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ASX Announcement
8 October 2014

Early VTEM results reveal potential copper / zinc targets – Sulitjelma Project, Norway

- **Drake and JV partner, Panoramic Resources' preliminary VTEM assessment reveals 7 anomalies prospective for copper /zinc.**
- **Next Steps- Integration of geophysics with geology and historical production to refine potential copper / zinc targets.**

Drake and its JV partner on the Sulitjelma copper / zinc project, Panoramic Resources,[1] have completed a VTEM electromagnetic and magnetic survey over approximately 70km^2 of this highly prospective region of Norway (fig 1).

Preliminary assessment identified 11 anomalies which was reduced, through immediate field inspection, to 7 anomalies that potentially lie within the fertile ore levels well understood from regional past production and exploration.

Five targets of interest lie within the western thrust which is an area of known massive sulphide mineralisation mapped over a ~10km north / south direction (fig 1). Sections of the thrust have been previously mined such as Sagmo Mine (1.9Mt @ 1.6%Cu & 0.23%Zn) and Jacobsbakken Mine (4.47Mt @ 1.55%Cu & 2.42%Zn).

Two targets of interest occur to the east along strike from the main Sulitjelma Mines such as Ny Sulitjelma (2.59Mt @ 1.99%Cu & 0.55%Zn) and Giken mine.

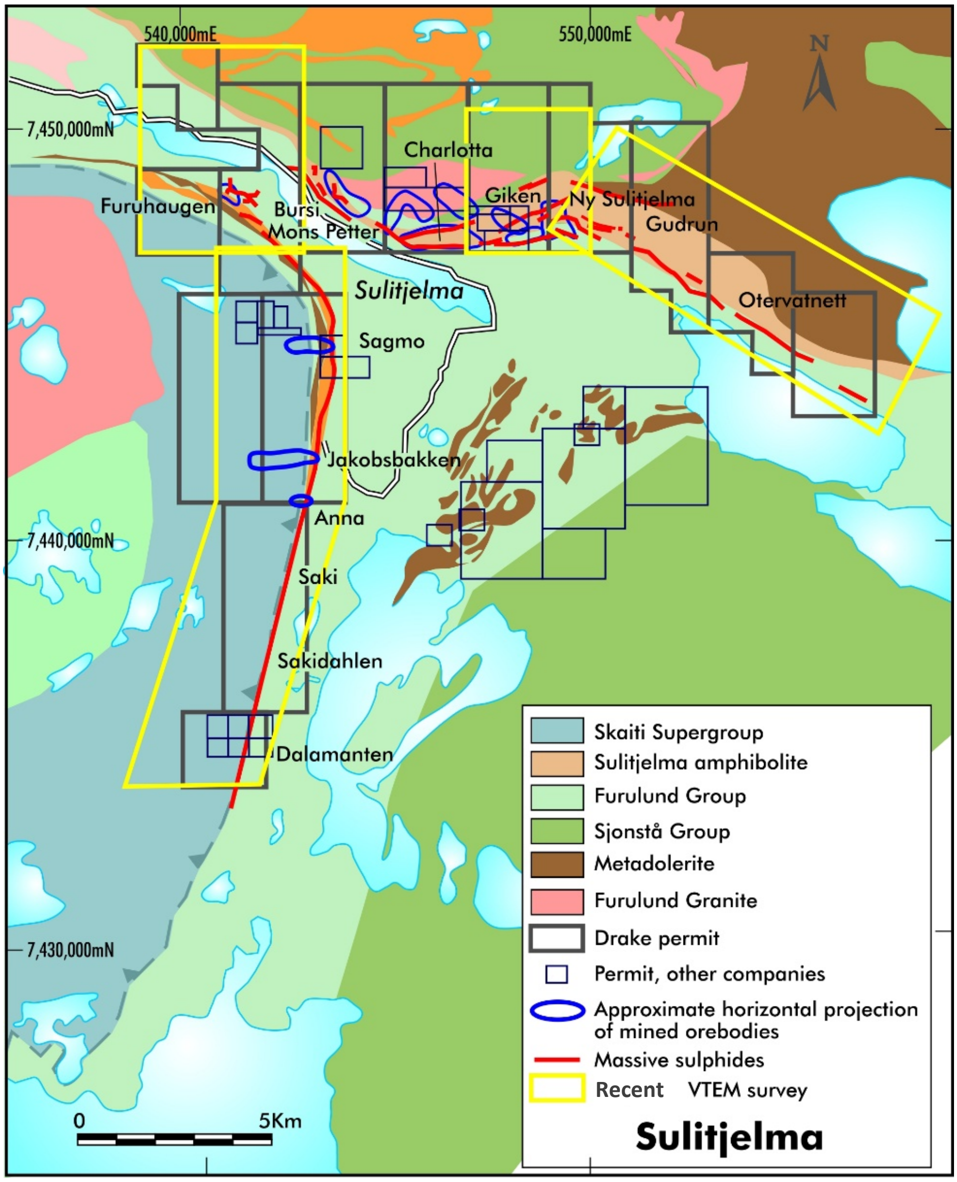
Of particular interest is a target in an undrilled southern extension of the eastern zone near Otervatnet. Subsequent field mapping confirmed the presence of outcropping massive sulphides and historic surface sampling recorded zinc rich bands of massive sulphides overlying broader zones of disseminated copper/zinc sulphide near this site. Drake's CEO, Jason Stirbinskis added "The southern sections of the eastern zone are not as well understood as the Western Thrust, however outcrops of high grade copper and high grade zinc have been mapped at various locations over a strike length of ~8kms".

Drake has now received the cleansed geophysics data and will integrate this with geological interpretation and historical production records to assist in target selection for potential follow up work. Final VTEM appraisal, recommendations and commentary are expected in November.

The Sulitjelma area has had significant historical copper / zinc production of 25 million tonnes of ore containing 1.8% copper, 0.86% zinc, 10 g/t silver and 0.25 g/t gold between 1887 and 1991 when mining ceased. Massive sulphide mineralisation occurs as laterally extensive, often multiple sheets, within the Drake permits. The key is locating zones within these sheets where structural repetition or thickening can make this mineralisation economic.

Photo 1: Stratiform massive sulphide layer photographed near one of the VTEM anomalies. Some historic evidence suggests this sub-region of Sulitjelma may be richer in zinc than previous production sites to the west.

Figure One: Plan showing Drake and other company claims, geology and outline of recently completed VTEM survey.



Note 1: Under the JV terms Panoramic has the right to sole-fund exploration to earn a 70% interest in the projects. Drake can participate in the projects at 30% or 10% or revert to a 2% Net Smelter Return royalty

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Competent Persons Statement

The information in this report that relates to exploration results is based on, and fairly represents, information and supporting documentation compiled by Dr Bob Beeson. Dr Beeson is a member of the Australasian Institute of Geoscientists, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Dr Beeson consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

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