

ASX Announcement
4 April 2014

Proposed Entitlement Issue

- **1 new share for every 3 shares at an issue price of 2.5c**
- **With 1 new option at 5c for every 3 new shares subscribed expiring August 2015**

Drake Resource Ltd (Drake) is pleased to advise that it proposes to undertake a non-renounceable, non-underwritten entitlement issue of shares.

Under the terms of the issue, shareholders will be able to subscribe for one (1) new share for every three (3) shares held at the record date at an issue price of 2.5 cents per share plus a free attaching option with an exercise price of 5 cents and an expiry of August 1st 2015 for every three (3) new shares subscribed for.

The offer will raise up to approximately \$1,300,000 and will result in the issue of an additional 52,020,294 shares and 17,340,098 options. The proceeds from the entitlement issue will be used to conduct further exploration and investigation of Drake's assets across the Nordic region.

A prospectus is currently being prepared by the Company and the full details of the entitlement issue will be contained in that disclosure document, which is proposed to be lodged on or around 11 April 2014. Further details of the offer will be set out within the prospectus. The offer is not subject to shareholder approval.

A narrated presentation recently released on the ASX can be accessed via the following link or from the video section of Drake's website

<http://www.drakeresources.com.au/videos.html>

For further information, please contact:

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