



ASX Announcement  
15 February, 2013

## Higher grade nickel mineralisation confirmed at Granmuren, Sweden

- Analysis from most recent hole reports higher grade extensions to Granmuren mineralisation
- Mineralisation intersected from near surface to 278m down hole and includes –
  - 7.8m @ 1.14% Ni, 0.20% Cu
  - 4.5m @ 0.80%Ni, 0.70% Cu
  - 5.0m @ 0.6% Ni, 0.90% Cu
- 111 cumulative metres of nickel mineralisation down hole above 0.25% Nickel
- Drilling program targeted very strong electrical conductor with further ground EM surveys planned

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Drake Resources (ASX: DRK, Drake) has received positive laboratory analyses for recent hole TS007, which intersected massive and disseminated sulphide mineralisation down to 250 metres vertical depth, at its Granmuren copper-nickel discovery in central Sweden.

Results from TS007 demonstrate the presence of higher grade nickel-copper mineralisation down dip from mineralisation previously intersected in TS006, intersections include:

- 7.8m @ 1.14% Ni, 0.20% Cu
- 24.5m @ 0.41%Ni, 0.39% Cu including 4.5m @ 0.80% Ni, 0.70% Cu
- 21.2m @ 0.40%Ni, 0.51% Cu including 5.0m @ 0.6% Ni, 0.90% Cu
- 24.5m @ 0.33%Ni, 0.33% Cu

Mineralisation is associated with pyroxenitic ultramafic rocks and high magnesium mafic rocks, typical for this style of mineralisation. Intersections are interpreted as being near actual thickness. A full summary of intervals greater than 0.1% nickel are summarised in Table 1.

Commenting on the results, Drake's CEO, Mr Jason Stirbinskis said, "Granmuren continues to reveal encouraging results given the mineralisation is at potential open pit depths and at grades comparable to producing open pit nickel mines in Scandinavia (fig 3). These results demonstrate that the mineralisation continues for an additional 50 metres below hole TS006 and the potential for higher grade mineralisation within the Granmuren Prospect.

Our surveys are yet to define the base of this system. We expect the surface and downhole geophysics to be completed this month.

The prospect's excellent location near infrastructure including power, rail and port, in one of the lowest risk mining jurisdictions in the world, further enhances the potential of Granmuren to ultimately evolve into a low cost development opportunity."

**TABLE 1:** Hole TS007, mineralised intersections (0.1%Ni cut-off).

Hole	East (RT90)	North (RT90)	Dip	Azimuth	From (m)	To (m)	Width (m)	Cu (%)	Ni (%)	Co (%)
13DDTS007	1537160	6641570	-60	360	18.0	22.0	4.0	0.22	0.16	0.024
					31.3	47.0	15.8	0.15	0.25	0.019
					92.0	107.0	15.0	0.29	0.43	0.044
	Includes				96.0	107.0	11.1	0.36	0.55	0.056
					129.2	139.0	9.8	0.18	0.94	0.040
	Includes				129.2	137.0	7.8	0.20	1.14	0.047
					162.5	168.5	6.0	0.18	0.21	0.021
					183.0	184.0	1.0	0.13	0.55	0.049
					195.5	220.0	24.5	0.39	0.41	0.044
	Includes				206.0	219.0	13.0	0.56	0.60	0.061
	Includes				212.0	216.5	4.5	0.70	0.80	0.079
					243.8	265.0	21.2	0.51	0.40	0.040
	Includes				251.0	252.0	1.0	0.50	1.06	0.098
	And				259.5	264.5	5.0	0.94	0.61	0.057
					266.5	291.0	24.5	0.33	0.33	0.031
	Includes				275.0	278.5	3.5	0.55	0.60	0.055

### Next Steps for Granmuren

Hole TS007 is the second hole into an intense conductor recently identified from down hole and surface electromagnetic (EM) surveys.

A detailed ground and downhole geophysical program (electromagnetics) has commenced targeting additional highly conductive targets within the system. Results from this survey are expected in late February.

Selected samples from hole TS006 have also been sent to ALS laboratories in Perth for preliminary metallurgical test work with results to be reported later this quarter.

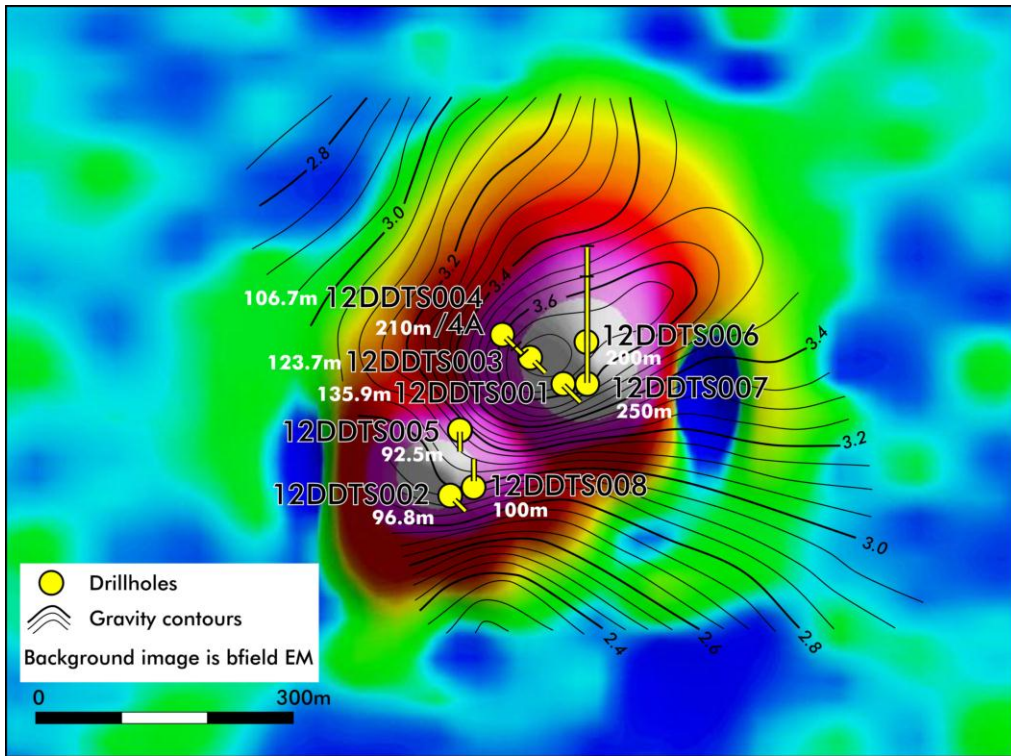


Fig. 1: Plan view of Granmuren EM anomaly (VTEM z28) with drill holes

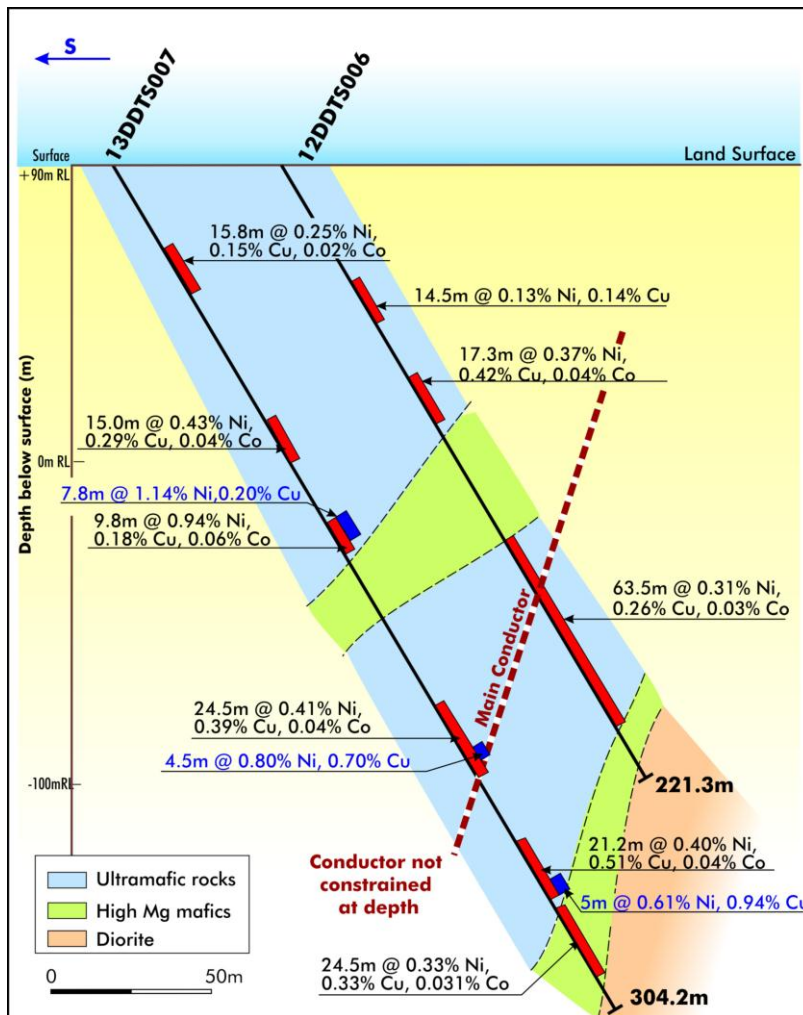


Fig. 2: Section through Holes TS006 and TS007 with intersections >0.1%Ni and logged geology.

## Nickel in Scandinavia

Scandinavia and the adjoining Karelia Province in north west Russia is one of the major nickel-copper provinces of the world. It includes the giant Pechenga deposit in Karelia, Anglo-American's recent Sakatti discovery and First Quantum's Kevitsa Project, both in Finland (Figure 3).

Scandinavian operations are both open pit and underground with typical grades of 0.25% to 1.0% nickel with current mining operations at Pechenga, Kevitsa and Hitura (23 million tonnes at 0.2-0.7% nickel).

The Scandinavian countries are exceptional locations for the development of new mineral discoveries. Sweden, Finland and Norway always rank in the top handful of countries for mining investment. Sweden, in particular, has the advantages of excellent infrastructure, trained workforce, supportive legislation and low taxation rates.



Fig 3: Nickel projects and operations in Scandinavia (source published company documents and analysts reports)

## About Drake Resources

Drake Resources (DRK) is an Australian gold and base metals explorer with advanced and highly prospective projects in resource-rich West Africa and Scandinavia. In the underexplored West African provinces of Mauritania, Senegal and Guinea, Drake's focus is gold, including projects on the highly mineralised Tasiast greenstone belt. Projects in Scandinavia focus on nickel and copper. Scandinavian projects include nickel resources at Espedalen in Norway, a new nickel-copper discovery at Granmuren in Sweden, and significant remaining mineralisation in the Joma copper-zinc mine. Drake's aim is to be a successful and profitable mining company delivering strong shareholder value by taking robust projects through to mining.

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### **Competent Persons Statement**

*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 is a director of Drake and consents to the inclusion in the Announcement 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.*

*Diamond drill core samples (BQ diameter) are sent to the ALS laboratory in Pitea, Sweden, where they are sawed in half and sampled to geological or mineralised boundaries as appropriate. Samples are then crushed and ground and representative pulps sent to ALS-Chemex in Vancouver, Canada for base metals analyses.*

*Base metal analyses are calculated using a four acid digest and inductively coupled plasma optical emission spectrometry (ICP-OES) finish (ALS method ME-ICP61). Strongly mineralised (i.e. over detection limit) samples, are reanalysed using an aqua regia digest followed by ICP-AES finish (ALS method ME-OG46).*

*The quality of analytical results is monitored by the use of Drake Resources standards and blanks as well as internal laboratory procedures and standards together with certified standards, duplicates and blanks. Where quoted, nickel-copper intersections are based on a minimum threshold grade of 0.1% Ni. Intersections are length weighted as per standard industry practice. Drill hole collar co-ordinates are quoted in the Swedish RT90 datum.*