



ASX ANNOUNCEMENT
7 December 2005

DRAKE ENCOUNTERS ENCOURAGING COPPER INTERSECTIONS AT MT CARRINGTON

- New drilling at the Gladstone copper prospect extends the area of significant copper mineralisation.
- 18 of 20 previous drill holes at Gladstone had intercepted broad zones of copper mineralisation.
- New drill hole DP15, located north-west of past drilling, intersected 20m @ 0.70% Cu from 42m down hole, including 7m @ 1.27% Cu
- Drill hole DP13, at the south-eastern limit of drilling at Gladstone, also contained the significant intersection of 26m @ 0.74% Cu from 24m depth.
- Drilling 200m north-east of Gladstone indicates that the supergene mineralisation extends that far, which potentially links with known mineralisation further north-east.

Drake Resources has encountered encouraging copper intersections during early drilling at the Gladstone prospect in north-eastern NSW.

Gladstone is one of three supergene copper prospects identified within the Mt Carrington mining leases around the Mt Carrington gold-silver project.

The company has now completed an initial five-hole drilling program as a preliminary test of the copper mineralisation encountered during previous drilling in the area.

Drilling by CRA had yielded several significant near-surface copper intersections including 49.6m of 1.4% Cu, 36m of 1.4% Cu and 18m of 1.05% Cu.

Two of Drake's new drill holes encountered significant copper intersections. Hole DP15, located north-west of previous drilling at Gladstone, intersected 20m of 0.70% Cu from 42m depth downhole.

This hole was angled towards the north-west at 60°. The 20m intersection in this hole is interpreted to be the down slope continuation of the chalcocite blanket mineralisation intersected 50m to the east in MCP856 (18m @ 1.05% Cu), and confirms the extension of the Gladstone copper mineralisation to the north-west.

The company has now confirmed that the mineralisation extends into a north-east/south-west-trending induced polarisation anomaly to the west of Gladstone identified by Aberfoyle in the early 1980s. This IP anomaly has not been drill tested.

Approximately 200 metres west of the collar of DP15 are strongly copper anomalous stream sediment samples collected by Aberfoyle. Old mine workings are present in this area. These copper anomalies have not yet been drill tested.

A second drill hole DP13, located south-east of the main Gladstone prospect, contained an interval of 26m of 0.74% Cu from 24m depth.

DP13 was intended to test a copper intersection of 24m @ 0.88% Cu from 30m depth in an existing hole MCP 867. The hole successfully confirmed the presence of supergene mineralisation in this area and the intersection it encountered is of similar thickness, grade and depth below surface to the mineralisation in MCP867.

The mineralisation is along strike and adjacent to an extension of the All Nations copper lode.

Hole DP17 was drilled 200 metres north-east of the Gladstone prospect to test a soil anomaly of 380 ppm Cu. This hole intersected 17m @ 0.37% Cu from surface.

Although the copper grade in DP17 is lower than the main zones of interest at Gladstone, the presence of substantial intersections of supergene copper indicates potential for additional higher grade zones in this area and further to the north-east and north-west.

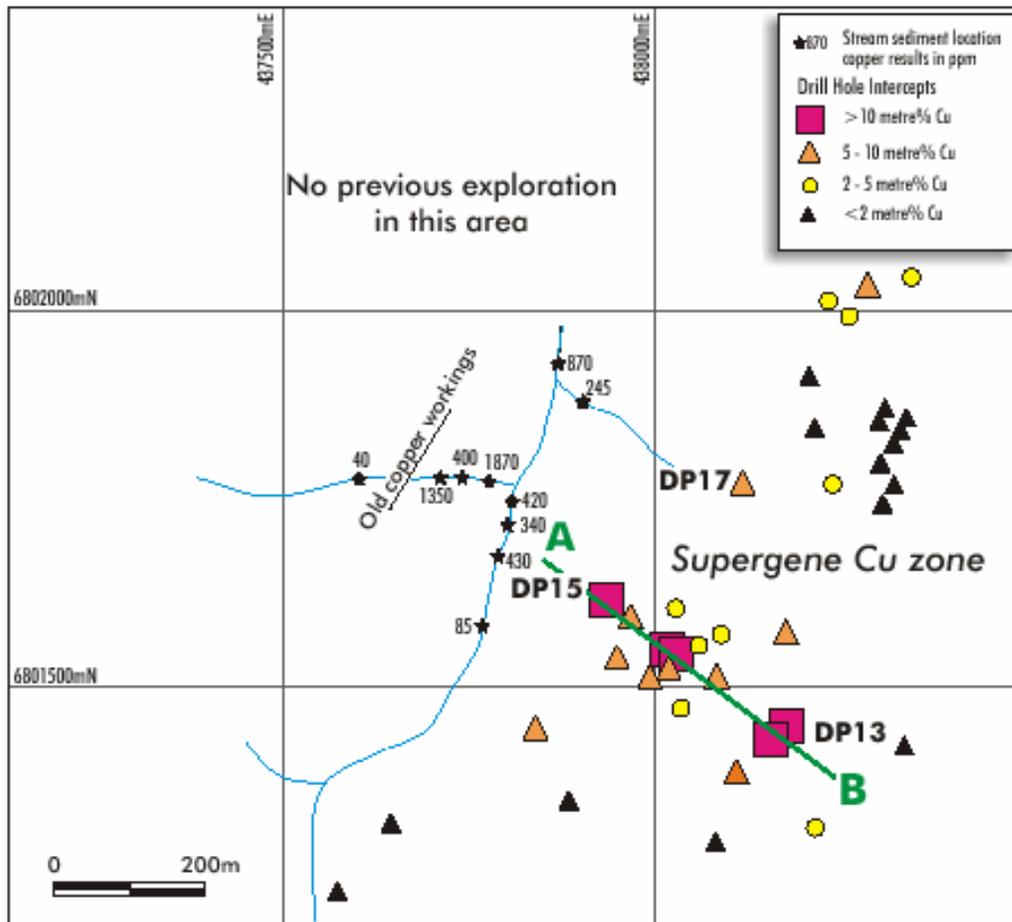
The supergene copper mineralisation extends for at least 900m north of Gladstone into the Area 2 (see map), and has been largely untested by drilling.

For further information please contact:

Jay Stephenson
Company Secretary

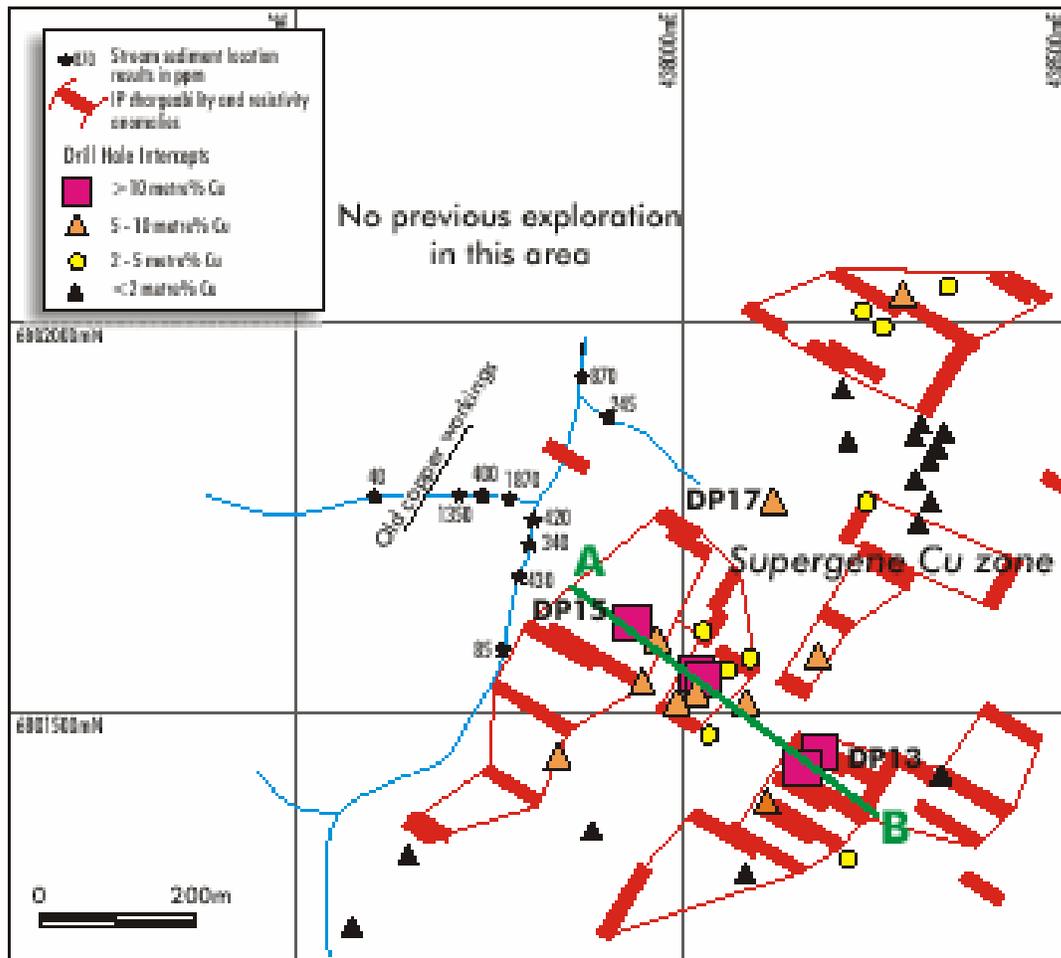
Telephone: (61 08 9228 0703
Email: info@drakeresources.com.au

GLADSTONE COPPER PROSPECT DRILL HOLE LOCATIONS



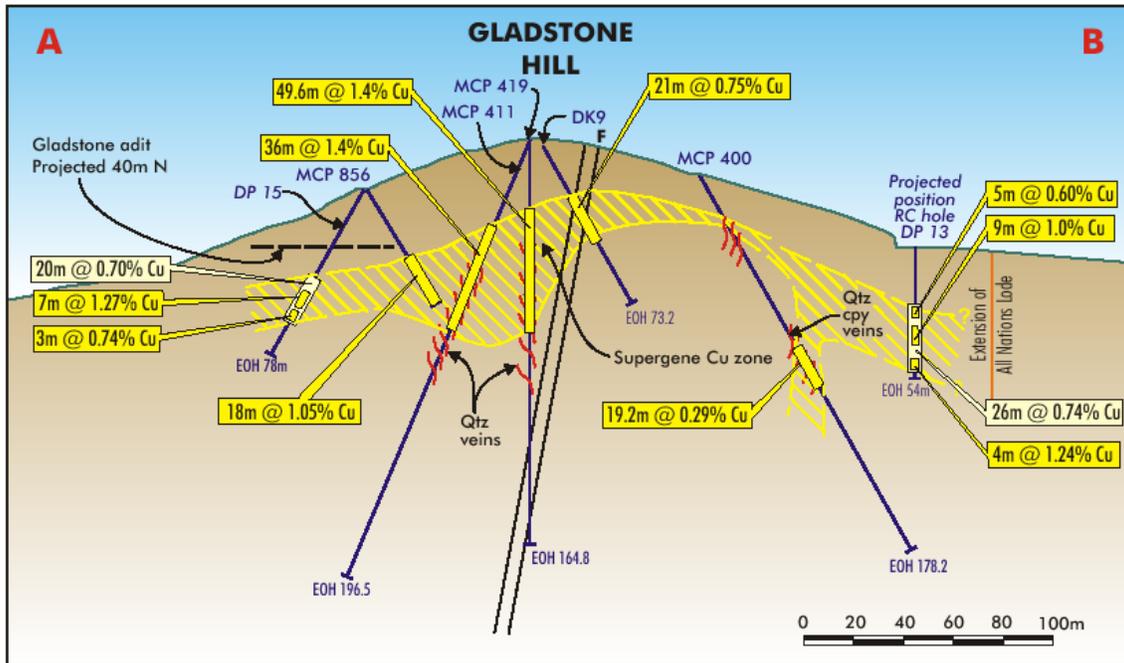
**Gladstone - North West Kyo Area.
Plan Showing Supergene Copper Intercepts and Stream Sediment Geochemistry**

GLADSTONE COPPER PROSPECT – ABERFOYLE IP SURVEYS



**Gladstone - North West Kyo Area.
Plan Showing Supergene Copper Intercepts, Stream Sediment Geochemistry and IP Anomalies**

GLADSTONE DRILL SECTION



Gladstone Hill Cross Section Showing Supergene Copper Intercepts

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 to qualify 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.