

12 April 2010

Broad zones of copper-gold mineralisation west of previous drilling at the Falun Mine in Sweden

- First phase of drilling on Eastern Copper-Gold Zone now completed
- Drilling has commenced on the Western Copper-Gold Zone
- Latest drilling results have extended the size and continuity of the Johannes Lucas Gold-Copper mineralisation.
- Copper and gold mineralisation in Hole 17-10, to the west of previous drilling, from surface to 215m down-hole
 - including **25m @ 0.6 g/t gold and 0.6 g/t copper**, and **31.1m @ 1.1 g/t gold and 0.6% copper**
- Significant levels of selenium has been discovered with the gold, copper and bismuth mineralisation in the Eastern Copper-Gold Zone. This has the potential to add additional value to the mineralisation
- Resource drilling of the Eastern Copper-Gold Zone about to commence

Drake Resources Ltd (ASX: DRK) has received assay results from three new drill holes which have identified additional gold and copper mineralisation in the Eastern Copper-Gold Zone.

In addition re-assaying of previously reported zones of mineralisation in the Eastern Copper-Gold Zone has detected the presence of significant selenium also occurs with the gold, copper and bismuth. Drilling has now commenced on the Western Copper-Gold Zone.

The Falun and Bersbo projects form the Bergslagen Joint Venture between Drake Resources Ltd and. Royal Falcon Mining LLC,

Two of the new holes were drilled (**15-10** and **16-10**, for 424 m and 407 m respectively) underneath the high-grade Johannes Lucas gold lode which lies within the Eastern Copper-Gold Zone (Figure 1). Both of these holes targeted deep seated gold at the 315 and 350 m level. The gold zone at 350 m RL was known historically as the Carl Gustaf lode and was the site of a previous bulk sampling program which was reported to have produced 8 g/t gold ore. Both of the new holes deviated significantly from the planned target area and as a result missed the high-grade Carl Gustaf gold lode. Even so, significant mineralisation was discovered and selected intersections from these holes include:

- **1.0 m @ 7.54 g/t gold in Hole 15-10, and**
- **3.1 m @ 2.88 g/t gold, 0.3% copper and 0.1% bismuth in Hole 16-10**

Measures will be introduced with future drilling at Falun to mitigate against hole deviation.

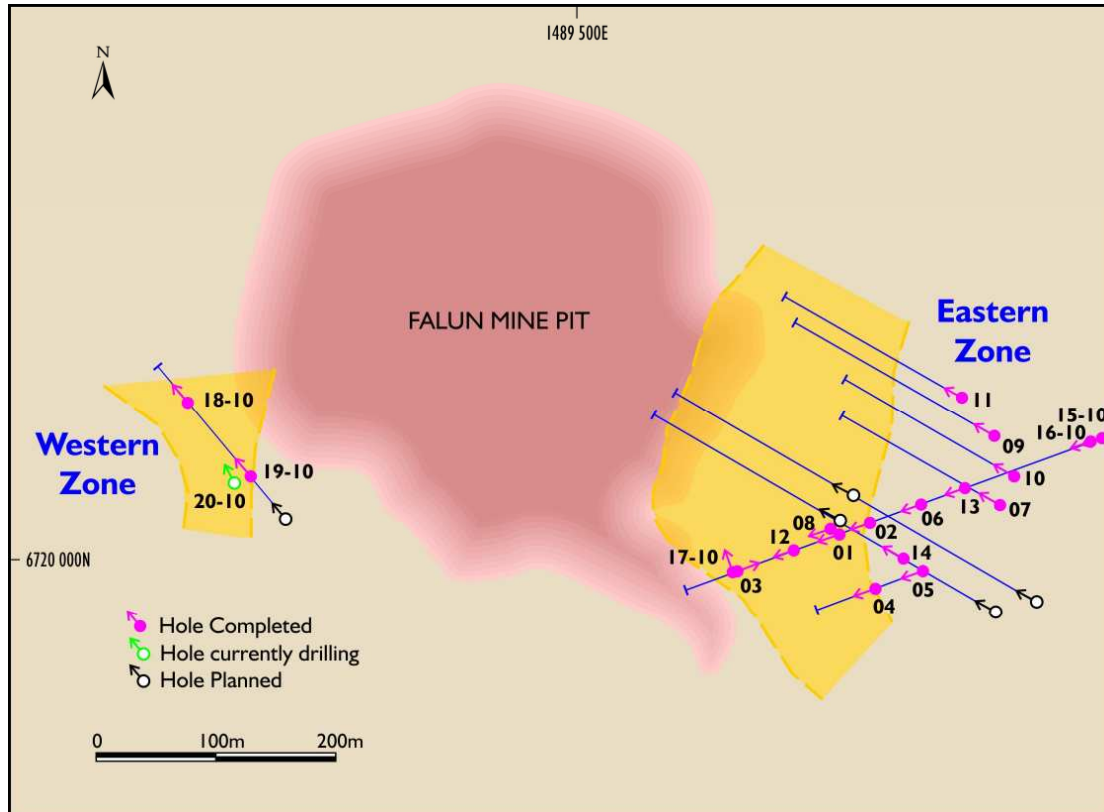


Fig. 1: Falun drill holes showing Hole 15-17-10, and the current drilling

From historic drilling it appears that the 350 m RL (335 m below surface) marks the lower reaches of the gold mineralisation that extends from surface (Johannes Lucas lode). There are areas between the Carl Gustaf and Johannes Lucas gold lodes that require infill drilling to determine the continuity of the mineralisation. The gold intercept in Hole 16/10 has shown that the gold mineralisation appears continuous from the 350 m RL up to previous drilling (historic and recent) at the 200 m RL.

Historic drilling intercepts between 250 and 400 metres depth include:

- **0.5 m @ 96.1 g/t gold, 0.3% copper and 0.3% bismuth**
- **1.2 m @ 33.1 g/t gold, 0.5% copper and 0.2% bismuth**
- **0.7 m @ 9.1 g/t Au, 0.1% copper and 0.5% bismuth**

The third hole, **17-10** (258 m depth), was drilled into the Eastern Copper-Gold Zone. Mineralisation was intersected throughout the length of the hole (Figure 3). Assays are still pending for more than half of the hole. The top of the hole clipped the Johannes Lucas lode zone and intercepted a broad zone of mineralisation, **25.2 m @ 0.6 g/t gold and 0.6% copper** from 17.6 m to 43.2 m. This intercept extends the Johannes Lucas zone of gold-copper mineralisation further to the west.

In addition **Hole 17-10** intersected a further broad zone of mineralisation between 133 and 216 metres down-hole, including **7.05m @ 2.06 g/t gold and 0.26% copper** from 133.25m to 140.30m, and **31.5m @ 1.13 g/t gold and 0.68% copper** from 144.2m.

These intersections support the Joint Venture's concept that considerable mineralisation remains in the Eastern Copper-Gold Zone. Hole 17-10 is the first hole of the programme that has been drilled into the western part of this zone, with very encouraging results.

Significant assay results for all three holes are provided in Table 1.

Selenium credits identified in Falun gold intersections

Some 34 samples from mineralised drill intercepts within the Eastern Copper-Gold Zone (i.e. from the Johannes Lucas gold lode and Hårdmalm copper and gold zone) were assayed for selenium. Selected selenium assay results are provided in Table 2. The average content of selenium is 0.034%, or 0.75 lb/tonne.

There appears to be a strong correlation between the bismuth mineralisation and levels of selenium.

The chief commercial uses for selenium are in glassmaking and in chemicals and pigments. The current price of selenium is approximately US\$32/tonne, and consequently material at this grade would add US\$24 to every tonne mined in any operation established at Falun.

Drilling commenced on Western Copper-Gold Zone

The Bergslagen Joint Venture is currently drilling three holes into the Western Copper-Gold Zone at Falun, immediately west of the old open pit. The presence of a second copper-gold zone west of the old mine was reported in 2009.

This western zone contains previous drilling intersections of potentially economic grades, including 23.5 metres at 2.8% copper.

The western zone has been only partly tested by past drilling and is interpreted to extend from surface to at least 530 metres depth. Most of the previous drill holes were not assayed for gold and silver.

Next phase of exploration

Drilling of the Eastern Copper-Gold Zone will recommence when the last hole on the Western Copper-Gold Zone is completed.

The first phase of drilling in the Eastern Copper-Gold Zone has demonstrated that gold-copper-bismuth mineralisation extends from surface down to the 350 m RL. The next phase of drilling at Falun will include drill sections to the north and south, as well as infill of the current section (Figure 2) to determine if a viable resource exists. This resource definition programme is due to start in April.

-ENDS-

For further information, please contact:

Dr Bob Beeson
Managing Director
Drake Resources
+61 (0)3 9890 0292
bob@drakeresources.com.au

Corporate Information

Directors

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

Issued Capital

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

52,729,231 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.

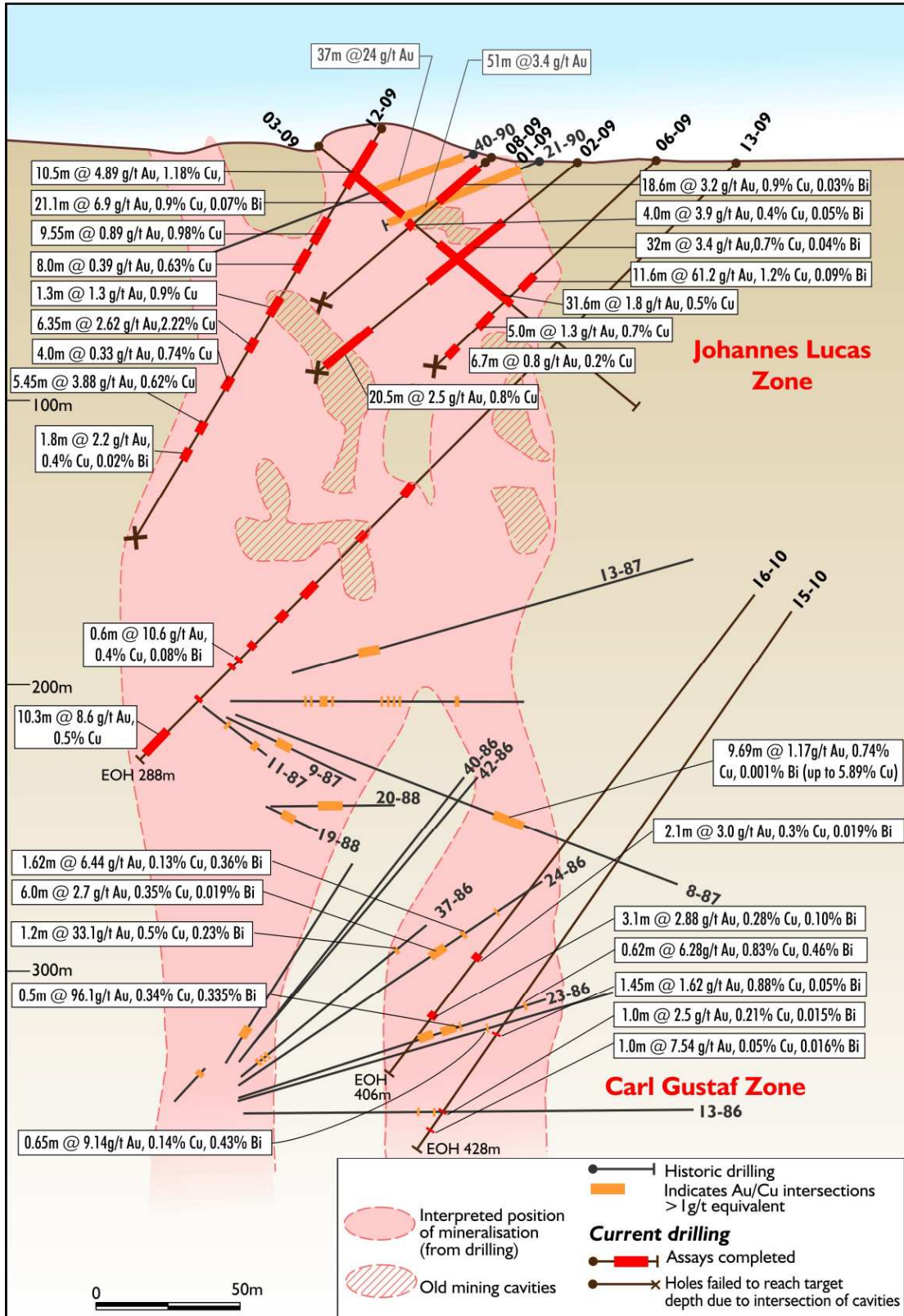


Fig. 2: Section 075: current and historic drill intersections

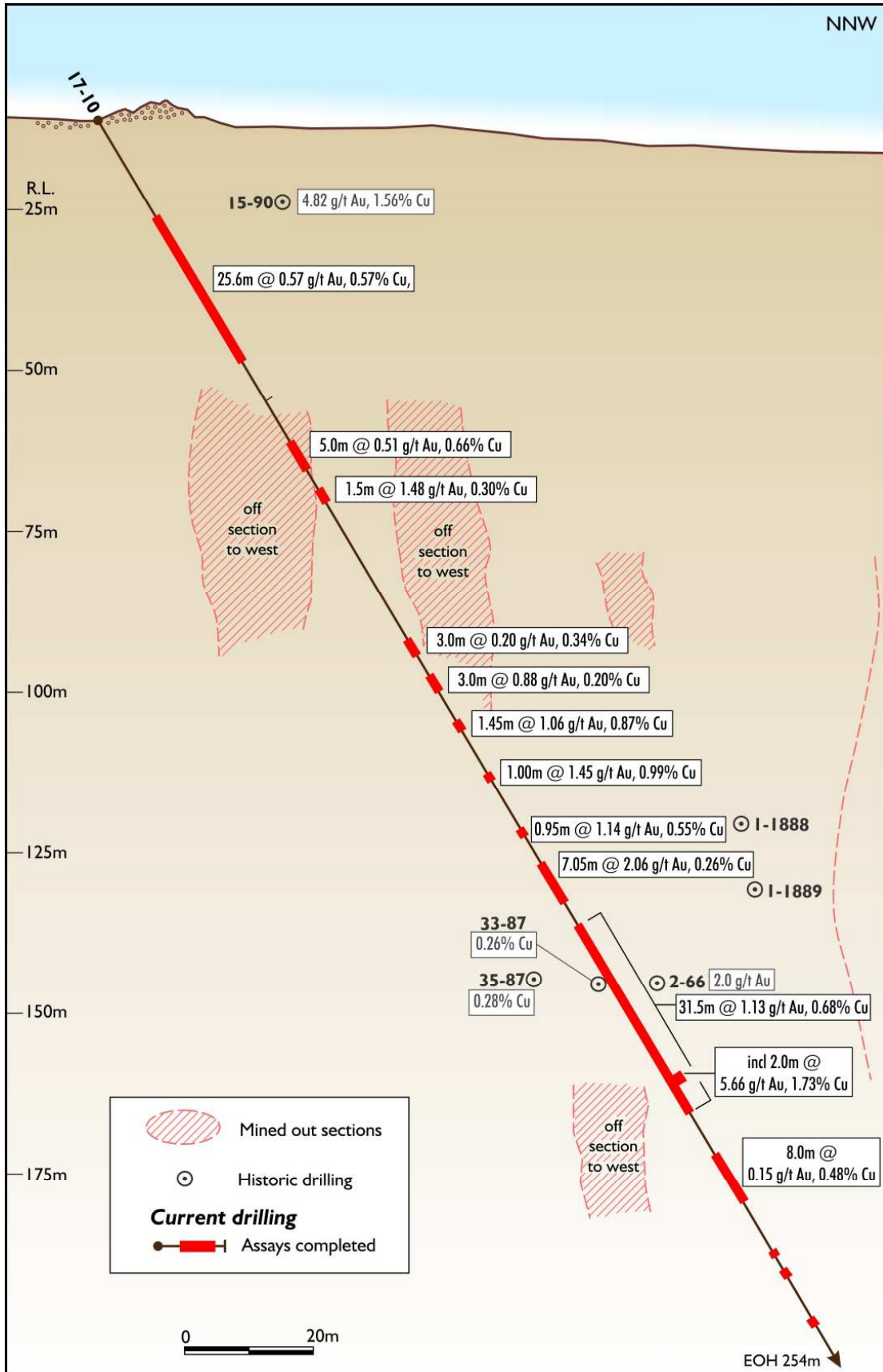


Fig. 3: Section showing the intersections down drill hole 17-10

Table 1. Intersections for holes 15, 16 and 17.

	From	To	Intercept (m)	Au ppm	Cu %	Bi ppm
Hole 15-10						
	372.55	374.00	1.45	1.62	0.88	501
and	407.85	408.85	1.00	2.52	0.21	146
and	414.85	415.85	1.00	7.54	0.05	157
Hole 16-10						
	346.95	349.05	2.10	3.00	0.30	181
and	382.95	386.05	3.10	2.88	0.28	1013
Hole 17-10						
	17.60	43.20	25.20	0.58	0.57	89
<i>incl.</i>	<i>20.60</i>	<i>27.40</i>	<i>6.80</i>	<i>1.07</i>	<i>0.82</i>	<i>180</i>
<i>incl.</i>	<i>24.60</i>	<i>26.60</i>	<i>2.00</i>	<i>1.51</i>	<i>1.08</i>	<i>529</i>
and	66.10	67.60	1.50	1.48	0.30	303
<i>incl.</i>	<i>66.10</i>	<i>66.60</i>	<i>0.50</i>	<i>3.62</i>	<i>0.52</i>	<i>680</i>
and	133.25	140.30	7.05	2.06	0.26	111
and	144.20	175.70	31.5	1.13	0.68	81
<i>incl.</i>	<i>160.70</i>	<i>162.70</i>	<i>2.00</i>	<i>1.36</i>	<i>1.43</i>	<i>79</i>
<i>incl.</i>	<i>167.90</i>	<i>168.90</i>	<i>1.00</i>	<i>0.84</i>	<i>2.12</i>	<i>107</i>
<i>incl.</i>	<i>171.70</i>	<i>173.70</i>	<i>2.00</i>	<i>5.66</i>	<i>1.73</i>	<i>599</i>
<i>incl.</i>	<i>172.70</i>	<i>173.70</i>	<i>1.00</i>	<i>10.45</i>	<i>1.28</i>	<i>1175</i>
and	185.70	193.70	8.00	0.15	0.48	43
and	202.70	203.20	0.50	0.13	0.97	39
and	206.20	207.20	1.00	0.17	0.95	18
and	214.50	215.50	1.00	0.07	1.10	12

All intercepts are defined by using a 1 g/t Au equivalent cut off and maximum of 2 m waste dilution. Au and Cu equivalents based on Au price (taken October 22nd, 2009) of US 1057.8 /oz and Cu price of US 6565 /t

Table 2: Selected intersections with selenium assays

Hole	From	To	Width	CU * %	AU * g/t	Bi * ppm	Se ppm
01-09	20.20	22.20	2.00	1.17	6.84	1503	262
02-09	49.85	50.85	1.00	1.43	32.40	1535	260
02-09	55.85	56.85	1.00	0.47	19.20	6200	850
03-09	21.09	23.65	2.56	2.12	12.77	2454	411
03-09	28.30	28.90	0.60	1.56	91.40	7840	>1000
06-09	60.00	64.45	4.45	2.44	156.8	2222	440**
07-09	274.50	276.50	2.00	0.44	1.24	3845	570
08-09	13.45	14.00	0.55	2.18	36.70	4730	980
10-09	248.50	249.70	1.20	0.94	15.45	736	190
11-09	114.10	114.40	0.30	0.40	0.18	5130	1000
11-09	117.60	118.10	0.50	0.46	1.84	3420	600
12-10	18.70	18.90	0.20	5.25	4.89	78	400
12-10	70.65	71.05	0.40	2.26	2.73	4780	690



Drill rig on Site 18-10, March 2010



Sulphide intersection, Hole 17-10, 164m



Sulphide intersection, Hole 17-10, 173m