



31 August 2017

## CAPITAL RAISING UPDATE

**Drake Resources Limited (Company)** is currently undertaking a capital raising pursuant to a prospectus lodged with the Australian Securities & Investments Commission (**ASIC**) on 20 June 2017 (**Prospectus**).

The ability of the Company to issue the securities including the offers under the Prospectus was dependent on shareholder approval obtained on 5 April 2017. Under the Listing Rules (and an ASX waiver announced on 30 June 2017), the issue of the securities including the offers under the Prospectus needed to occur by 5 August 2017. The Company's application to extend the time of issue further was not granted.

Accordingly, the Company is preparing a draft Notice of Meeting to call a new general meeting to seek to renew shareholder approvals for the issue of securities including the offers under the Prospectus. The Company will despatch the Notice of Meeting to shareholders shortly.

In addition, under the Prospectus, the Company is preparing, and intends to issue a refresh document in the form of a supplementary prospectus in accordance with ASIC Corporations (Minimum Subscription and Quotation Conditions) Legislative Instrument 2016/70 (**LI 2016/70**) to refresh the times for satisfying the condition that the Shares offered under the Prospectus be admitted to quotation and for achieving the minimum subscription of \$1,000,000. The supplementary prospectus will offer investors under the Prospectus one month to withdraw their applications. The Company will lodge a supplementary prospectus with ASIC shortly.

The Company is also pleased to confirm that it has received ASX's conditions for the Company's securities to be reinstated to official quotation. The Company has until 31 October 2017 to comply with the reinstatement conditions. The Company is confident of being able to satisfy the conditions for reinstatement, subject to obtaining the renewed shareholder approval for the issue of securities under the Prospectus and achievement of the minimum subscription under the Prospectus.

The Board of Directors of the Company have accordingly decided to extend the Closing Date for acceptance of applications under the Prospectus from 31 August 2017 until 20 September 2017, pending lodgement of the supplementary prospectus with ASIC, at which time, the Closing Date shall most likely be further extended to allow time for shareholder approvals to be obtained at the General Meeting.