

## Drake expands its footprint in West African gold province

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**Drake is pleased to announce it has entered into an option to purchase agreement on the Samekouta exploration permit covering 325 km<sup>2</sup> of Birrimian age rocks in the strongly mineralised Kenieba gold province in southeast Senegal.**

**A programme of geochemical sampling over the permit has commenced.**

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**Drake Resources Limited (ASX:DRK)**, after successfully acquiring a portfolio of highly prospective gold exploration properties in Mauritania over the past 18 months, commenced a programme early in 2011 to identify areas of high gold potential in other West African countries. The region has had an outstanding discovery success rate in recent years. As a result Drake is currently investigating a number of areas. The first of these to be finalised is the Samekouta exploration permit in southeast Senegal.

The Samekouta permit covers 325 km<sup>2</sup> of Birrimian age rocks within a geological province known as the Kenieba Inlier.

The Kenieba Inlier is a prolifically gold mineralised province straddling the Senegal–Mali border and contains a number of world-class gold deposits which are located within 120 kilometres of the Samekouta permit. The deposits include those at Loulo (11.5 M.oz), Sadiola (4.5 M.oz), Sabadala (3.3 M.oz) and Goukoto (2.9 M.oz @ 6.9 g/t Au).

The area lies along strike from gold resources currently being drilled by Bassari Resources Limited about 30 km to the north.

While outcrop on the area is poor, occurrences of mafic and intermediate rocks, quartz veining, and tourmaline alteration occur within and adjacent to the permit.

No exploration is known to have been undertaken in the Samekouta permit area.

A programme of systematic geochemical sampling over the permit has commenced.

Under the terms of the agreement Drake has the option to acquire 100% of the permit by staged payments over 4 years.

Senegal has active gold mining in progress at the Sabodala Mine operated by Teranga Resources Corporation, located about 65 km from the Drake permit.

### Terms of Option Agreement

The Semekouta Option Agreement (“Agreement”) has been entered into with Senegalese company, Senecorporation.

Under the terms of the Agreement Drake has the option to acquire 100% of the Samekouta permit by staged payments over 4 years:

1. \$25,000 on the Commencement Date;
2. \$25,000 after certain defined conditions are met;
3. \$70,000 on the first anniversary of the Commencement Date;

4. \$90,000 on the second anniversary of the Commencement Date; and
5. \$110,000 on the third anniversary of the Commencement Date.

During this period DRK has the option to purchase the permit outright for \$600,000 less any annual option payments with DRK to pay Senecorporation \$1 million for each 100,000 ounces of gold produced.

#### **Drake Resources in West Africa**

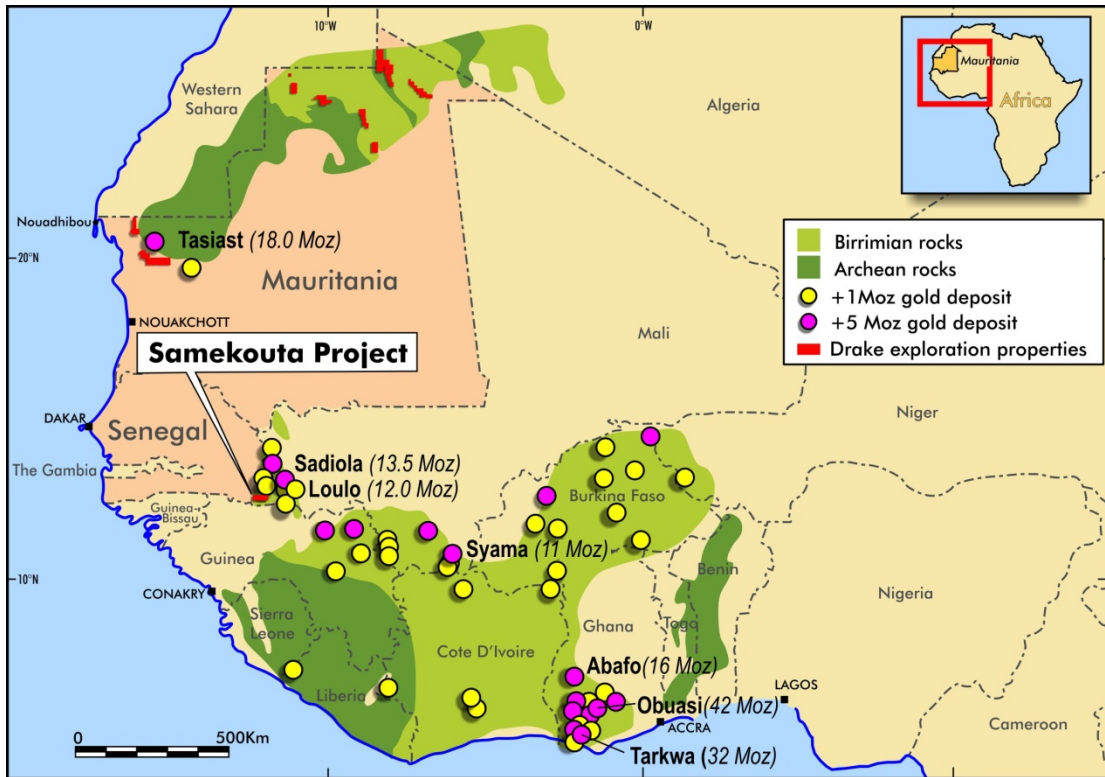
Elsewhere in West Africa, Drake has assembled an extensive package of gold exploration permits in the emerging gold province in Mauritania. Drake currently holds nine granted, or approved for grant, permits covering 8,500 km<sup>2</sup>, and a further six applications covering a further 2,800 km<sup>2</sup>.

Drake is currently active on 100% owned permits along strike from the Tasiast gold mine (+18 million ounces of gold) and the Tijirit gold project of Gryphon Minerals Limited. Drake has recently completed a detailed airborne magnetic survey over these areas which are believed to have had no prior gold exploration.

Drake has also announced drilling results at its Conchita gold prospect in Mauritania that intersected extensive mineralised quartz veins targeted from surface mapping. Intersections included 2m @ 10.23 g/t gold and 2m @ 6 g/t gold. Approximately 80% of drill holes returned an intersection of at least 1 g/t gold. The drilling tested approximately 10% of the area of known quartz veins and geochemical anomalies.

Drake Resources' project team includes local and expatriate professionals with strong local knowledge and operational experience in West Africa.

Drake Resources' management team has an exceptional track record of exploration success, and includes key members of the team that built the Acacia Resources/AngloGold portfolio in Australia.



**Figure 1: Location of Samekouta Permit**

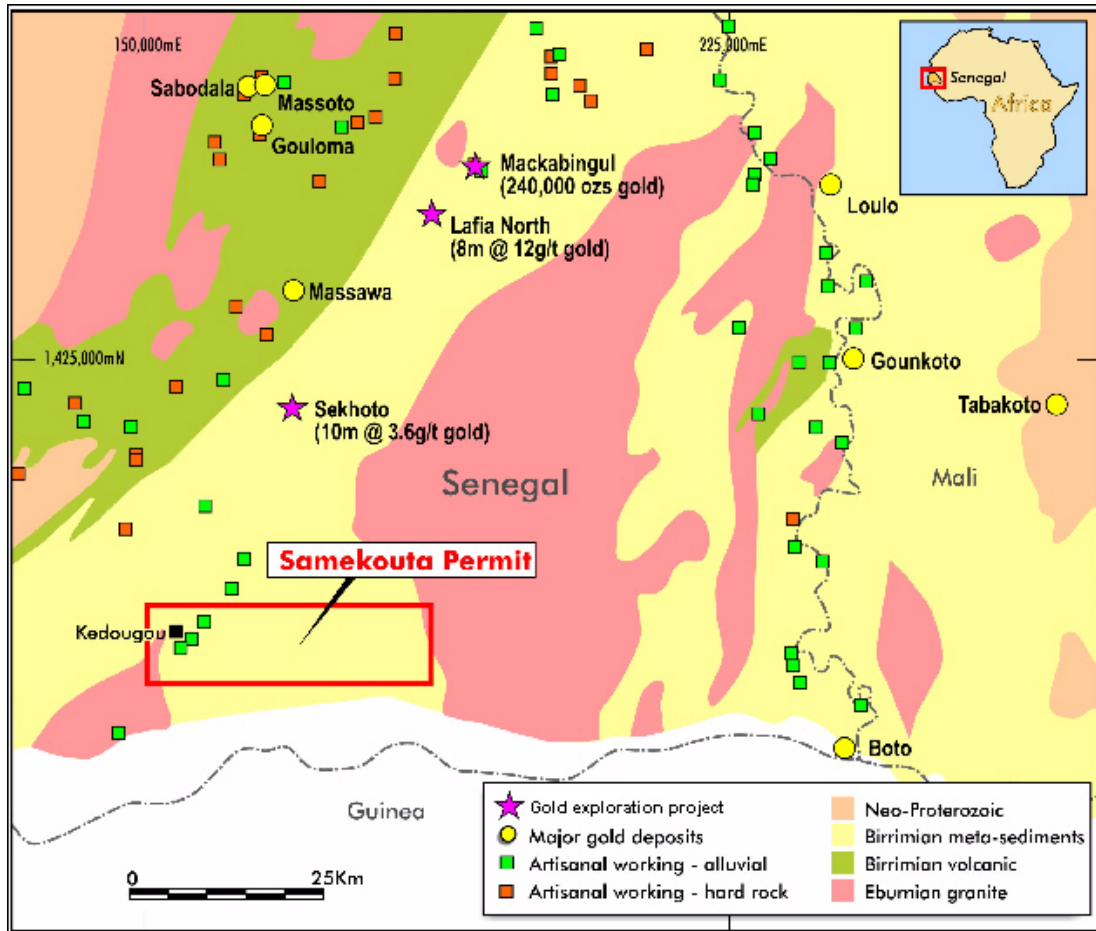


Figure 2: Regional setting.

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For further information, please contact:

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#### Corporate Information

##### Directors

B Fraser	Non-Executive Chairman
Dr R Beeson	Managing Director
J Stephenson	Non- Executive Director and Company Secretary
J Hoon	Non-Executive Director
James Merrillees	Executive Director

##### Issued Capital

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

60,529,231 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.*