

ASX ANNOUNCEMENT - 17 December 2009

DRAKE RESOURCES ACQUIRES PROSPECTIVE GOLD AND SILVER PROJECT IN SWEDEN

- **High grade copper and silver in silica breccia outcrop**
- **Boulders with up to 10.2 g/t gold, 343 g/t silver, 1.5% copper, 17.8% lead and 12.0% zinc**
- **Extensive mineralisation along strike**
- **No record of the prospect being drilled**

Drake Resources (ASX: DRK, "Drake") is pleased to announce that it has a 100% interest in an exploration permit application at Vigelsbo, southeast of Falun, Sweden. The Vigelsbo target area is characterized by numerous mineralised boulders, and limited outcrop, containing gold-copper and silver-lead-zinc mineralisation.

The Vigelsbo area covers along strike extensions to the historic Sala silver mine 12 kilometres to the southeast. The Sala mine operated from the 15th century to 1908. Records are incomplete, but it has been estimated that more than 400 tonnes of silver and about 40 000 tonnes of lead was extracted from the mine. The Sala silver mine is thought to be one of the five largest historical silver mines of the world.

The chief interest at Vigelsbo is the presence of a small silica breccia outcrop in the along strike position of known, mineralisation drilled by past explorers. Historic sampling of this outcrop (not by Drake) gave 5.3% copper, 247g/t silver and 0.6 g/t gold. Furthermore, 1000-1600 metres down-ice from this outcrop, are mineralised glacial boulders containing two styles of mineralisation:

- Gold-copper mineralisation with 7.2-10.2 g/t gold and 1.4-1.5% copper (two boulders)
- Massive sulphide style mineralisation with 52-343 g/t silver, 0.5-4.1 g/t gold, 6.3-17.8% lead and 1.2-12.0% zinc (10 boulders)

About Drake

Drake Resources (ASX: DRK, "Drake") is a base metals and gold/silver explorer with advanced projects in Sweden and Australia.

In the four years since listing on the ASX, Drake has established a robust portfolio of projects. Drake's competitive advantages include a premier position in the world-class Falun copper-zinc belt in Sweden, an experienced technical team with a successful track record, and a pipeline of projects and opportunities.

Drake's objective is to become a successful and profitable exploration and mining company. The Company aims to achieve this goal by pursuing exploration and mining opportunities and exploring high quality projects in a technical, cost-effective manner.

Currently, Drake is focused on advancing its Scandinavian projects. Drake considers that copper, zinc and gold ores remain within the historic Falun Mine area and have commenced drilling to assess the economic potential of remaining ore and new ore bodies.

Initial interest at Falun, Sweden is concentrated on two un-mined copper-gold systems. These have only been partly tested by past exploration, but some of the last exploration before the mine closed identified strong gold-copper mineralisation close to surface.

Drake now holds 17 permits in joint venture with Royal Falcon Mining, and 9 permits in its own right.

The location and size of the mineralisation sourcing these boulders has not been established. These assays are from previous explorers, and were not generated by Drake Resources.

The area between the boulders and the single outcrop is covered by clays. This area, and the surrounding areas, will be the subject of detailed field reconnaissance in the next northern spring.

Drake interprets that the likely source area for the boulders is either the clay covered area to the north of the boulders or the area along strike from the copper-gold bearing silica breccia.

There has been intense exploration for silver-lead-zinc mineralisation four kilometres along strike to the west of Drake's Vigelsbo Prospect. Approximately 80 drill holes have been completed here by previous explorers; the results of this work are not available. There is no record of any drilling within the Drake application.

The Drake programme for Vigelsbo in 2010 will commence with detailed reconnaissance, glacial till sampling and boulder tracing. This will probably be followed by electrical geophysics, and drilling.

The Vigelsbo Project is not in the Royal Falcon Joint venture.

-ENDS-

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Corporate Information

Directors

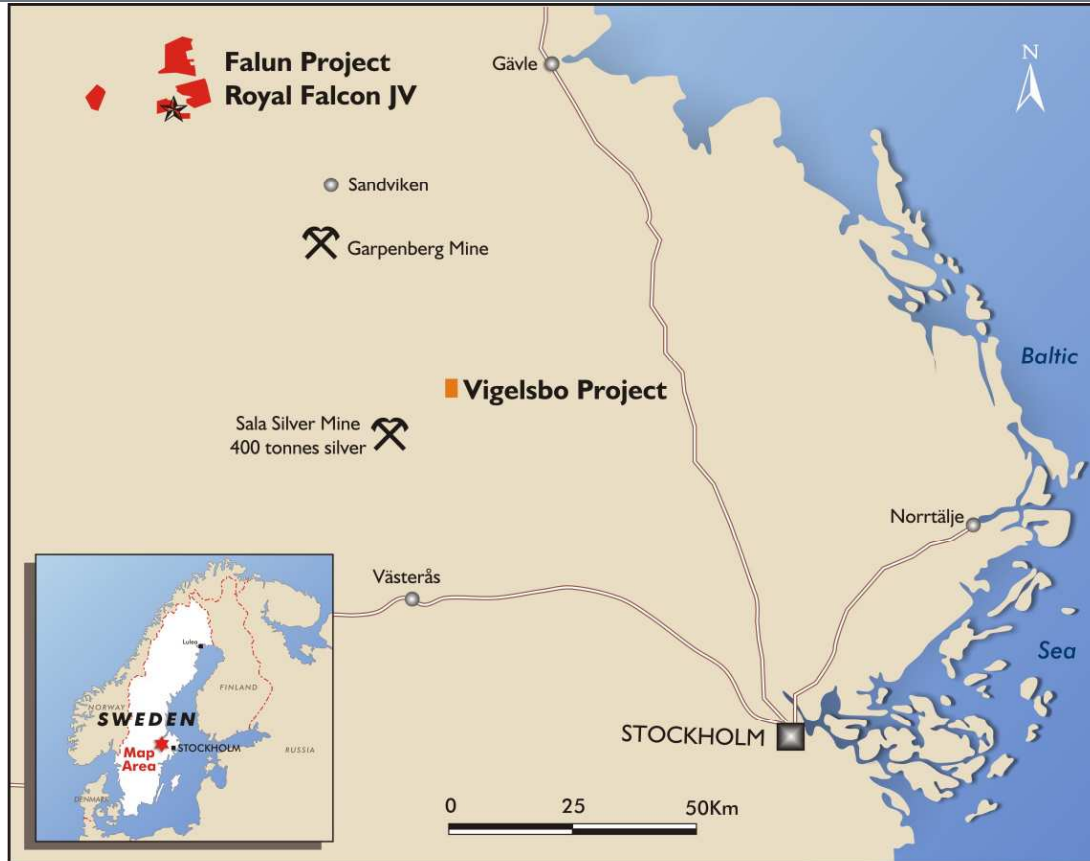
B Fraser	Non-Executive Chairman
Dr B Beeson	Managing Director
J Stephenson	Non- Executive Director & Company Secretary

Issued Capital

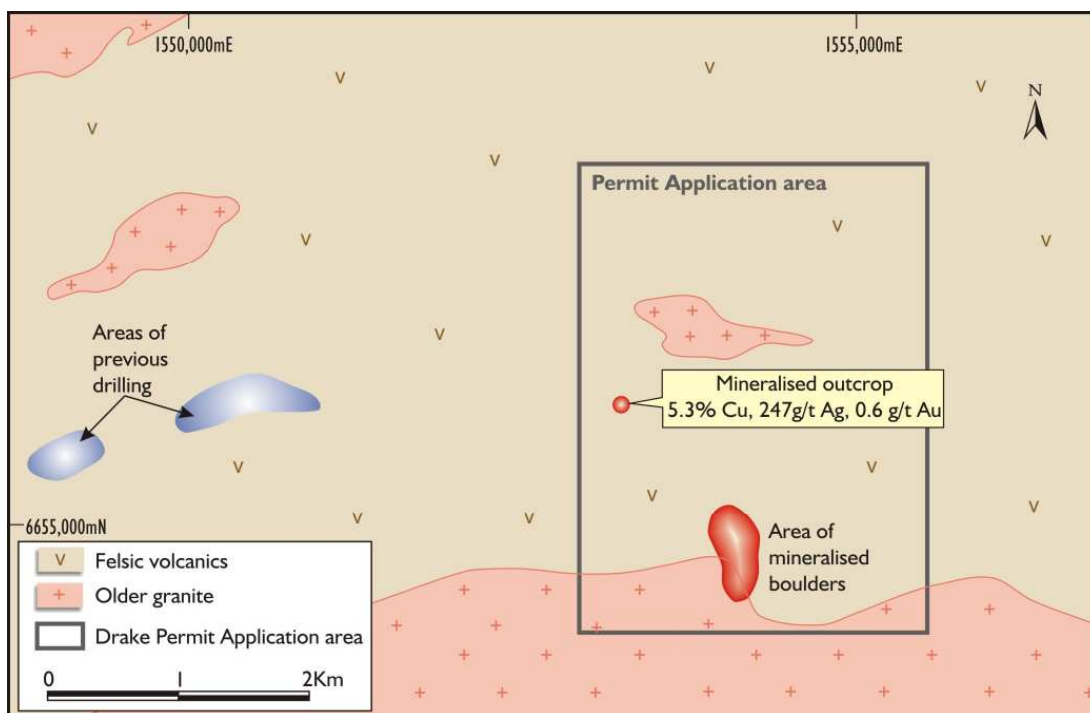
As at the date of this report the issued capital of the Company is comprised of:

42,438,445 fully paid ordinary shares
27,197,000 listed options

The information in this announcement that relates to Exploration Results, Mineral Resources, or Ore Reserves is based on information compiled by Dr Robert Beeson. Dr Robert Beeson is a member of the Australian Institute of Geoscientists, and 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.



Vigelsbo Location Map



Vigelsbo Permit Application