



ASX Announcement
30 July 2012

Strong gold values at Drake's Seimana Gold Project in Guinea

- Major regional soil & termite mound geochemical programme completed at Seimana, Guinea
- Many strong gold anomalies to 2.87 g/t gold in soil
- Consecutive soil samples (800m) average 0.68 g/t gold
- Part of a substantial north-south orientated anomaly
- Numerous areas of artisanal workings
- Multiple drill targets identified

Drake Resources (DRK) is an Australian gold and base metals explorer with advanced and highly prospective projects in resource-rich West Africa and Scandinavia. In the underexplored West African provinces of Mauritania, Senegal and Guinea, Drake's focus is gold, including projects on the highly mineralised Tasiast greenstone belt. Projects in Scandinavia focus on copper. They include a premier position in the historic Falun Mine in Sweden and joint venture projects in Norway and Finland. Drake's aim is to be a successful and profitable mining company delivering strong shareholder value by taking robust projects through to mining. The company is headquartered in Melbourne and listed on the ASX.

Drake Resources Limited (ASX: DRK, Drake) has completed a surface sampling programme involving over 11,200 soil, termite mound and rock samples covering 86 per cent of the area with many strong anomalies reported and multiple drill targets identified.

Dr Bob Beeson, Managing Director of Drake said: “These are excellent results. We have identified extensive areas of gold anomalies in soil sampling, including a continuous zone averaging over 0.5 g/t gold of 800m. These are exceptional levels to be found in soil samples”

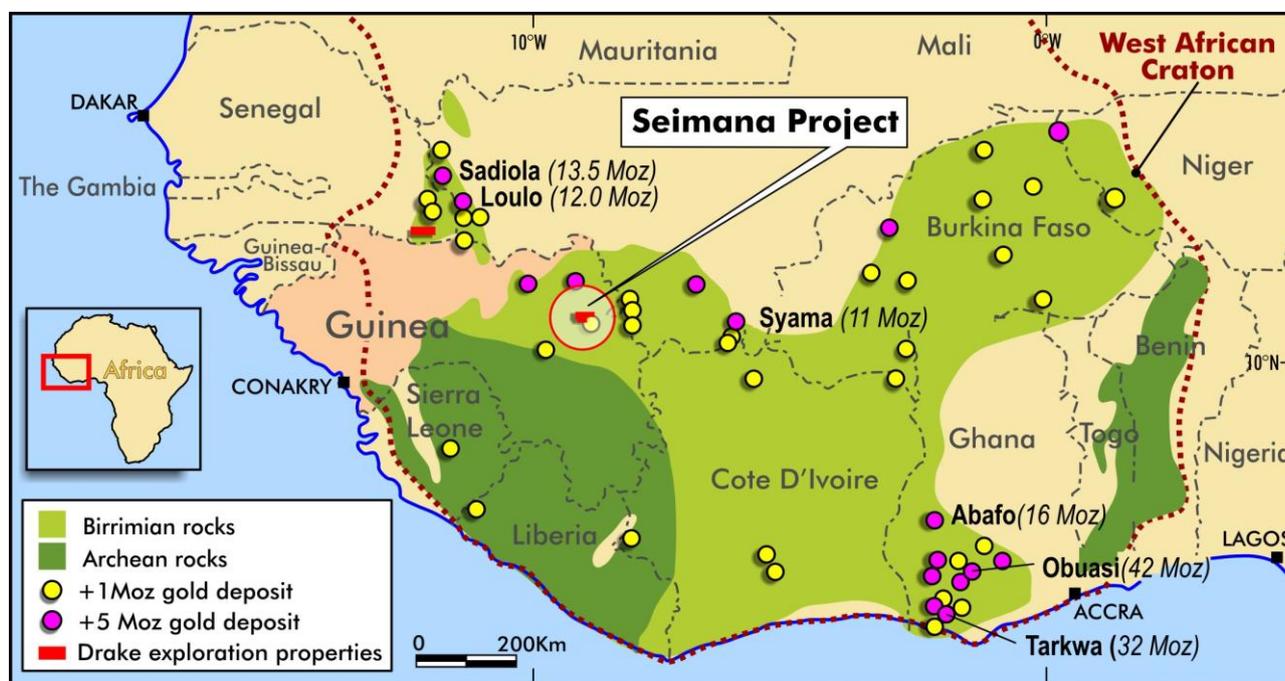


Figure 1: Seimana project location

Activity and results

Drake has now completed a surface sampling programme involving over 11,200 soil, termite mound and rock samples covering 86 per cent of the area. Analytical results are still being received with 75 per cent of the semi-regional soil samples have been reported.

Sampling was conducted on a 400 metre by 100 metre grid. The principal sampling medium was lateritic soil at a depth typically of 50 to 60 centimetres, however if a termite mound was present near the sample point it was sampled instead.

Twenty of the soil/termite mound samples returned values greater than 0.25 grams per tonne gold, ranging up to 2.87, within 14 different geochemically anomalous clusters throughout the area. Such levels of gold are strongly anomalous in soils/termite mounds and point to the likely existence of high gold values in the rock beneath.

Elevated gold values are most concentrated in the northeast segment of the project area (Figures 3 and 4). Here one sample line of eight consecutive samples covering an interval of 800 metres averaged 0.68 grams per tonne of gold.

A programme to locate and map all artisanal gold mines on the project area was also conducted.

This located dozens of artisanal gold mining sites containing thousands of small pits (Figure 2).

The artisanal sites are of four types:

1. "hard rock" sites where quartz veins have been mined and treated
2. Eluvial sites where gold shedding down slope from gold bearing veins has been extracted
3. Paleo-alluvial sites where gold in former stream beds, often now located at considerable depth (10m to 20m) below surface, has been extracted
4. Modern alluvials where gold is extracted from active stream sediments

The great majority of sites recorded are eluvial and paleo-alluvials, where gold has been displaced from the primary source. However the source in many cases is nearby.

The mapping programme has identified at least a dozen targets for drill testing, containing sizeable quartz vein systems.

Additional drill targets are also evident in the geochemical results.

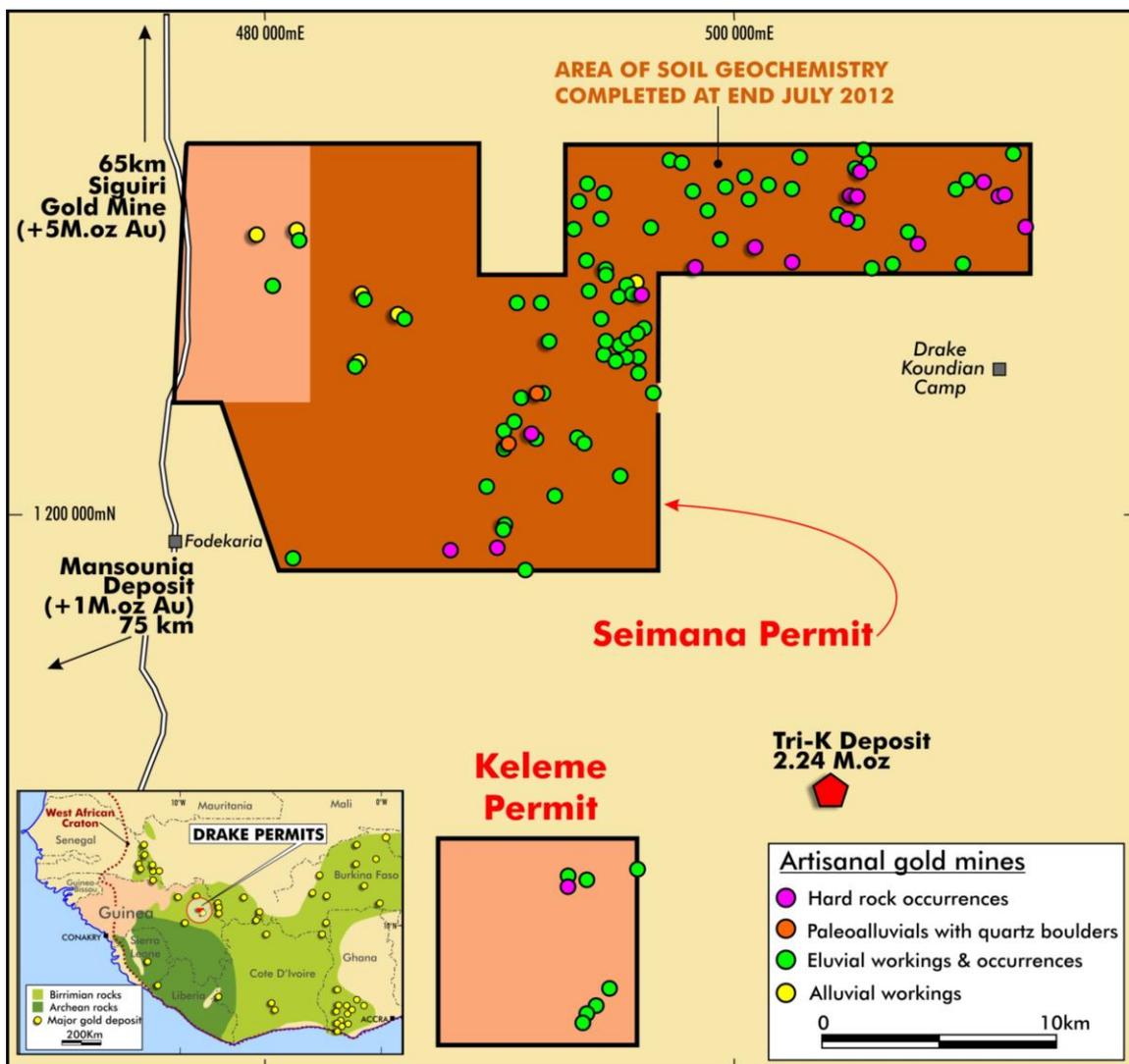


Figure 2: Seimana project showing extent of geochemical sampling and artisanal workings

Background

Drake entered an option-to-purchase agreement on the Seimana Project in northern Guinea in 2011 and commenced a major programme of mapping and sampling in January 2012. Field activities have temporarily ceased with the onset of the rainy season.

The Seimana option-to purchase agreement covers five contiguous exploration permits covering an area of 424 square kilometres. The project area lies within Birrimian rocks, which host most of the gold deposits in the prolific West African Gold Province. Drake was attracted to the area by the abundance of artisanal mine workings, and the proximity of a number of large gold deposits (Figure 1).

The Tri-K gold resource (2.24 million ounces) of Avocet lies 12 kilometres to the south. There is no record of previous systematic exploration or drilling within the project area. The agreement gives Drake the ability to obtain 100 per cent interest in the project, subject to government participation conditions at the time of exploitation.

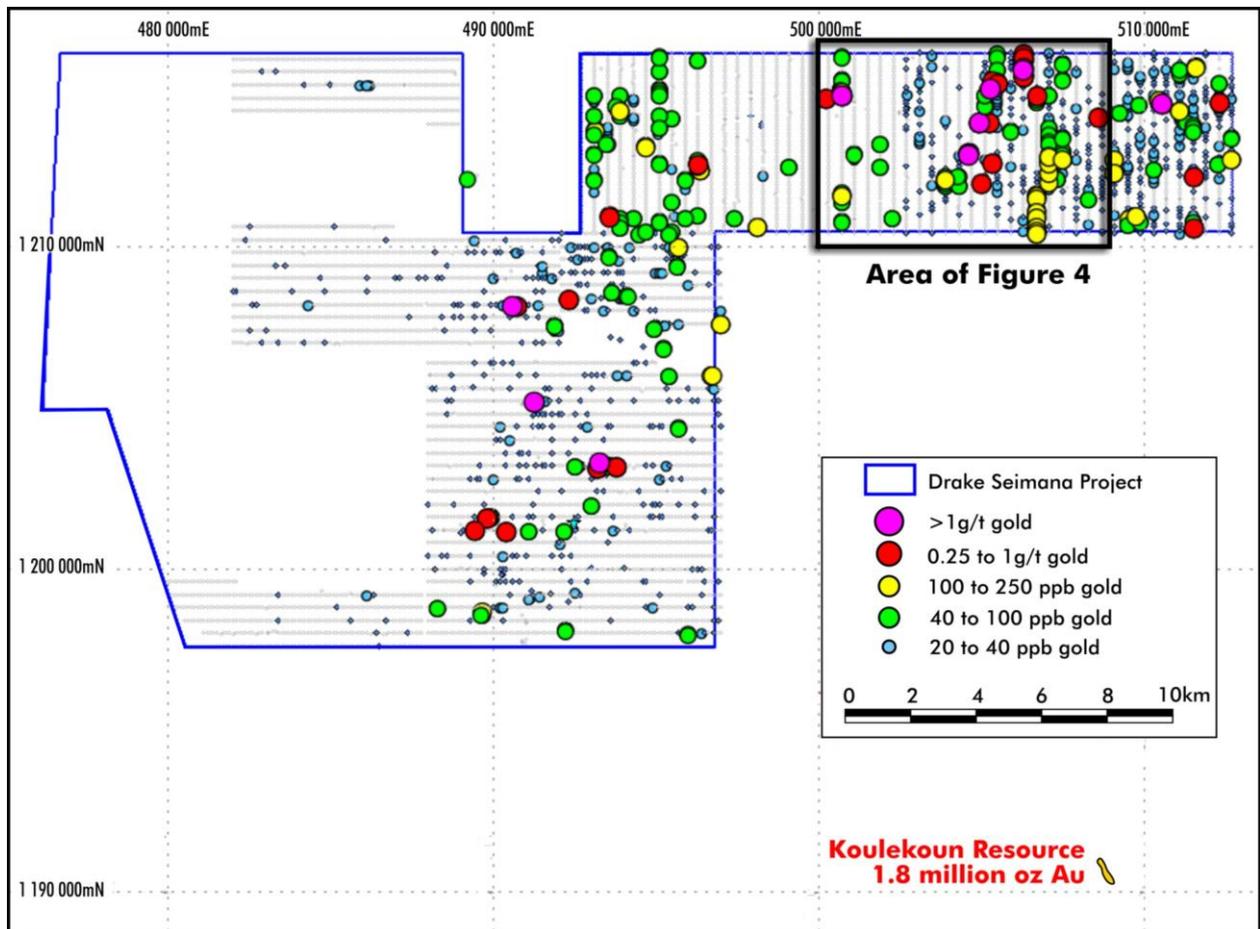


Figure 3: Geochemical anomalies

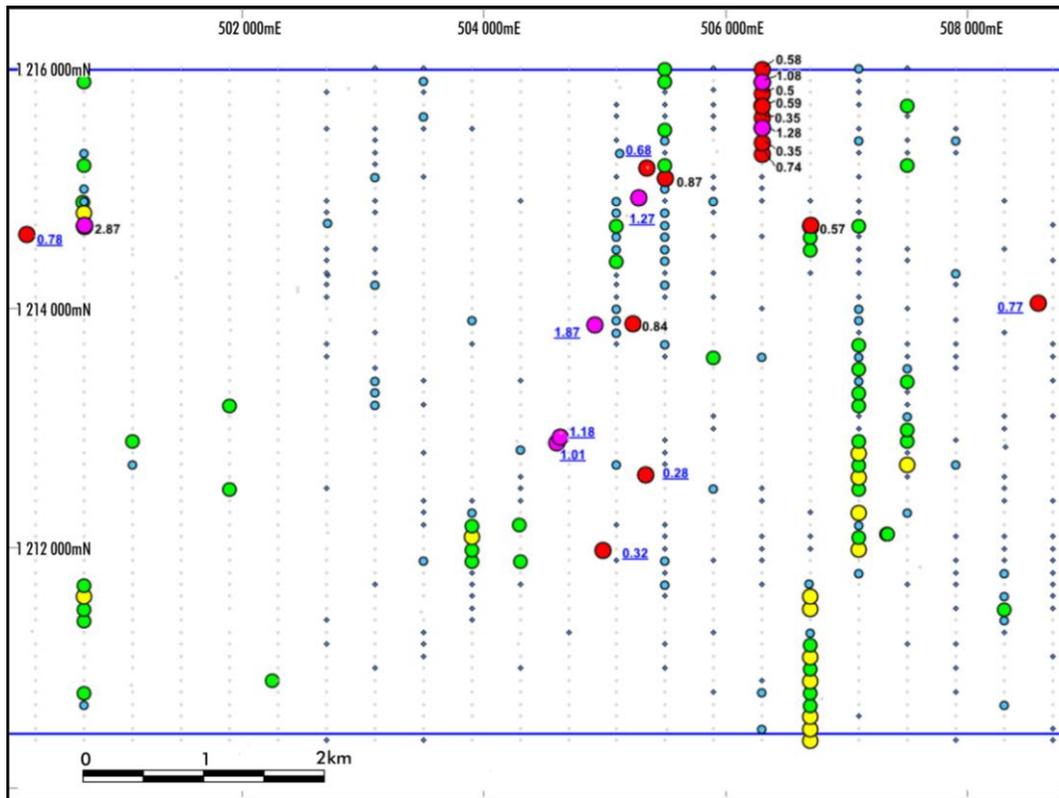


Figure 4: Northeastern part of project area showing very strong geochemical anomalies (black=soil values, blue=rock chip values); legend as per Figure 3.

Next Steps

At the conclusion of the West African rainy season, it is planned to carry out the first programme of RC drilling in the project area, to test the grade and extent of the many gold mineralised systems identified by the sampling and mapping programmes.

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Competent Person's Statement

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.