

9 August 2010

Further strong intersections of copper-gold mineralisation at Falun Sweden

- Second phase of drilling on Eastern Copper-Gold Zone now completed
- Latest drilling results have extended the high grade of the Johannes Lucas Gold-Copper mineralisation along strike and at depth
- New intersections include:
 - **15.6m @ 11.9 g/t gold and 2.5% copper**
 - including high grade zones of 2 m @ 56.6 g/t gold and 5.7 % copper and 4.5m @ 31.9 g/t gold and 4.7% copper
 - **6.6m @ 14.2 g/t gold and 0.9% copper**
 - **1.9m @ 13.2 g/t gold and 0.7% copper**
- Mineralisation remains open to the northwest, southeast and at depth on these drill sections

Drake Resources Ltd (ASX: DRK) is exploring the gold-copper mineralisation potential at the historic Falun Copper Mine in Sweden. The company has now received the final assay results from the second phase of detailed drilling in the Johannes Lucas section of the Eastern Copper-Gold Zone.

Drilling has been taking place on three additional drill sections in the Johannes Lucas area (025N, 050N, 100N) to that drilled in 2009 (075N). Resource definition drilling is taking place on a 25m by 25m basis. These drill sections demonstrate the presence of gold-copper mineralisation throughout the area, and the depth to which mineralisation has been intersected.

The assays from the last remaining holes at the Falun Project confirm the continuity of the Johannes Lucas mineralisation at depth on sections 050 and 100. The mineralisation has been extended to at least 150 m below surface on section 050 and 110 m below surface on section 100.

Of particular encouragement was a strong intersection of 6.6 m @ 14.2 g/t gold at between 131 and 138 metres depth in Hole 34-10 on section 050N, demonstrating the continuation of high grade mineralisation at depth.

Also on Section 050N some broad intersections between 100 and 150 m below surface show some copper and gold enrichment within narrow shoots; 1.9 m @ 13.2 g/t Au and 0.7 % Cu (hole 29-10) and 2.5 m @ 2.12 g/t Au and 1.69% Cu.

A further high grade intercept of 15.6 m @ 11.85 g/t Au and 2.48% Cu, containing high grade zones of 2 m @ 56.6 g/t Au and 5.7 % Cu and 4.5m @ 31.9 g/t Au and 4.7% Cu, occurs in hole 30-10 on Section 100N. This intersection demonstrates that the system has an extent at least to section 100 and is not closed off to the north.

In the three of the holes (29-10, 32-10 and 34-10), mineralisation was still prevalent at the end of the hole suggesting the system continues at depth. The drilling was unable to reach below these depths due the intersection of old mining cavities.

The two additional holes on section 100 were only partially successful as one hole (31-10) was abandoned due to large cavity. Hole 30-10 reached 100 m below surface, showing numerous zones of lower grade mineralisation.

The new intersections have been added to the drill hole database. These data will be used for resource resource estimate in the Johannes Lucas area of the Falun mine, using an independent consulting firm.

-ENDS-

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Corporate Information

Directors

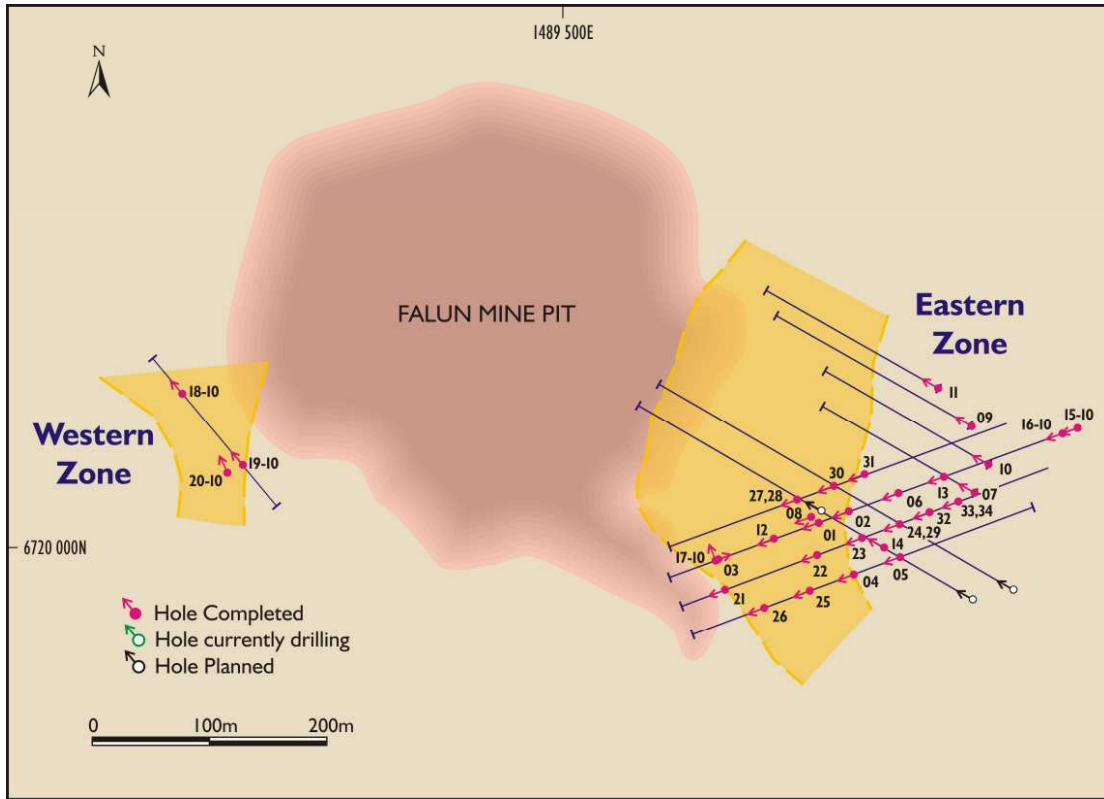
B Fraser	Non-Executive Chairman
Dr R Beeson	Managing Director
J Stephenson	Non- Executive Director & Company Secretary

Issued Capital

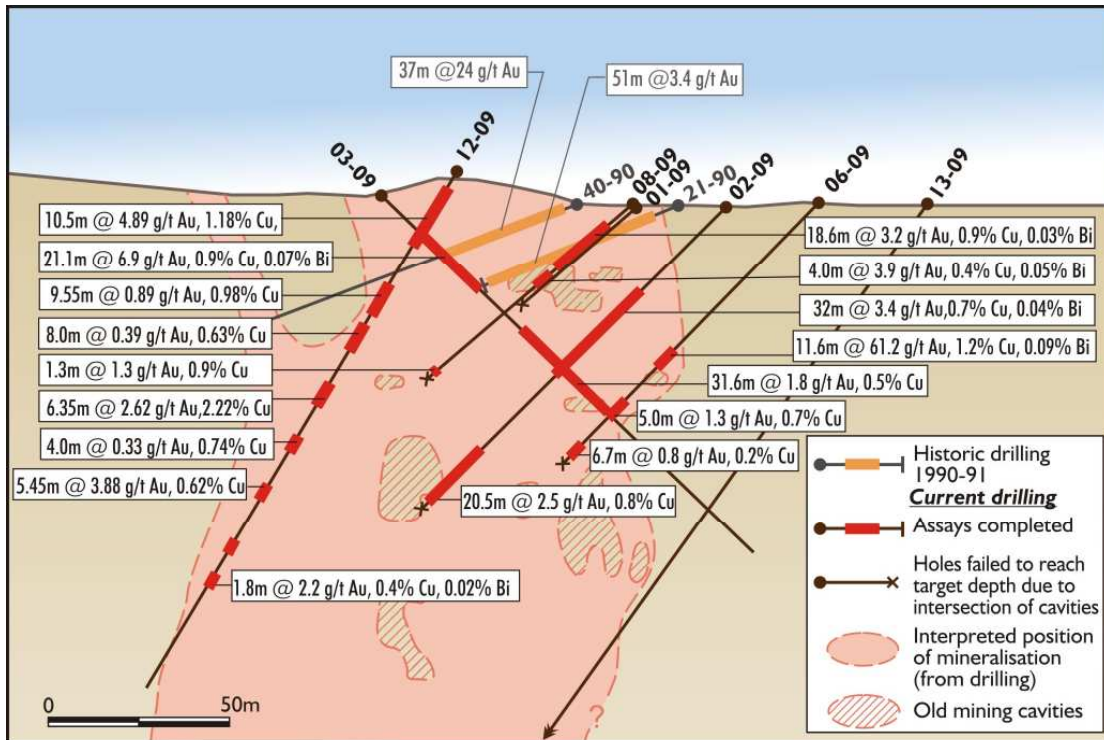
As at the date of this report the issued capital of the Company is comprised of:

52,729,231 fully paid ordinary shares

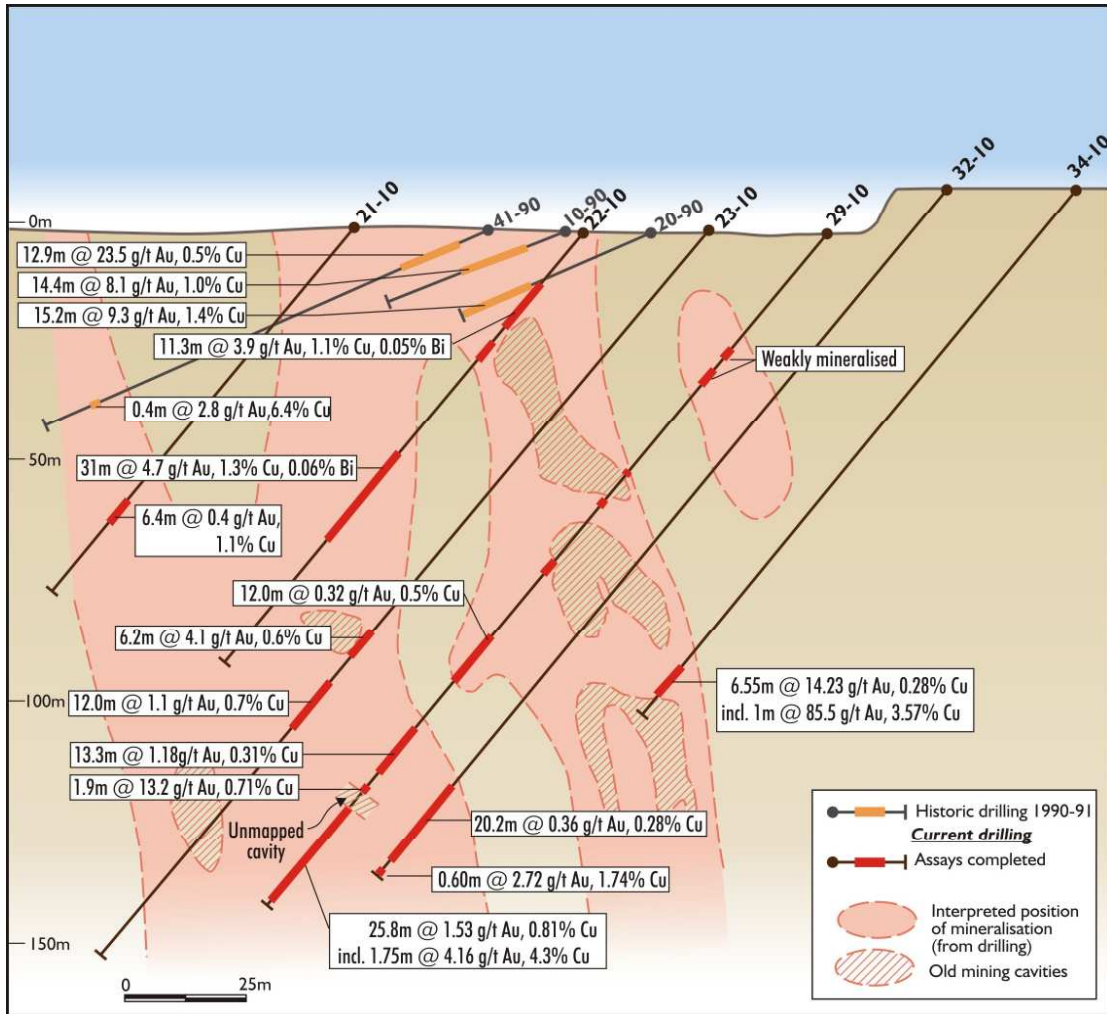
The information in this report that relates to Exploration Results, Mineral Resources, or Ore Reserves is based on information compiled by Dr Robert Beeson. Dr Robert Beeson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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.



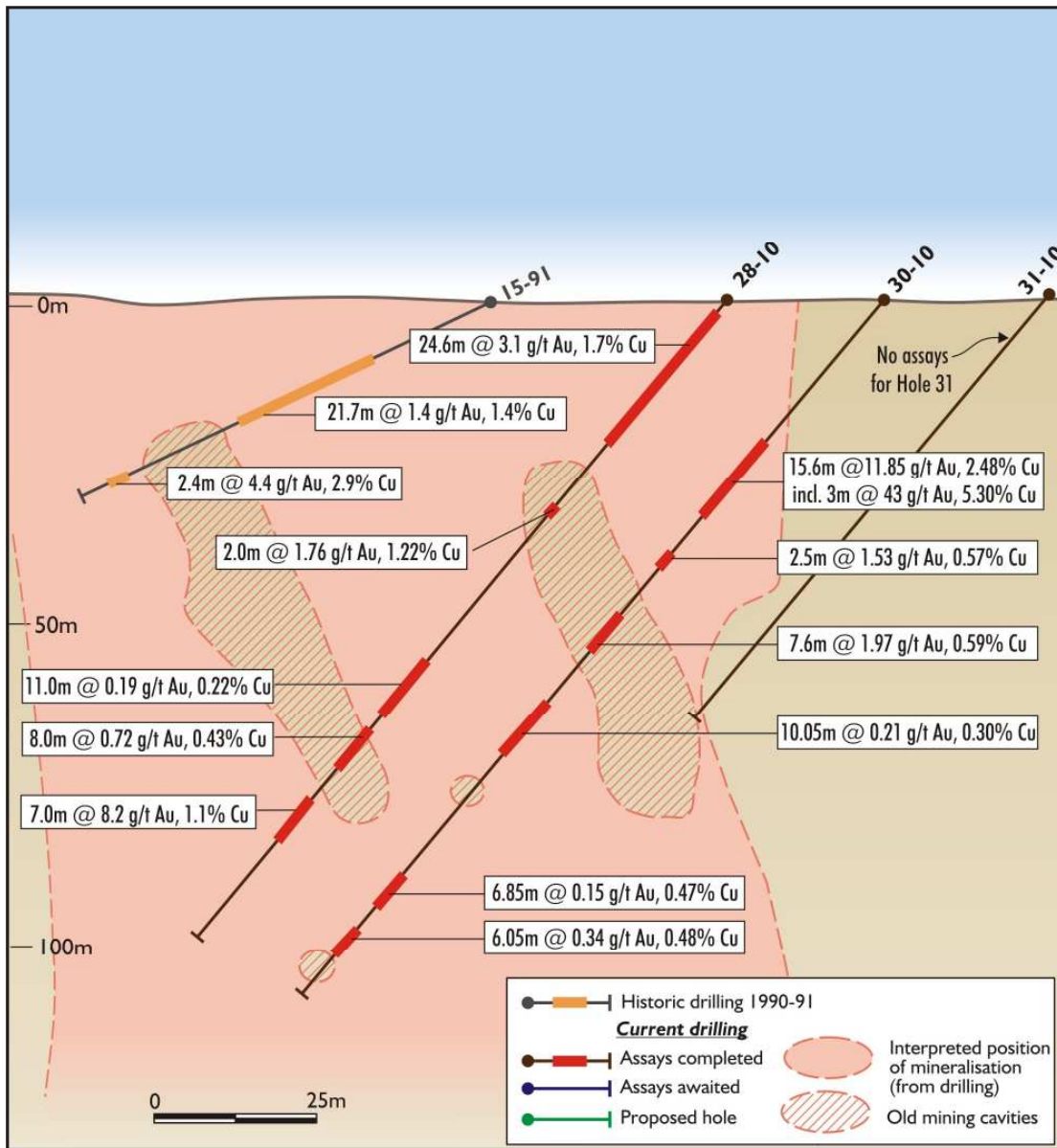
Falun - Planned Drilling Program
Fig. 1



Falun - Drilling Results
Fig. 2: Section 075: current and historic drill intersections



Falun - Johannes Lucas Section 050N
Fig. 3:



Falun - Johannes Lucas Section 100N
Fig. 4:

Table 1. Intersections for holes 29-10 to 34-10

Hole	From	To	Width	Au g/t	Cu %	Ag g/t	Bi ppm	Se ppm
Hole 29								
	30.00	33.65	3.65	0.10	0.18	2.5	68	15
amd	36.65	40.30	3.65	0.30	0.15	1.8	114	31
and	63.00	65.20	2.20	2.00	0.36	2.3	160	38
and	71.00	73.00	2.00	0.56	0.24	1.9	29	20
and	87.00	91.00	4.00	0.32	0.18	2.4	27	20
and	108.00	120.00	12.00	0.32	0.15	1.1	28	9
and	133.20	146.50	13.30	1.18	0.31	2.5	119	47
and	149.60	151.50	1.90	13.22	0.71	15.3	3766	81
and	155.70	181.50	25.80	1.53	0.81	2.0	84	43
<i>Including</i>	<i>159.40</i>	<i>160.10</i>	<i>0.70</i>	<i>2.66</i>	<i>2.28</i>	<i>5.2</i>	<i>58</i>	<i>130</i>
<i>Including</i>	<i>172.85</i>	<i>175.30</i>	<i>2.45</i>	<i>2.16</i>	<i>1.69</i>	<i>4.1</i>	<i>55</i>	<i>79</i>
Hole 30								
	29.00	44.60	15.60	11.85	2.48	11.5	104	99
<i>Including</i>	<i>31.00</i>	<i>33.00</i>	<i>2.00</i>	<i>11.76</i>	<i>2.80</i>	<i>13.8</i>	<i>141</i>	<i>175</i>
<i>Including</i>	<i>34.10</i>	<i>36.10</i>	<i>2.00</i>	<i>56.55</i>	<i>5.71</i>	<i>28.5</i>	<i>89</i>	<i>150</i>
<i>Including</i>	<i>34.10</i>	<i>38.60</i>	<i>4.50</i>	<i>31.93</i>	<i>4.71</i>	<i>23.5</i>	<i>251</i>	<i>161</i>
and	52.25	54.75	2.50	1.53	0.57	2.2	45	30
and	63.90	71.50	7.60	1.97	0.59	3.0	186	56
<i>Including</i>	<i>67.50</i>	<i>70.50</i>	<i>3.00</i>	<i>3.45</i>	<i>0.99</i>	<i>5.0</i>	<i>453</i>	<i>123</i>
and	81.85	91.90	10.05	0.21	0.30	1.4	21	16
and	116.20	123.05	6.85	0.15	0.47	1.3	9	14
and	127.05	133.10	6.05	0.34	0.48	1.7	99	37
Hole 32								
	161.90	182.10	20.20	0.36	0.28	1.6	43	25
and	185.90	186.50	0.60	2.72	1.74	4.2	73	110
Hole 34								
	130.80	137.35	6.55	14.23	0.93	10.6	1425	68
<i>Including</i>	<i>132.80</i>	<i>133.80</i>	<i>1.00</i>	<i>85.50</i>	<i>3.57</i>	<i>54.3</i>	<i>8560</i>	<i>1</i>
and	140.35	141.35	1.00	1.25	0.44	1.7	253	80

All intercepts are defined by using a 0.6 g/t Au equivalent cut off and maximum of 6 m internal waste dilution. Equivalents are based on USD prices taken July 6th, 2010 – Au 1190.1 /oz, Ag 17.71 /oz, Cu 6523 /t, and Se and Bi prices taken June 25th from Mining Journal, Se 37 /lb and Bi 8.50 /lb