

29 March 2010

Drilling commences on VTEM targets in Sweden

- Two additional drilling rigs have been mobilised
- Drilling has commenced to test seven VTEM electromagnetic targets at Falun and Bersbo

Drake Resources Ltd (ASX: DRK) today announced that drilling of VTEM electromagnetic targets in both the Falun and Bersbo project areas has commenced. Two additional drilling rigs have been secured for this work, one for each project area. Along with a drilling rig that is currently testing the copper-gold mineralisation at the historic Falun Mine, there are now three drilling rigs operating on the Bergslagen Joint Venture licences in Sweden.

The Falun and Bersbo projects form the Bergslagen Joint Venture between Drake Resources Ltd and Royal Falcon Mining LLC,

In 2008 VTEM was flown over these project areas and detected a number of significant anomalies. The VTEM airborne electromagnetic method identifies conductive bodies such as sulphide deposits by transmitting a current into the ground. The anomalies delineated from the survey were followed up on the ground during the 2009 summer field season. One by one the anomalies were ranked for their prospectivity until only the most favourable targets remained.

Falun Region Targets

At Rogsån, in the next volcanic belt north of that containing the large Falun deposit, two VTEM anomalies (Holtäkt and Haghed) will be drilled for a total of 500 m. This volcanic belt contains several small copper and zinc occurrences.

The Holtäkt target is a strong conducting body approximately 450 metres in length and is coincident with a magnetic anomaly. The target appears to source copper-bearing boulders and is along strike from the Svärdsjö base metal mine, which produced base metals up until 1992.

The Haghed target 250 m in length and occurs on the same horizon as the Holtäkt target and Svärdsjö base metal mine. It is also coincident with a magnetic anomaly and copper-bearing boulders down-ice.

Bersbo Targets

In the Bersbo project, 260 km south of Falun, five VTEM anomalies will be tested with six holes for 820 m; Kungshagen, Bersbo West, Hersätter East, Hersätter Central and Hersätter West. The Hersätter series of targets lie in the interpreted extension of the Bersbo host sequence.

The Bersbo West VTEM target is about 1.6 km west of the old Bersbo Copper-Zinc-Gold. It lies on a magnetic horizon interpreted to be similar but potentially stratigraphically lower than the Bersbo mine sequence. This is a strong conductor with a moderately strong magnetic response with a strike length of at least 200 m.

At Kungshagen, the VTEM target is moderately to strongly conductive and fairly magnetic. It is approximately 150 m in strike length. The aeromagnetic interpretation puts this target in at the same stratigraphic level as the Bersbo Mine.

The Hersatter Central target is actually the strongest conductor along an extensive magnetic horizon interpreted to be the extension on which the Bersbo mine is found. The Hersatter West and East targets also occur along this horizon. This may suggest that there are massive sulphide lenses along this horizon.

The Hersatter Central magnetic anomaly is of particular interest since it occurs in a fold nose and bears a strong structural resemblance to the magnetic signature of the Bersbo mine. The highly conductive VTEM anomaly is modelled to dip steeply down the fold nose and is arguably the target with the most potential.

-ENDS-

For further information, please contact:

Dr Bob Beeson

Managing Director

Drake Resources

+61 (0)3 9890 0292

bob@drakeresources.com.au

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, and is a member of the Australian Institute of Geoscientists. 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.



