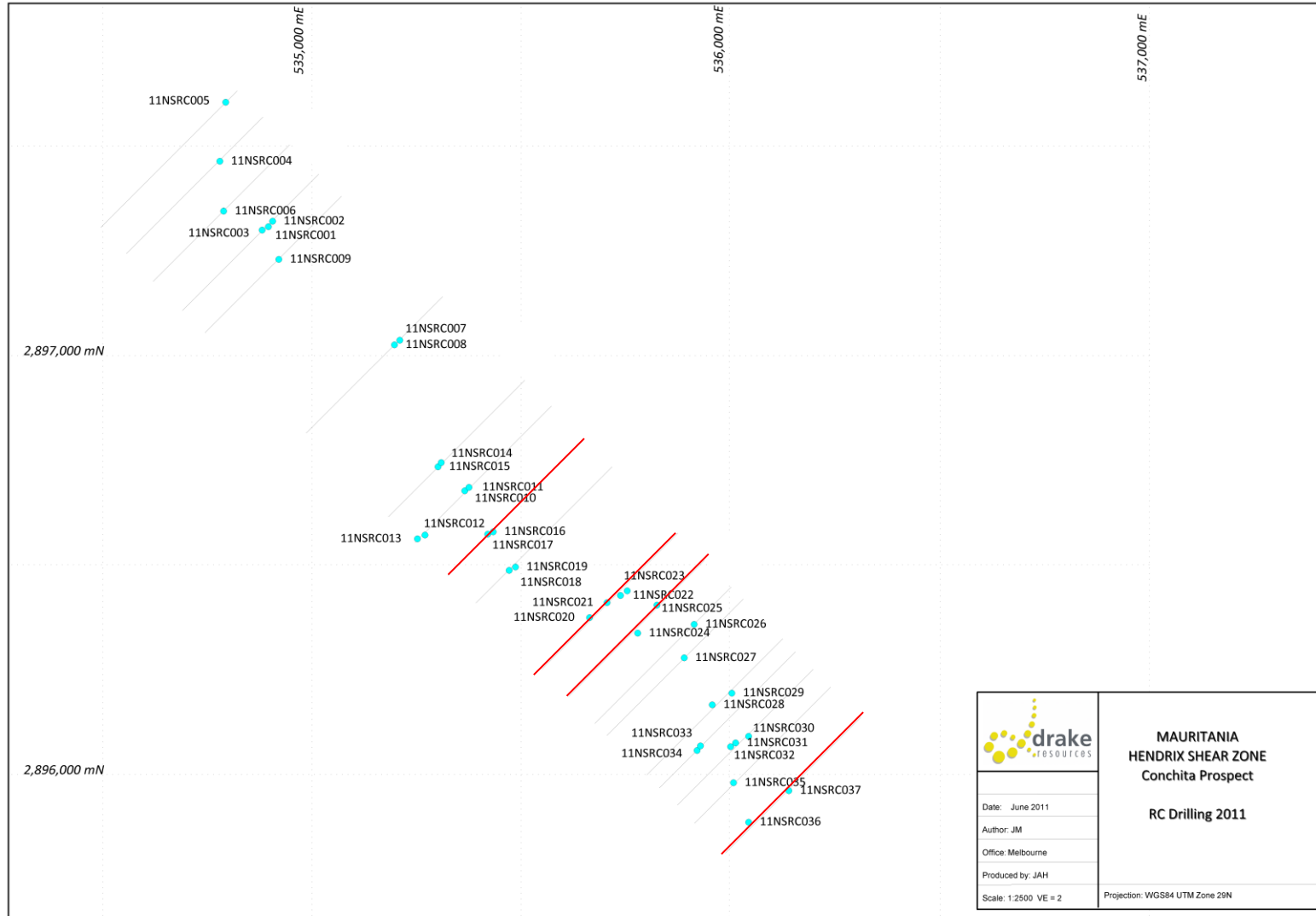
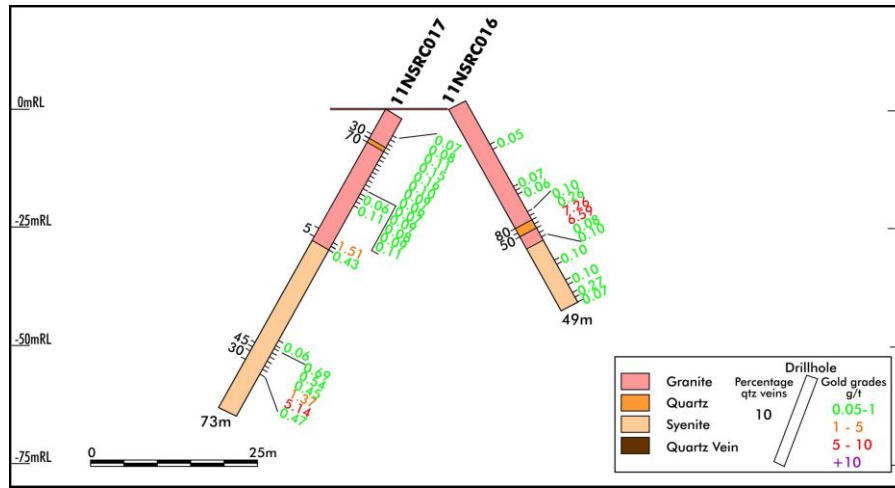
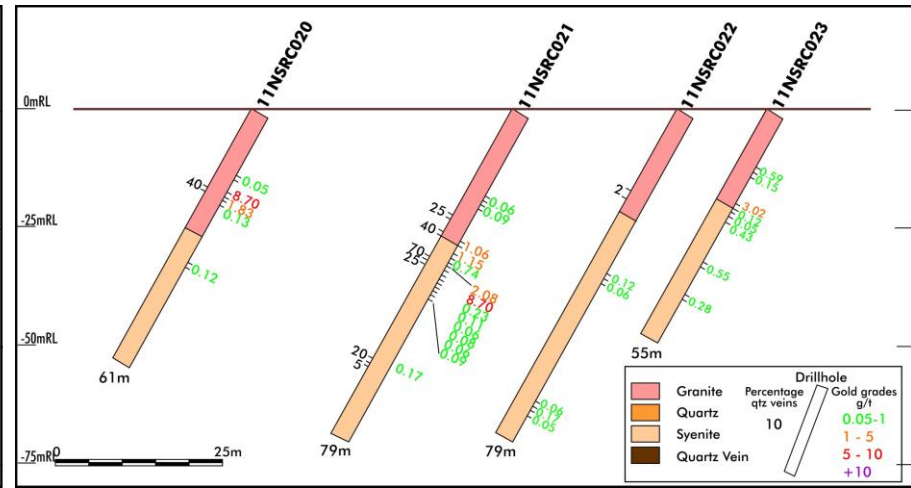


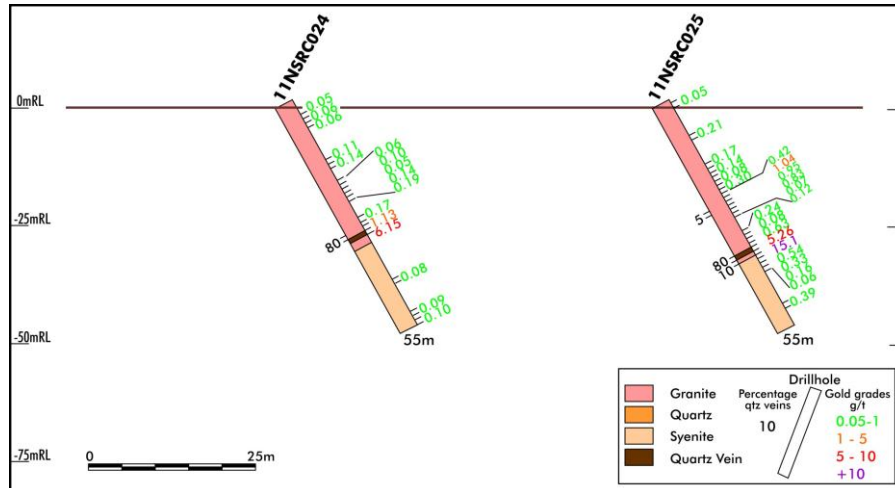
Figure 5: Location plan of DRK's 2011 RC drilling with location of representative sections in Figures 6(a) – 6(d) in red.



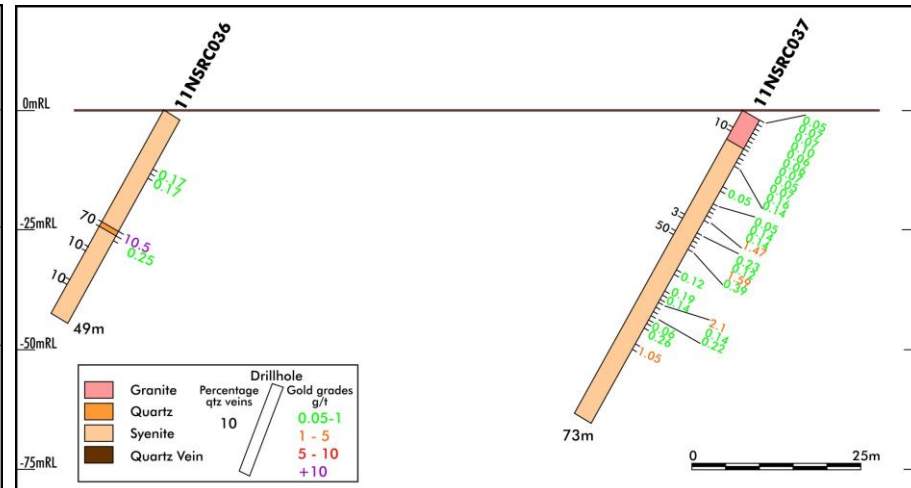
(a)



(b)



(c)



(d)

Figure 6: Representative sections looking northwest (a) 11NSRC016-11NSRC017 (b) 11NSRC020-11NSRC023 (c) 11NSRC024-11NSRC025 (d) 11NSRC036-11NSRC037

TABLE 1: Gold intersections using 1g/t Au cu off

Hole Id	Easting WGS84 Z29N	Northing WGS84 Z29N	Azimuth (mag)	Inclination	EOH (m)	From (m)	To (m)	Metres	Au (g/t)
11NSRC01	534896	2897307	230	-60	51	28	29	1	1.50
<i>and</i>						30	31	1	1.18
11NSRC02	534906	2897320	230	-60	75	55	56	1	2.89
11NSRC03	534881	2897299	230	-60	51				
11NSRC04	534780	2897463	230	-60	53	34	35	1	4.34
11NSRC05	534794	2897604	230	-60	49				
11NSRC06	534789	2897344	230	-60	37	15	16	1	2.20
11NSRC07	535210	2897036	230	-60	49				
11NSRC08	535197	2897025	230	-60	43				
11NSRC09	534921	2897229	50	-60	43				
11NSRC10	535365	2896677	50	-60	31				
11NSRC11	535375	2896685	230	-60	49	34	35	1	2.94
11NSRC12	535270	2896571	240	-60	49				
11NSRC13	535252	2896562	240	-60	37	13	16	3	2.17
<i>and</i>						21	22	1	2.49
11NSRC14	535309	2896744	50	-60	37				
11NSRC15	535301	2896734	50	-60	37				
11NSRC16	535433	2896579	60	-60	49	29	31	2	6.93
11NSRC17	535420	2896573	240	-60	73	30	31	1	1.51
<i>and</i>						59	61	2	3.23
<i>including</i>						60	61	1	5.14
11NSRC18	535471	2896487	240	-60	43	31	32	1	1.70
11NSRC19	535486	2896495	240	-60	97	43	45	2	3.20
<i>and</i>						75	76	1	8.52
11NSRC20	535663	2896374	240	-60	61	18	20	2	5.27
<i>including</i>						18	19	1	8.70
11NSRC21	535705	2896410	240	-60	79	30	31	1	1.06
<i>and</i>						33	34	1	1.15
<i>and</i>						36	38	2	5.39
<i>including</i>						37	38	1	8.70
11NSRC22	535737	2896427	240	-60	79				
11NSRC23	535753	2896438	240	-60	55	21	22	1	3.02
11NSRC24	535778	2896337	60	-60	55	31	33	2	3.64
<i>including</i>						32	33	1	6.15
11NSRC25	535824	2896404	60	-60	55	24	24	1	1.04
<i>and</i>						36	38	2	10.23
<i>including</i>						37	38	1	15.20
11NSRC26	535913	2896358	240	-60	55	34	37	3	2.50
<i>including</i>						34	35	1	4.67

Table 1 (continued)

<i>Hole Id</i>	<i>Easting WGS84 Z29N</i>	<i>Northing WGS84 Z29N</i>	<i>Azimuth (mag)</i>	<i>Inclination</i>	<i>EOH (m)</i>	<i>From (m)</i>	<i>To (m)</i>	<i>Metres</i>	<i>Au (g/t)</i>
11NSRC27	535889	2896278	240	-60	55	25	27	2	6.00
11NSRC28	535956	2896166	240	-60	79	21	28	7	1.71
<i>including</i>						23	27	4	2.18
11NSRC29	536003	2896194	240	-60	73	22	23	1	1.37
<i>and</i>						26	29	3	1.58
<i>including</i>						26	27	1	3.37
<i>and</i>						40	41	1	6.28
11NSRC30	536043	2896091	240	-60	55				
11NSRC31	536012	2896075	240	-60	73	27	28	1	2.17
11NSRC32	536000	2896066	240	-60	49	24	25	1	6.91
11NSRC33	535928	2896068	240	-60	55	31	32	1	4.28
11NSRC34	535920	2896057	240	-60	31				
11NSRC35	536007	2895980	240	-60	49	33	35	2	1.56
11NSRC36	536043	2895886	240	-60	49	27	28	1	10.50
11NSRC37	536139	2895961	240	-60	73	23	24	1	1.47
<i>and</i>						29	30	1	1.59
<i>and</i>						44	45	1	2.10
<i>and</i>						54	55	1	1.05

NOTES to Table 1:

- Assays reported from 1m samples from Reverse Circulation drilling using a 1g/t gold cut-off
- No top cut applied
- All intervals quoted are down hole depths
- Gold analysis by 50g Fire Assay/AAS (0.01ppm detection limit)
- Analysis performed by SGS laboratories, Kayes, Mali
- QAQC completed with no issues
- Hole collars picked up by handheld GPS