

19 December 2011

Update on Drake's Hendrix Shear Gold Exploration Programme, Mauritania.

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- Conchita Prospect soil gold anomalies now >7 kilometres in length
 - High grade quartz veins identified in previous surface sampling and drilling
 - Major programme of geochemistry commenced early October, involving soil sampling and vein and shear zone sampling.
 - Extensive (>4000m) trenching programme in progress
 - Initial assay returns have defined several new gold mineralised locations at northern end of the shear zone
 - >5000 metre RC drilling programme to commence early January
 - Aeromagnetic survey to be conducted in January/February.
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Drake Resources Limited (ASX: DRK) has defined a number of new gold mineralised zones within its 100%-owned Hendrix Shear Project in Mauritania, and extended the strike length of the Conchita Prospect to over 7km in length.

Following the hot Mauritanian summer, Drake Resources Limited (ASX: DRK) recommenced field work in early October 2011, prior to the commencement of drilling in January. This has included:

- Systematic traversing and sampling of Drake's entire 2,800 km² holding on the Hendrix Shear zone
- Detailed soil sampling in areas where gold mineralisation has been identified.
- Trenching to better define the mineralised veins
- Letting of contact for an aeromagnetic survey over the northern half of the permits where no previous geophysical coverage exists.

Background.

Drake holds 100% of three exploration permits covering 2800 km² over a major mineralised structure in northern Mauritania known as the Hendrix Shear Zone. The structure lies within Birrimian rocks of the West African gold province. The Hendrix Shear Zone is a series of sub-parallel shears, with many subsidiary shears, or splays, extending from it. As with other mineralised shear structures, any or all of these structures can be mineralised, but commonly it is the splays off the main structure that have the best mineralisation.

Drake's Conchita high grade gold vein prospect lies 14 km west of the Hendrix shear, adjacent to a splay from the main shear structure. Drake drilled 37 RC holes into the Conchita veins in May 2011 (reported previously), confirming the presence of a strongly mineralised vein system with >80% of the veins tested over a 2 kilometre strike length returning an intersection of at least 1 g/t gold over 1m. Intersections greater than 1 g/t averaged 3.5 g/t gold.

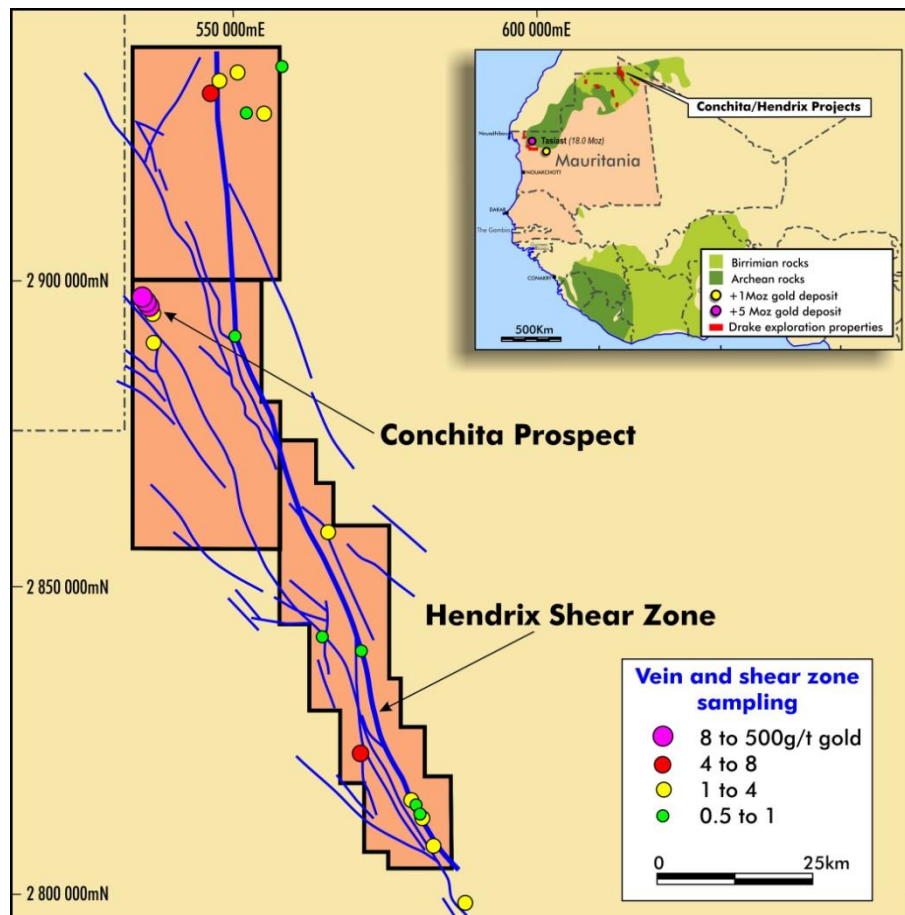


Figure 1: Drake Resources 100% owned Hendrix Shear Project with major structures and gold anomalies.

Current status:

At December 15 the following field work had been completed:

Soil Sampling:

Collection of more than 5000 soil samples on seven separate prospects.

Vein and shear zone sampling and mapping:

Collection of 950 rock samples

Trenching:

1470m in 17 trenches across quartz systems

Drilling:

The RC drilling rig is currently in transit to Mauritania from South Africa. Drilling is expected to commence early January 2012, about a month later than originally expected. However the delay has been useful in allowing better definition of drill targets for the current field season. A minimum programme of 5000m of drilling is planned on targets on the Hendrix Shear Zone.

A contract for an air-borne survey has been let Terrascan Airborne GmbH to provide magnetic and radiometric data over the northern half of the permits where currently no geophysical data of any sort exists. It is expected that this will provide valuable information on the mineralised structures and distribution of favourable rock types.

An air core drill rig, which is to carry out a 17,000m programme at Drake's Tasiast South Project in Western Mauritania, has been held up in customs in South Africa. This rig is also expected to arrive in Nouakchott in late December, and commence work in early January.

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For further information, please contact:

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Corporate Information

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Executive Director

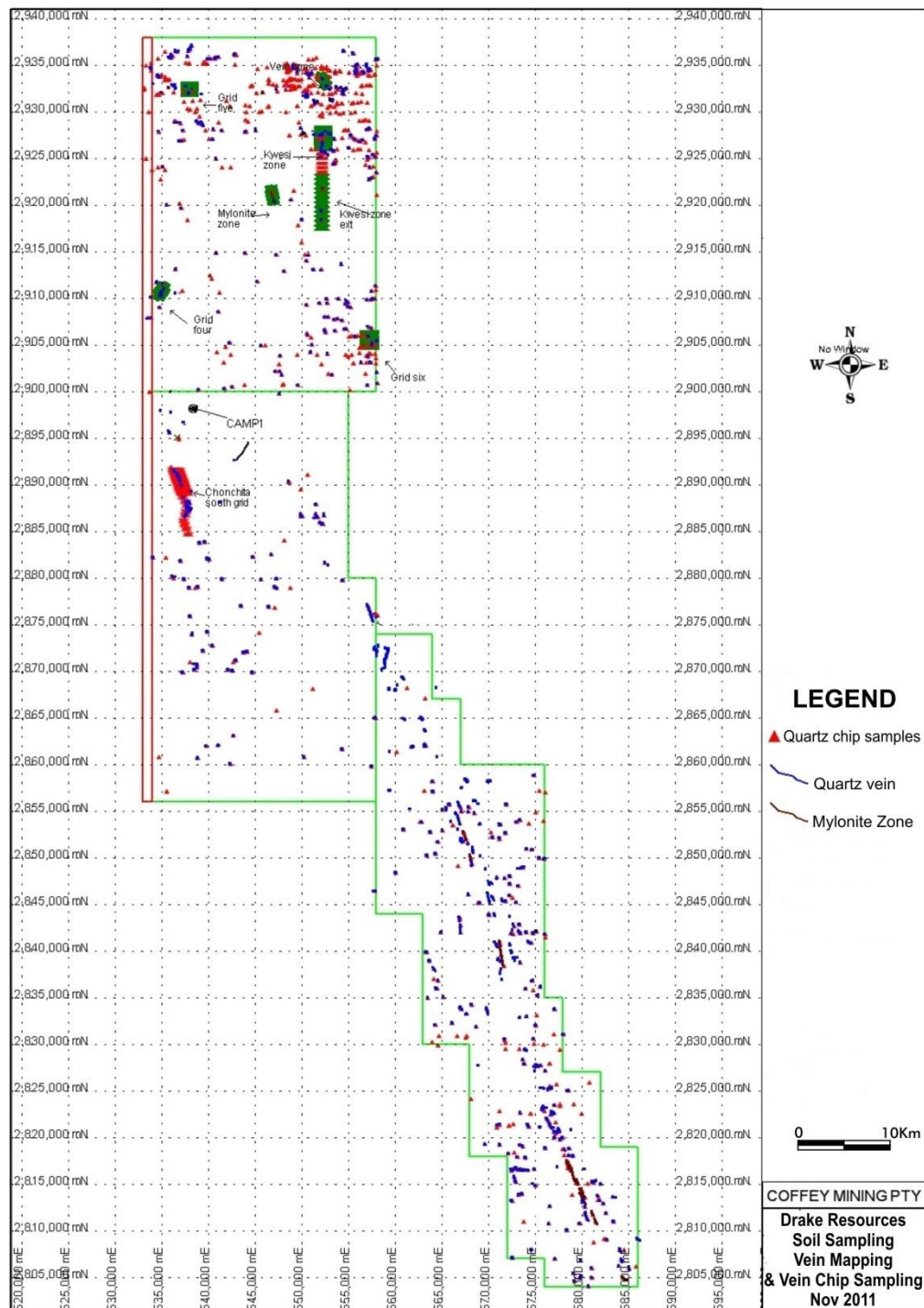
Issued Capital

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

76,587,831 fully paid ordinary shares

Competent Persons

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.



Sampling programme to December 15, 2011



Soil sampling - northern Hendrix Project



Trenching across Conchita vein system to locate non-outcropping veins.



*Mineralised quartz-filled breccia zone on northern Hendrix shear.
Yet to be drilled.*