

25 January 2007

Company Announcements  
Australian Stock Exchange  
20 Bond Street  
SYDNEY NSW 2000

### **OPTION ISSUE CLOSURE AND SHORTFALL NOTIFICATION**

Drake Resources Limited ("Drake") (ASX Code DRK) advises that the recent fully underwritten Option Issue closed on 24 January 2007. The results of the Option Issue are as follows:

Total number of options on offer:	15,625,000
Total number of options validly applied for:	13,357,497
Number of applications received	233
Pro-rata shortfall:	2,267,503
Underwriters shortfall:	2,267,503

The issue was fully underwritten by Findlay and Company Stockbrokers and Drake confirms that a shortfall notice has been issued in accordance with the underwriting agreement dated 21 December 2006 and that when completed the total funds raised under the issue will be \$156,250.

JAY STEPHENSON  
COMPANY SECRETARY