Drake Resources Limited

ASX/Media Announcement

14 January 2009

HIGH GRADE GOLD INTERSECTED AT 230 METRES BELOW SURFACE AT FALUN IN SWEDEN

- **Drilling identifies strong gold grades at 230 metres below surface at Drake's Falun gold-copper target**
  - **Hole 13-09 10.6 metres at 8.6 g/t gold, 0.5% copper and 0.2% bismuth from 270.4 metres**
  - **Including 2.2 metres at 36.6 g/t gold and 0.7% bismuth**
- **Visible gold has been recorded in five locations down hole in Hole 13-09 from 150 to 280 metres, demonstrating the presence of a broad mineralised system at these deeper levels**
- **Further assays of Hole 12-09 indicate the presence of mineralisation from surface to 121 metres down hole in the western part of this section**
- **Drilling has recommenced at Falun following a break over the Christmas period**

Drake Resources (ASX: DRK, "Drake") is pleased to announce that the completion of the first deeper hole at Falun (Hole 13-09) has demonstrated that strong gold-copper mineralisation exists in the Eastern Gold-Copper Zone to at least 230 metres below surface.

The Falun project forms part of the Bergslagen Joint Venture between Drake, Royal Falcon Mining LLC and Golden Rim Resources Ltd (ASX: GMR).

Drake reported an intersection of 11.6 m at 61.2 g/t gold, 1.2% copper and 0.09% bismuth last October in Hole 06-09 at 40 metres below surface. Multiple new gold-copper-bismuth intercepts were obtained in Hole 13-09 between 150 m and the end of the hole at 288 m.

Selected gold-rich intercepts include: **0.65 m at 10.6 g/t gold and 0.43% copper** from 244 m; and **10.6 m at 8.6 g/t gold, 0.5% copper and 0.2% bismuth** from 270.4 m, including **2.2 m at 36.6 g/t gold and 0.7% bismuth**. All intercepts for Hole 13-09 are listed in Table 1.

A number of intersections of visible gold have been observed at 152m, 174m, 193 m, 218 m and 280 m downhole in Hole 13-09. These observations validate the initial premise that the zone between 100 and 250 m vertically below the surface was under-explored in previous drilling. The presence of visible gold over 130 metres down-hole demonstrates the presence of a broad mineralised system at these levels.

The planned target depth for Hole 13-09 was 320 m, however the hole was terminated short of this target depth after it intersected an old mining cavity at 288 m. Gold and copper assays in old underground drilling in this area suggest that additional mineralisation would have been intersected in Hole 13-09 if the target depth had been reached.

Assays were received for the remainder of Hole 12-09, and several new copper-gold intercepts were obtained. The results confirm the presence of mineralisation from surface to 121 metres down hole in Hole 12-09 and that the copper-gold mineralisation is over 110 m wide on this drill section through the Eastern Gold-Copper Zone. All intercepts for Hole 12-09 are listed in Table 1.

Drake is testing a semi-vertical gold-copper shoot linking high grade gold near-surface with past gold workings at 350 metres depth. The assays in Hole 13-09 confirm the presence of mineralisation at a further level in the system.

Drilling commencing this week will test the 350 metre level, where gold was mined in 1987-88 prior to mine closure. Ore extracted in this trial gold mining campaign is reported to have averaged 8 g/t gold.

Three holes remain to be completed in this programme in the Eastern Copper-Gold Zone, including the deep hole described above, plus three further holes into the Western Copper-Gold Zone.

The intersections with visible gold in Hole 13-09 are now being re-sampled using the other half of the core, to obtain second assays of these intervals for confirmation and verification.
Assay results for Hole 13 and the remainder of Hole 12 are listed below.

Table 1: Assays for drill holes 12-09 and 13-09

Drill hole	From (m)	To (m)	Length (m)	Gold (g/t)	Copper (%)	Bismuth (%)
Hole 12-09 (previously reported)						
	9.80	**19.85**	**10.05**	**4.89**	**1.18**	**165**
incl.	*10.80*	*12.80*	*2.00*	*10.83*	*0.96*	*480*
incl.	*17.80*	*19.85*	*2.05*	*6.46*	*1.93*	*58*
and	**36.25**	**45.80**	**9.55**	**0.89**	**0.98**	**18**
incl.	*36.25*	*38.25*	*2.00*	*1.37*	*1.14*	*18*
incl.	*39.50*	*41.50*	*2.00*	*0.91*	*1.20*	*20*
incl.	*43.80*	*45.80*	*2.00*	*1.34*	*1.44*	*16*
and	**49.80**	**57.80**	**8.00**	**0.39**	**0.63**	**5**
incl.	*52.80*	*54.80*	*2.00*	*0.52*	*0.72*	*18*
incl.	*55.80*	*57.80*	*2.00*	*0.75*	*1.45*	*0*
and	**61.10**	**61.40**	**0.30**	**0.94**	**1.53**	**11**
and	**68.80**	**75.15**	**6.35**	**2.62**	**2.22**	**383**
incl.	*69.80*	*71.05*	*1.25*	*1.16*	*2.36*	*1761*
incl.	*72.10*	*75.15*	*3.10*	*4.66*	*2.96*	*23*
incl.	*72.10*	*73.10*	*1.00*	*9.16*	*0.62*	*23*
incl.	*74.15*	*75.15*	*1.00*	*2.87*	*5.89*	*18*
and	**86.10**	**90.10**	**4.00**	**0.33**	**0.74**	**15**
incl.	*88.10*	*90.10*	*2.00*	*0.42*	*1.02*	*16*
and	**101.55**	**107.00**	**5.45**	**3.88**	**0.62**	**89**
incl.	*101.55*	*102.00*	*0.45*	*34.10*	*0.41*	*249*
incl.	*103.40*	*105.40*	*2.00*	*1.81*	*1.31*	*42*

Drill hole	From (m)	To (m)	Length (m)	Gold (g/t)	Copper (%)	Bismuth (%)
Hole 12-09 (not previously reported)						
	113.10	**116.55**	**3.45**	**0.59**	**0.30**	**35**
incl.	*113.10*	*113.55*	*0.45*	*2.46*	*0.23*	*196*
incl.	*116.35*	*116.55*	*0.20*	*0.37*	*0.95*	*12*
and	**119.55**	**121.35**	**1.80**	**2.21**	**0.41**	**235**
incl.	*119.55*	*120.05*	*0.50*	*6.07*	*1.07*	*627*

Drill hole	From (m)	To (m)	Length (m)	Gold (g/t)	Copper (%)	Bismuth (%)
HOLE 13-09						
	155.30	**159.30**	**4.00**	**0.65**	**0.61**	**15**
incl.	*158.30*	*159.30*	*1.00*	*1.07*	*0.94*	*17*
and	**179.30**	**179.80**	**0.50**	**0.61**	**1.06**	**173**
and	**182.80**	**183.50**	**0.70**	**0.10**	**1.14**	**40**
and	**204.30**	**210.00**	**5.70**	**0.31**	**0.33**	**280**
and	**219.00**	**223.00**	**4.00**	**0.40**	**0.43**	**131**
incl.	*219.00*	*219.50*	*0.50*	*0.70*	*2.42*	*46*
and	**232.85**	**234.85**	**2.00**	**1.24**	**0.04**	**508**
and	**240.85**	**241.85**	**1.00**	**4.85**	**0.41**	**182**
and	**244.00**	**244.65**	**0.65**	**10.60**	**0.43**	**801**
and	**260.20**	**260.80**	**0.60**	**4.07**	**0.74**	**2320**
and	**274.00**	**284.30**	**10.30**	**8.57**	**0.49**	**1569**
incl.	*274.00*	*276.20*	*2.20*	*36.64*	*0.15*	*7124*
incl.	*274.00*	*275.00*	*1.00*	*29.60*	*0.17*	*11800*
incl.	*275.00*	*275.50*	*0.50*	*36.50*	*0.22*	*4510*
incl.	*275.50*	*276.20*	*0.70*	*46.80*	*0.06*	*2240*
incl.	*279.20*	*279.80*	*0.60*	*1.14*	*2.85*	*28*

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

-ENDS-

For further information, please contact:

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

Corporate Information

Directors

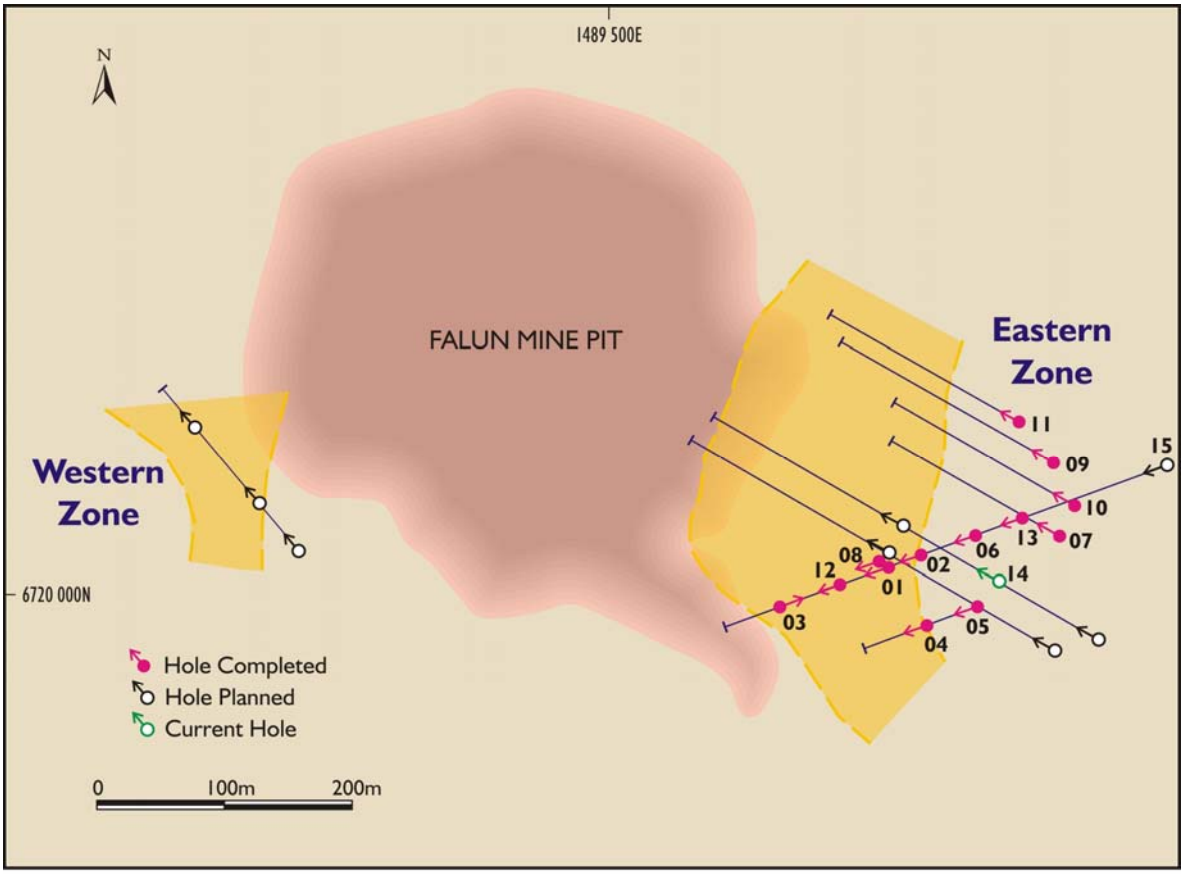
B Fraser	Non-Executive Chairman
Dr R Beeson	Managing Director
J Stephenson	Non- Executive Director & Company Secretary

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

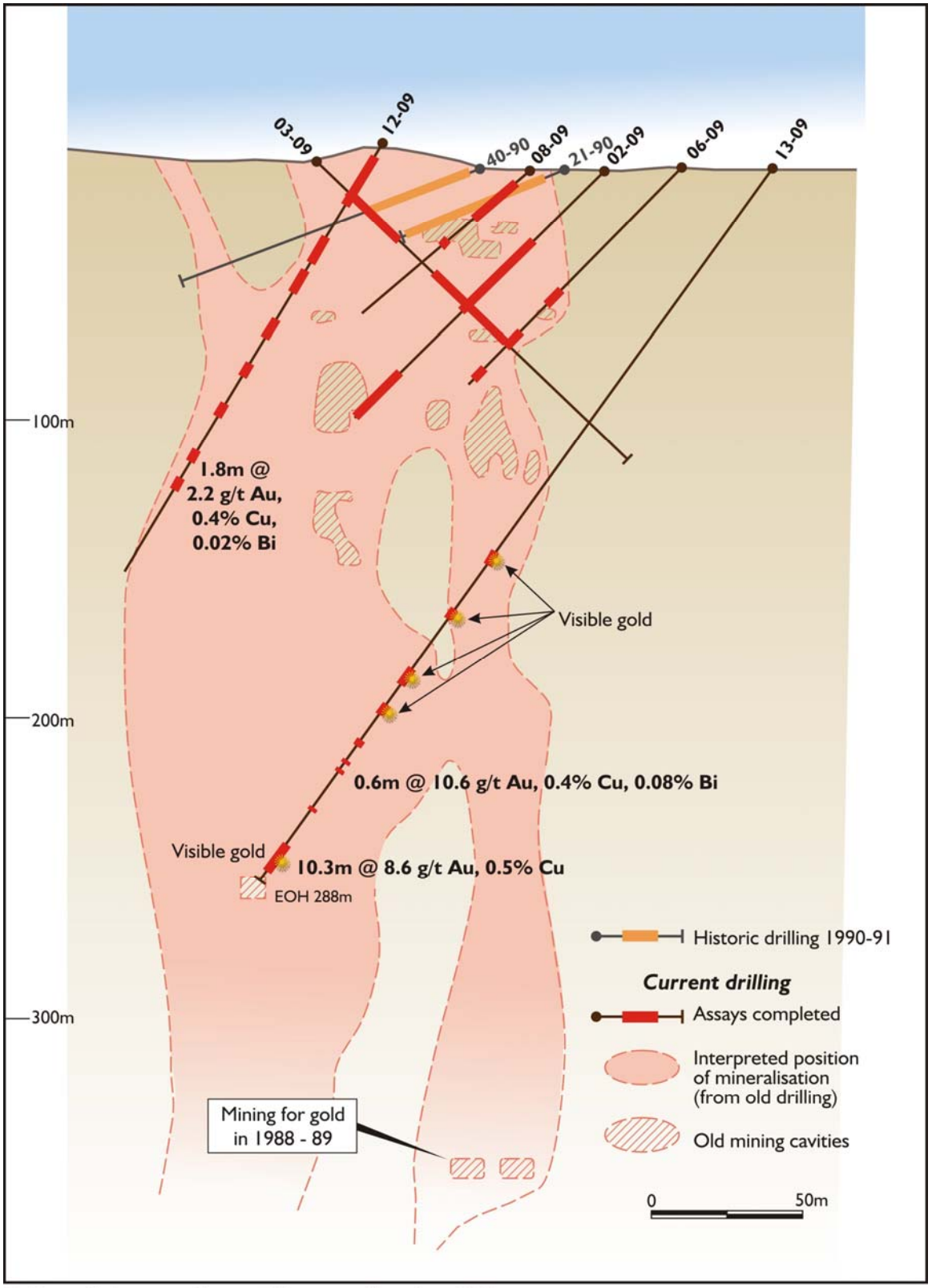
52,196,731 fully paid ordinary shares

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, and is a member of the Australian Institute of Geoscientists. 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.

Visible gold at 174 metres in Hole 13-09



Falun - Planned Drilling Program



Falun - Johannes Lucas Western Section 075