



24 August 2017

CAPITAL RAISING UPDATE

Drake Resources Limited (Company) has completed its initial review of its mineral tenement asset portfolio as set out in the announcement released today entitled “Swedish Portfolio Asset Review”.

The Company is undertaking a capital raising pursuant to a prospectus lodged with the Australian Securities & Investments Commission (**ASIC**) on 20 June 2017 (**Prospectus**). The Company will lodge a supplementary prospectus with ASIC shortly.

The Company has reconsidered the impact of the non-renewal of the Tullsta nr 1 tenement (referred to in its announcement released on 14 July 2017 and its quarterly activities report released on 31 July 2017) in the light of the review of its mineral asset portfolio and has concluded that the non-renewal of that tenement is not an event materially adverse to subscribers under the Prospectus. Accordingly, the Company will not be extending withdrawal rights to subscribers to offers under the Prospectus.

The Company has applied to ASX for a waiver from Listing Rule 14.7 to extend the time available to complete the issues of securities (including the offers under the Prospectus) approved by shareholders at the General Meeting held on 5 April 2017. The Company will advise the market of the outcome of this application in due course.