



ASX Announcement
8 January, 2013

Further extensive copper nickel sulphides intersected at Granmuren prospect, Sweden

- Hole extension contains disseminated sulphides over almost 100m, including 22m zone of stronger sulphides
- Extends area of thick, near-surface sulphide mineralisation
- Drill assay results expected mid-January
- Further ground geophysics planned
- Drilling is continuing
- Project area well serviced by power, road & rail infrastructure

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 nickel and copper. They include nickel resources at Espedalen in Norway, a new nickel-copper discovery at Granmuren in Sweden, and significant remaining mineralisation in the Joma copper-zinc mine. 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 (ASX: DRK, Drake) has extended previously drilled hole TSOO4 and intersected a further 100 metres of disseminated sulphides at its Granmuren copper-nickel discovery in central Sweden.

The permit containing the Granmuren discovery, and all of the additional nickel permits in the district, are wholly owned by Drake.

Down hole EM indicated the presence of a sub-horizontal conductive plate below the bottom of Hole TSOO4, which had been stopped at 106.75 metres (Figure 1). This hole was extended immediately before the Christmas break.

Strong sulphide mineralisation with more than 15 per cent pyrrhotite occurs over five metres from 116.25 metres in TSOO4, within a broader 22 metre zone of greater than 10 per cent sulphides from 116.25 to 138 metres (Figure 2&3). Below this sulphide bearing pyroxenites and gabbros continue to 199.4 metres at lower sulphide levels. The hole ended at 215.9 metres.

The presence of nickel and copper in the sulphides in TSOO4 has been confirmed by Drake's geologists and the on-site XRF (x-ray fluorescence spectrometer). Nearby holes, TS001-TS003 reported in April 2012 contained pyrrhotite mineralisation with the following intersections:

- 16m @ 0.32% Ni, 0.50% Cu & 0.03% Co in 12DDTS003 within overall intersection of 97m @ 0.17% Ni & 0.17 Cu
- 11.6m @ 0.40% Ni, 0.51% Cu & 0.04% Co in 12DDTS001

Commenting on the excellent results, Drake's Managing Director Dr Bob Beeson said, "The presence of strong sulphide mineralisation in Hole 4 gives us further confidence that Drake has discovered an extensive body of nickel-copper mineralisation.

"Drake has now intersected mineralisation to depths of 200 metres in these last two holes. This supports our concept that the project will be amenable to open pit mining if the project is of sufficient size and grade".

Current activity

Assays for Hole TSOO6 are anticipated within the next two weeks and for Hole TSOO4 by the end of this month.

Further ground and down hole geophysics is planned and drilling has recommenced at the site, currently testing beneath Hole TSOO6.

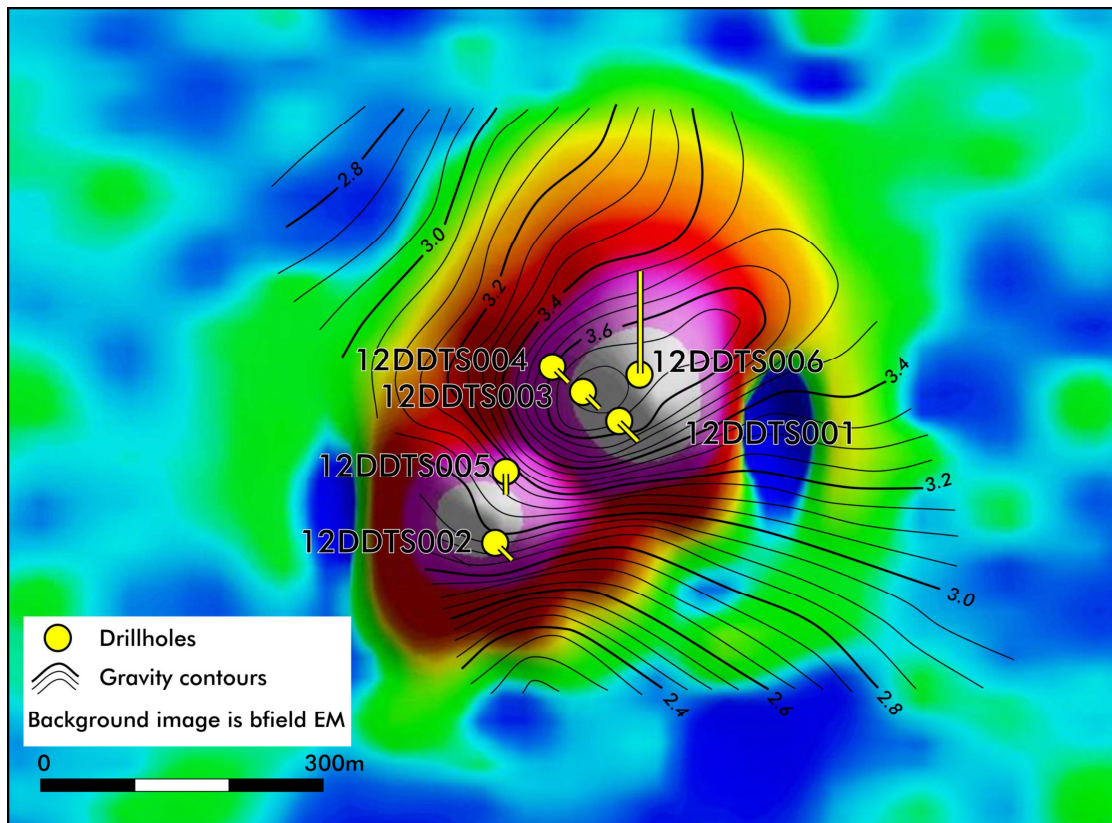


Fig. 1: Plan view of Granmuren EM anomaly (VTEM z28) with location of modelled conductive plates and new strong conductor

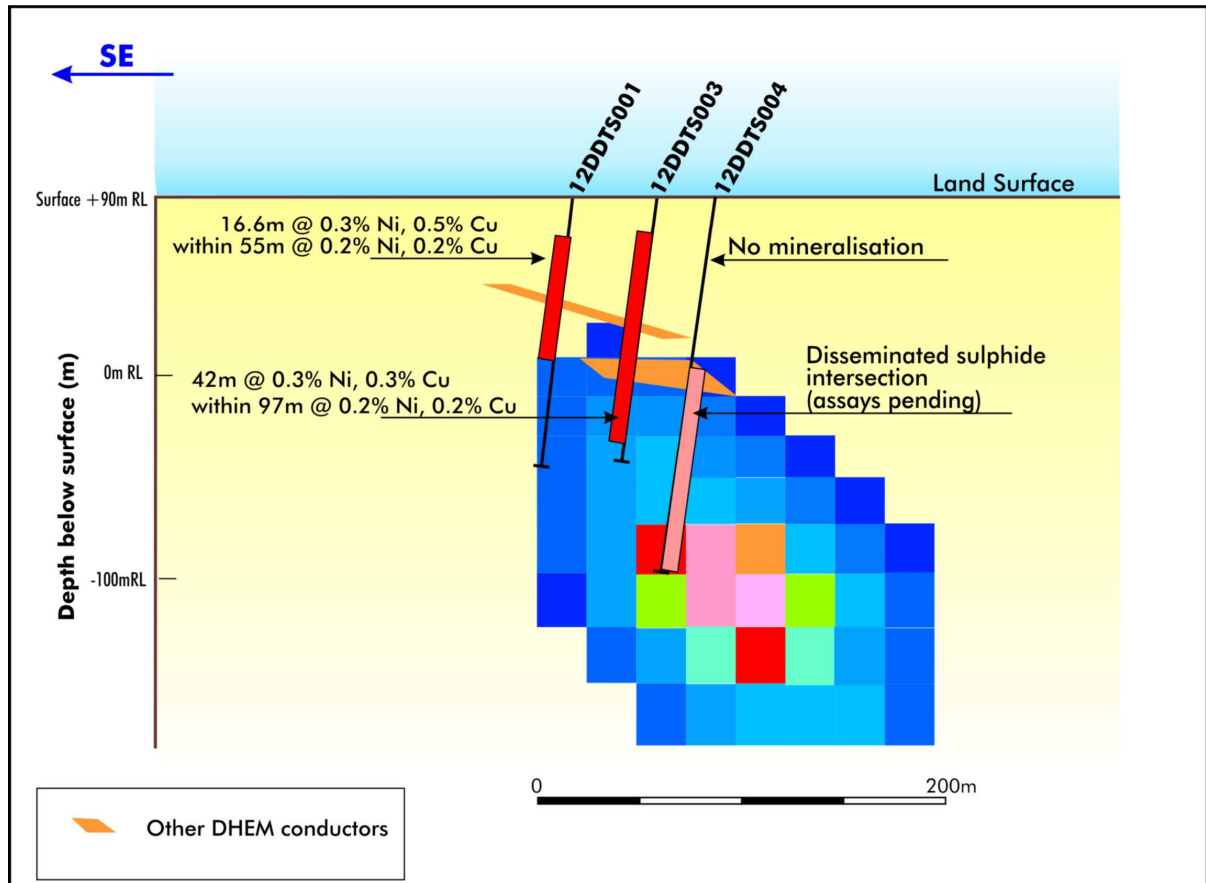


Fig. 2: Section looking west of drilling and mineralisation intersected in hole TS001, TS003 and TS004



Figure3: Hole TS004, copper nickel mineralisation - depth 119 metres

The Drake nickel portfolio

Drake also holds the highly prospective Espedalen nickel project in central Norway. Drake was granted 12 claims over the Espedalen nickel district in June 2012. These claims have existing compliant resources of 40,000 tonnes of nickel metal*, plus copper, and have very considerable potential for substantial increases in those resources.

Drake's main target at Espedalen is high grade, Voisey's Bay-type nickel-copper (Canada). The Espedalen geology and mineralisation is of similar type and age as found at Voisey's Bay, and the resources at Espedalen may represent the second largest deposit of this type in the province. In addition the extensive, lower grade nickel-copper mineralisation already identified may constitute a target in its own right.

Nickel in Scandinavia

Scandinavia and the adjoining Karelia Province in far northwest Russia is one of the major nickel-copper provinces of the world. In particular it hosts the giant Pechenga deposit in Karelia, the major new Anglo-American discovery at Sakkati in Finland, and First Quantum's large Kevitsa Project, also in Finland.

The Scandinavian countries are exceptional locations for the discovery of new mineral deposits. Sweden, Finland and Norway always rank in the top handful of countries for mining investment. Sweden, in particular, has the advantages of excellent infrastructure, trained workforce, supportive legislation and low taxation rates.

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Competent Persons Statement

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 is a director of Drake and consents to the inclusion in the Announcement 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.

** Mineral resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council December 11, 2005. These do not comply with the JORC Code. ASX has granted the Company a waiver to allow the reporting of these mineral resource estimates. The quantity and grade of mineral resource estimate in this announcement are conceptual in nature and there has been insufficient exploration to define a mineral resource in accordance with the JORC Code and it is uncertain if further exploration will result in a determination of such a mineral resource.*