



**ASX Announcement**

3 June 2014

## Guinea's developing mining sector

### ● Drake notes

- **Mining Giants Rio Tinto & Chinalco to invest \$US20 billion in Guinea**
- **Drake's neighbour – Avocet confirms BFS for Gold Heap Leach project**
- **\$5 Billion Bauxite mine / Alumina Smelter project agreement**

### ● **Drilling at Drake's Seimana Gold Project to commence 23 June 2014**

Drake Resources is currently active at its highly prospective Seimana Gold project in Guinea with drilling to commence 23 June 2014. Seimana is emerging as a very exciting and potentially significant gold discovery and so it is also encouraging to see that Guinea's recent stability and proactive mining policies have translated to substantial advancement in several large scale projects.

Drake notes the recent commitments of Rio Tinto, Chinalco and the IFC to progress development of the \$US20 billion Simandou South high grade hematite project in Guinea. The project will be the largest combined Iron Ore and infrastructure project ever developed in Africa<sup>1</sup>.

This follows an announcement in November 2013 that UAE interests have reached agreement with the Guinean Government to invest \$5 billion in bauxite mining and an alumina refinery<sup>2</sup>. Guinea is one of the world's largest producers of bauxite.

Drake also notes with particular relevance, Avocet Mining's October 2013 updated Feasibility Study<sup>3</sup> for its Tri-K gold project just 7 kms from Drake's Seimana Project's southern perimeter. Stage one of the project seeks to monetise the substantial oxidised gold zone via a 1.2Mtpa heap leaching operation.

Drake's CEO Jason Stirbinskis said "Drake's evaluation and understanding of Seimana mineralisation is at an early stage however we are seeing similarities with Avocet's mineralisation. In particular our recent preliminary soil sampling program over selected areas identified potential for extensive near surface low grade oxide gold mineralisation<sup>4</sup>, in addition to the high grade veins demonstrated by Drake's rock chip sampling in over 60 clusters spread throughout the Seimana prospects (fig 1)".





**Photo: Drake's Soil sampling crew at the Seimana project**

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**Competent Persons Statement**

*The information related to Seimana exploration results is extracted from the report entitled "Program reveals abundant gold – Seimana, Guinea" created on 21/5/14 and is available to view on [www.drakeresources.com.au](http://www.drakeresources.com.au). The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.*

**Caution Regarding Forward Looking Information.**

*This document contains forward looking statements concerning Drake. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Drake's beliefs, opinions and estimates of Drake as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future development.*