

3 June 2010

New Massive Sulphide Intersection in Western Copper Gold Zone at Falun

- **First drilling in the Western Copper-Gold Zone intercepts strong copper, zinc and lead mineralisation**
 - **15.3 m @ 4.19 % zinc, 1.77% copper, 0.72% lead and 1.78 g/t gold at the bottom of Hole 20-10**
- **Hole finished in mineralisation, and full extent of the mineralisation has yet to be established**
- **Mineralisation interpreted to be a newly discovered parallel zone of the previously mined Lovisa orebody**

Drake Resources (ASX: DRK, “Drake”) is pleased to announce that drilling in Western Copper-Gold Zone at Falun, Sweden, has intersected massive sulphide mineralisation with strong copper, zinc and gold values.

Drake’s Managing Director, Dr Bob Beeson, said “Our first drilling in the Western Copper-Gold Zone, to the west of the Falun open pit, has intersected poly-metallic massive sulphide mineralisation. Our target was copper-gold mineralisation similar to that which we have drilled to the east of the open pit.”

“Massive sulphide mineralisation with copper, zinc, lead and gold was previously mined in the area, but historic drilling from when the mine was operating had not indicated that any remained in this area.”

He said “Hole 20-10 had to be abandoned due to drilling difficulties, but ended in massive sulphide mineralisation. We are very interested to conduct further drilling to determine the extent this new zone of mineralisation.”

The Western Copper-Gold Zone is located immediately west of the old open pit at the Falun copper-zinc-gold mine. The Falun Permit forms part of the Bergslagen Joint Venture with Royal Falcon Mining.

The presence of a copper-gold zone west of the old mine was reported to the ASX in 2009. Three new holes, 18-10 to 20-10, have been drilled in the western zone. This drilling programme indicates that massive sulphide mineralisation remains within the western zone that was not detected by the previous mining operations.

None of the holes reached target depth due to poor ground conditions. Hole 19-10 failed near to the ground surface, and Hole 2010 is a redrill of Hole 19.

Two of the holes intersected massive sulphide mineralisation with grades typical of the historic mining at Falun.

Hole 20-10 intersected strong polymetallic sulphide mineralisation with copper, zinc, lead, gold and silver. The intersection (see Table 1, photos) contained at 15.3 m @ 4.19 % Zn, 1.77% Cu, 0.83 % Pb and 1.78 g/t Au.

Hole 20-10 failed to reach the target depth, but the hole stopped in mineralisation.

The mineralisation intersected lies below a back filled stope of the previously mined Lovisa orebody (Figure 2).

	From	To	Intercept (m)	Gold (g/t)	Copper (%)	Lead (%)	Zinc (%)	Silver (g/t)
HOLE 18-10								
	42.90	44.90	2.0	0.11	0.07	1.20	5.96	21.3
and	51.90	52.90	1.0	0.10	0.37	0.39	0.71	17
and	57.90	58.90	1.0	-	0.25	-	1.34	-
HOLE 20-10								
	50.60	51.80	1.2	0.30	0.50	0.01	0.04	2.5
and	55.15	59.75	4.60	0.27	0.82	-	0.02	3.6
<i>incl.</i>	<i>58.05</i>	<i>58.55</i>	<i>0.50</i>	<i>0.57</i>	<i>2.51</i>	<i>-</i>	<i>0.05</i>	<i>11.7</i>
and	81.75	86.75	5.00	0.45	0.94	0.12	0.03	9.0
<i>incl.</i>	<i>82.75</i>	<i>83.75</i>	<i>2.40</i>	<i>0.60</i>	<i>0.93</i>	<i>0.56</i>	<i>-</i>	<i>24.5</i>
	93.90	103.40	9.5	0.77	1.16	0.12	0.40	13.6
<i>incl.</i>	<i>94.90</i>	<i>99.20</i>	<i>4.3</i>	<i>1.4</i>	<i>2.01</i>	<i>0.17</i>	<i>0.37</i>	<i>22.2</i>
<i>incl.</i>	<i>95.90</i>	<i>98.20</i>	<i>2.3</i>	<i>2.44</i>	<i>3.17</i>	<i>0.32</i>	<i>0.56</i>	<i>37.6</i>
and	122.0	126.0	4.0	0.33	0.66	0.07	0.28	12.0
and	129.00	144.30	15.30	1.78	1.77	0.83	4.19	57
<i>incl.</i>	<i>134.30</i>	<i>139.30</i>	<i>5.0</i>	<i>3.29</i>	<i>2.58</i>	<i>1.13</i>	<i>8.48</i>	<i>87.9</i>
<i>incl.</i>	<i>137.30</i>	<i>138.30</i>	<i>1.0</i>	<i>9.58</i>	<i>3.12</i>	<i>2.41</i>	<i>6.92</i>	<i>165</i>

Table 1. Intersections in Holes 18-10 and 20-10.

All intercepts are defined by using a 1 g/t Au equivalent cut off and maximum of 2 m waste dilution. Au equivalent based on Au price of US 1228.8 /oz, Cu price of US 7010 /t, Pb price of US 2016 /t, Zn price of US 2072.5 /t and Ag price of US 19.476 /oz (all prices as of May 13th, 2010).

The high gold values in Hole 20-10 show that the western side holds the potential for further significant intersections of base metals and gold.

Hole 18-10 intersected zinc-lead-silver mineralisation close to areas of previous mining.

There has been considerable previous drilling in the area from when the mine was operating. This suggests that this new intersection may be part of a zone of massive to semi-massive sulphide mineralisation identified on the 145 metre level, 15-25 metres below this current intersection. A previous drill hole on this level includes an intercept of 33.1m @ 1.5% copper, 42 g/t silver and 4.1 g/t gold. This intersection was not assayed for zinc or lead. Most of the previous drill holes were not assayed for these metals, plus gold and silver.

The shape and size of this mineralisation will be the subject of further drilling.

Further drilling is required to test the deeper copper originally targeted, and also to determine the potential of the massive sulphide zone intersected in Hole 20-10.

-ENDS-

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 & Company Secretary

Issued Capital

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

52,729,231 fully paid ordinary shares

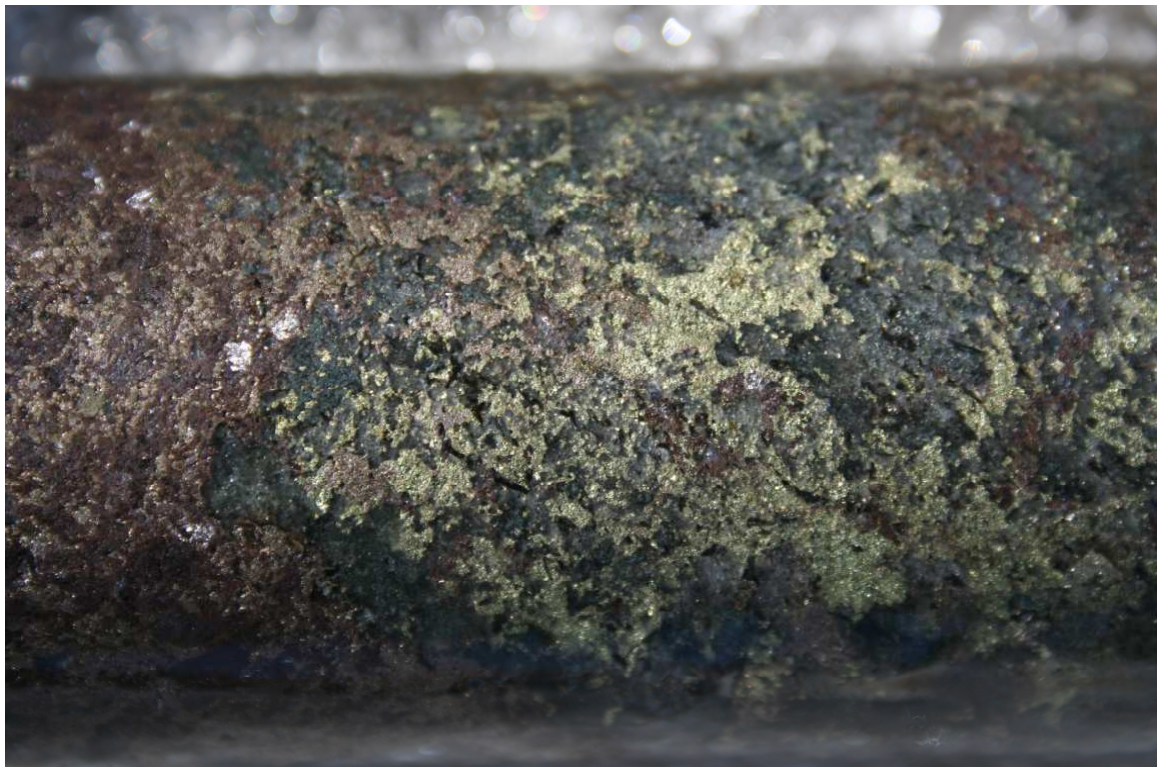
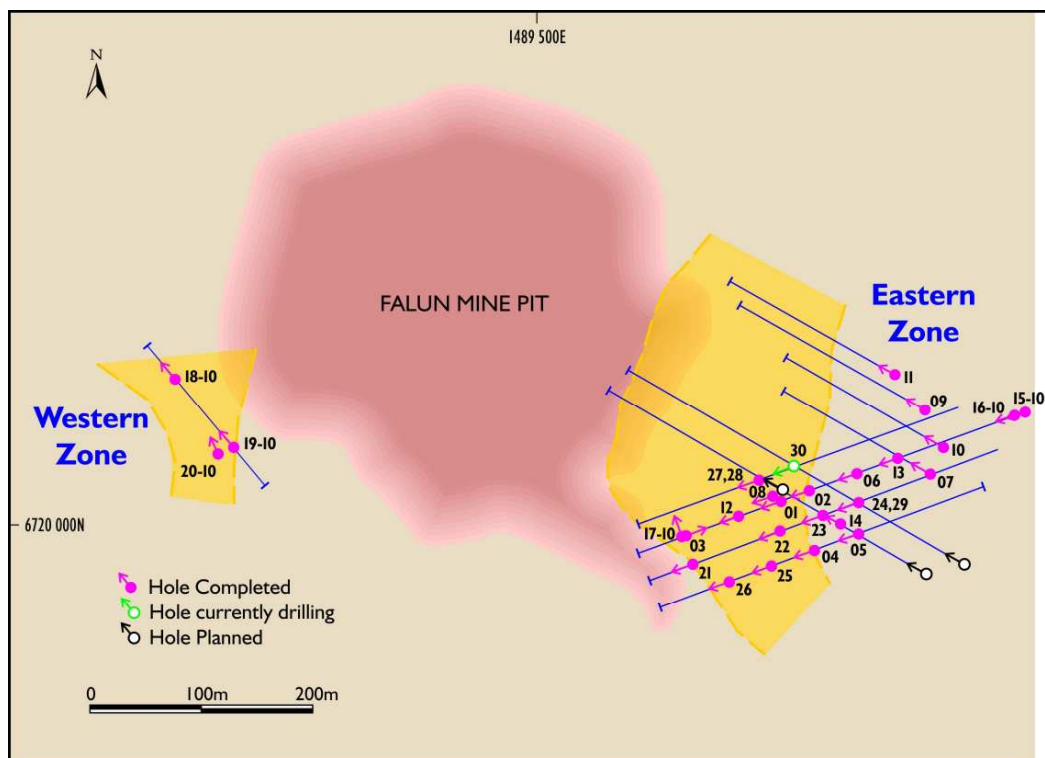


PHOTO 1: Zinc-lead-copper-gold mineralisation in Hole 20-10



Zinc (red) and lead (silver) mineralisation in Hole 20-10



Falun - Planned Drilling Program

Fig. 1: Drill hole locations at Falun

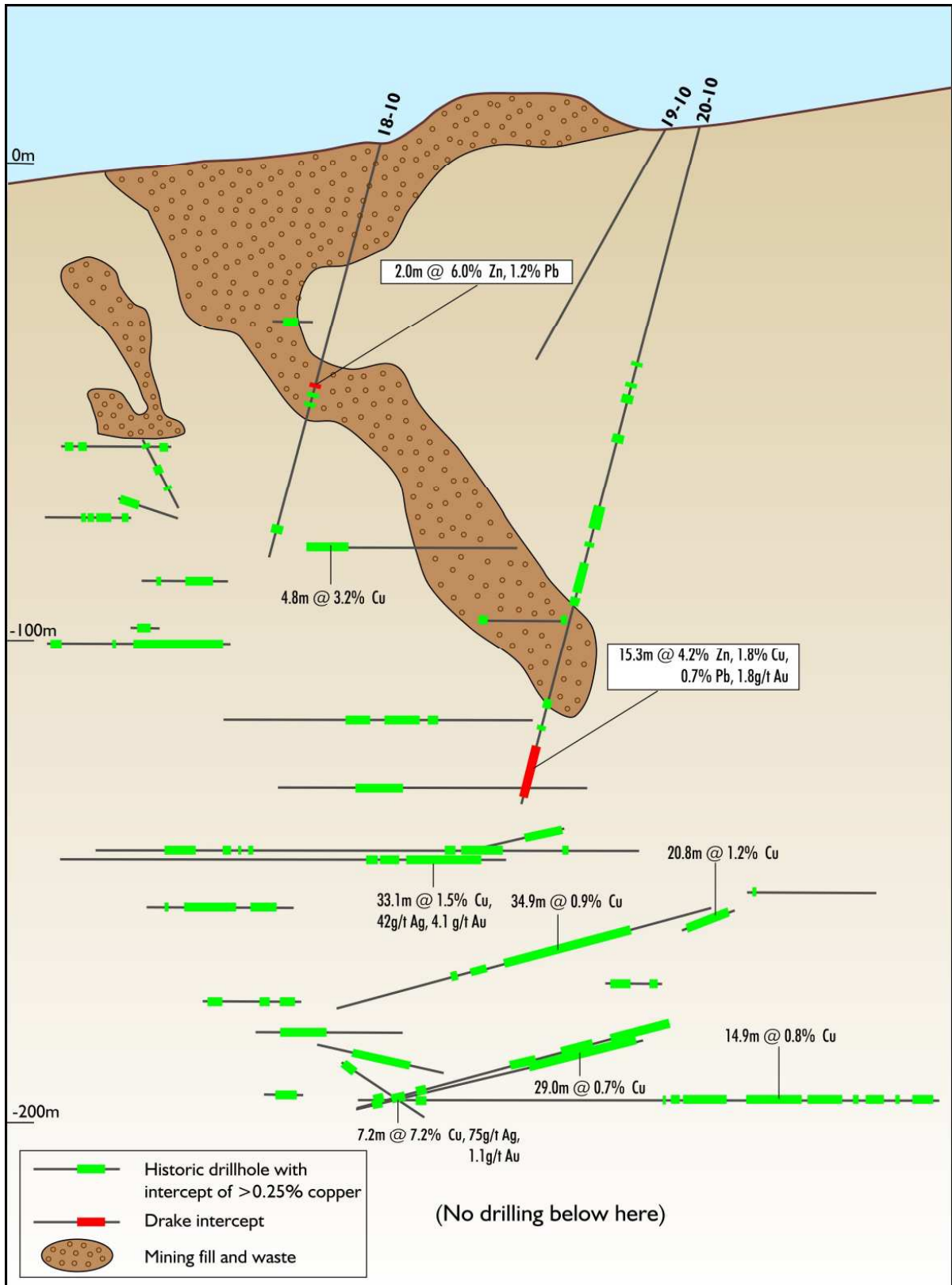
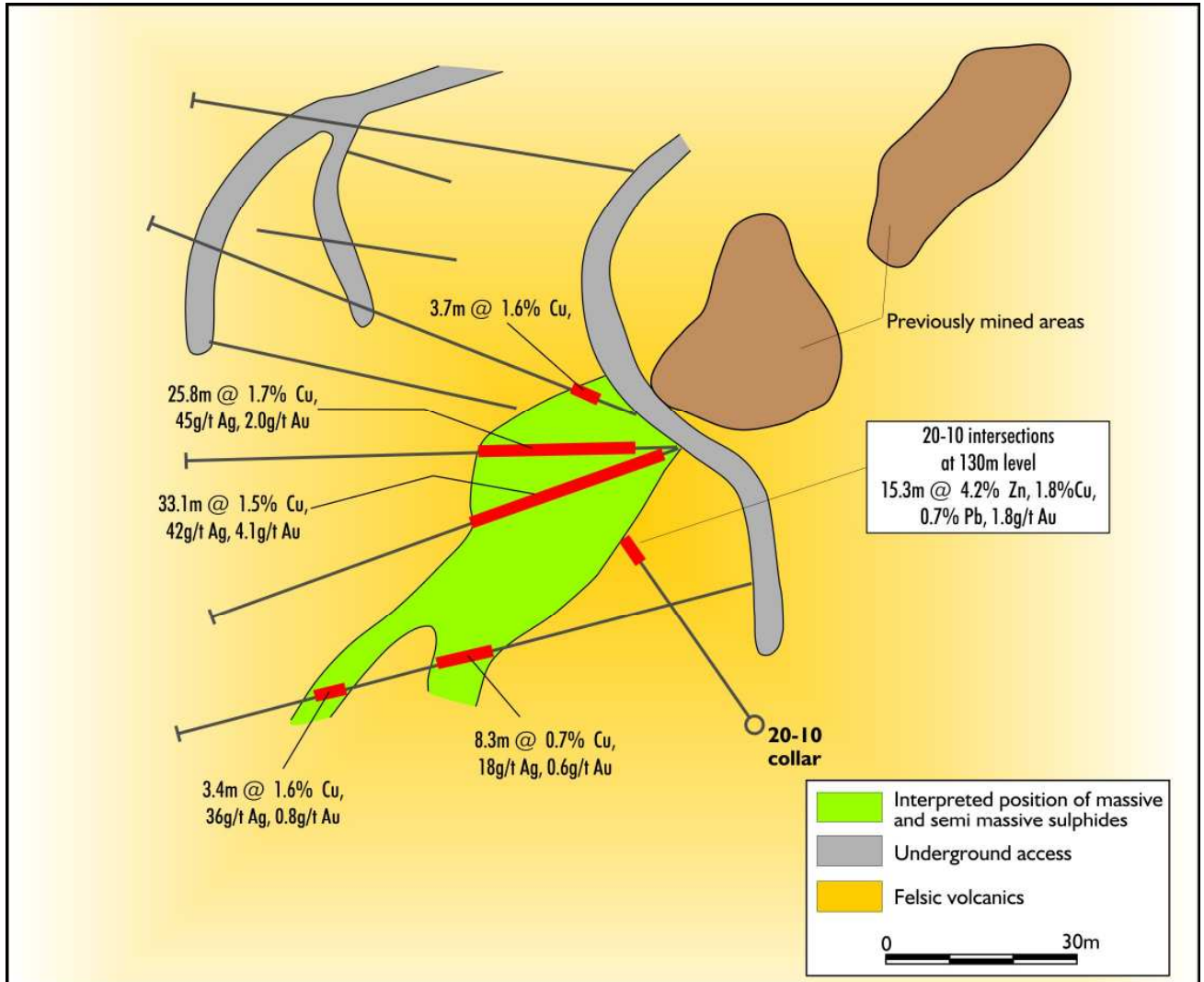


Fig. 2: Section through the Western Copper-Gold Zone, showing historic copper intersections and the new drilling



Falun- Western Copper-Gold Zone, 145m Level

Fig. 3

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.