

## ASX ANNOUNCEMENT

14 February 2006

### HERON WELL GOLD PROJECT ACQUISITION

Drake Resources Limited ("Drake") (ASX Code: DRK) has acquired the Heron Well Gold Project.

The Project is located 15km south of Leonora, in the central part of the Norseman-Wiluna greenstone belt. The project comprising six granted Prospecting Licenses (PL's), P40/1119-P40/1124 and P40/1129, covering a total area of 10.4 sq km.

The Heron Well Project is along strike from the old Desdemona Gold Mine, and the host rock at the mine, a prospective quartz-diorite body, extends into the Heron Well Project Area. Despite its proximity to major ore deposits the Project Area remains poorly explored. Only 15% of the area have been tested by any drilling, and the majority of those drill holes are shallow (<20 metres) air core drilling.

Anomalous gold values in soil samples define an intermittent trend over more than two kilometres of strike in the Project Area, at which point the prospective stratigraphy is hidden by alluvial cover.

Two main prospects, Flamingo and Pelican, have been identified in this area of anomalous soil samples. Past shallow aircore drilling at the Pelican Prospect has defined a zone 1200 metres in length, and up to 400 metres wide, with bedrock gold values in excess of 0.3 g/t.

Previous gold intersections at Pelican include:

- HWA037: 7m @ 25.69g/t Au
- HWA038: 7m @ 2.20g/t Au
- HWA124: 3m @ 8.05g/t Au
- HWA125: 3m @ 2.11g/t Au
- HWRC16: 2m @ 7.23g/t Au

Drake Resources has acquired the Heron Well Project because of its potential to host significant gold deposits. The main target areas that are currently recognised in the area are:

- The extensions of both the Pelican and Flamingo Prospects to the south and west, which remain open in those directions
- Areas of strong gold-in-soils anomalies along zones parallel to the main Desdemona – Harriet – Rising Sun lodes, which have not been drill tested
- Previous high grade intersections in reverse circulation drilling that have not been followed up, for example Hole HWA124, with 3m @8.05 g/t Au
- Previously drilled areas where shallow air core drill intersections of gold have not been followed up, for example Hole HWA139, with 5m @ 0.4 g/t to bottom of hole at 19m
- Parts of the Pelican prospect where there are high gold levels at the base of the Tertiary cover rocks, and which have not been followed up with testing of the basement, for example 1m @ 3.2 g/t au in Hole HWA114.

The consideration, through private sale, for the project was 1,250,000 Drake ordinary shares.

Managing Director Dr Bob Beeson said, "Drake Resources is continuing to grow its Western Australian gold exploration portfolio when good opportunities are identified. The Heron Well project is an excellent addition to this portfolio. We intend to carry out detailed magnetic surveys and define structural targets. These new targets, plus existing targets, will be tested by drilling".

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*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 to qualify 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.*