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ASX Announcement
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Sulitjelma EM Results

- **Ground EM over Sulitjelma confirms 6 copper/zinc drill targets**
- **Field mapping and sampling to commence immediately**
- **Preliminary planning commenced for follow up drilling**

A ground based electromagnetic (EM) geophysics survey was conducted over priority copper/zinc targets identified from the 2014 VTEM program. As a result of the EM survey 6 targets (fig 1) remain viable copper/zinc targets warranting drill testing. Drake and its JV partner Panoramic Resources[1] has authorised a field program for the northern summer to map and sample Anomaly 3 and other areas of particular interest prior to considering the possibility of drilling later in the year.

Drake's CEO, Jason Stirbinskis said "The EM survey was essentially a risk reduction exercise designed to give us greater confidence of the potential size of any mineralised zones and reduce the possibility of false positives generated from other conductive but barren units".

Four targets of interest lie within the western thrust ore field (fig 1) which is an area of known massive sulphide mineralisation mapped over ~10kms.

The western ore field hosts the Sagmo (1.9Mt mined of 1.6% Cu and 0.23% Zn[2]) and the Jakobsbakken (4.47Mt mined of 1.55% Cu and 2.42% Zn[2]) historic orebodies. There is also a significant amount of historic exploration and mine data available for this region.

Anomaly 1 The VTEM survey completed last year identified a 2km x 600m wide east-west lensoid anomaly with an east-west orientation that parallels the near-by Sagmo mine. The recently completed EM has better defined the area of interest to a large conductor 1300mx1100m. This conductor is located ~100m immediately above the Avilon Stoll access drive and historic workings (fig 2), and may represent mineralisation unsuspected by the past miners. Mr Stirbinskis added "This a substantial anomaly and the fact that it rests above established underground access and has nearby supporting infrastructure is very positive".

Anomaly 12 produced a similar size EM plate on the other side of the old Sagmo mine and also has a similar geometry. Historic drilling nearby has intercepted copper mineralisation at target depths.

Anomalies 8 and 13 also present encouraging similarities with the near-by historic mines referenced above in addition to Anna mine located very close to anomaly 8 with historic production of 0.25Mt @ 3.86% Cu[2].

Two targets of interest lie within the eastern Nordgruvefeltet region.

Anomaly 4 occurs near an area of known massive sulphide mineralisation with nearby mines of Gudrun and Ny Sulitjelma, the latter producing 2.59Mt @ 1.99% Cu and 0.55% Zn[2].

Anomaly 3 occurs at the eastern extreme of the Drake/Panoramic JV portfolio (fig 3). Field mapping to the west of the anomaly confirmed the presence of outcropping massive sulphides and dump samples from old workings and composite chip samples generated results including 10.7% copper and 15.1% zinc[3]. Mr Stirbinskis added "Far less is known about this region of the mineralised field and this will be a focus of the planned field mapping in the summer".

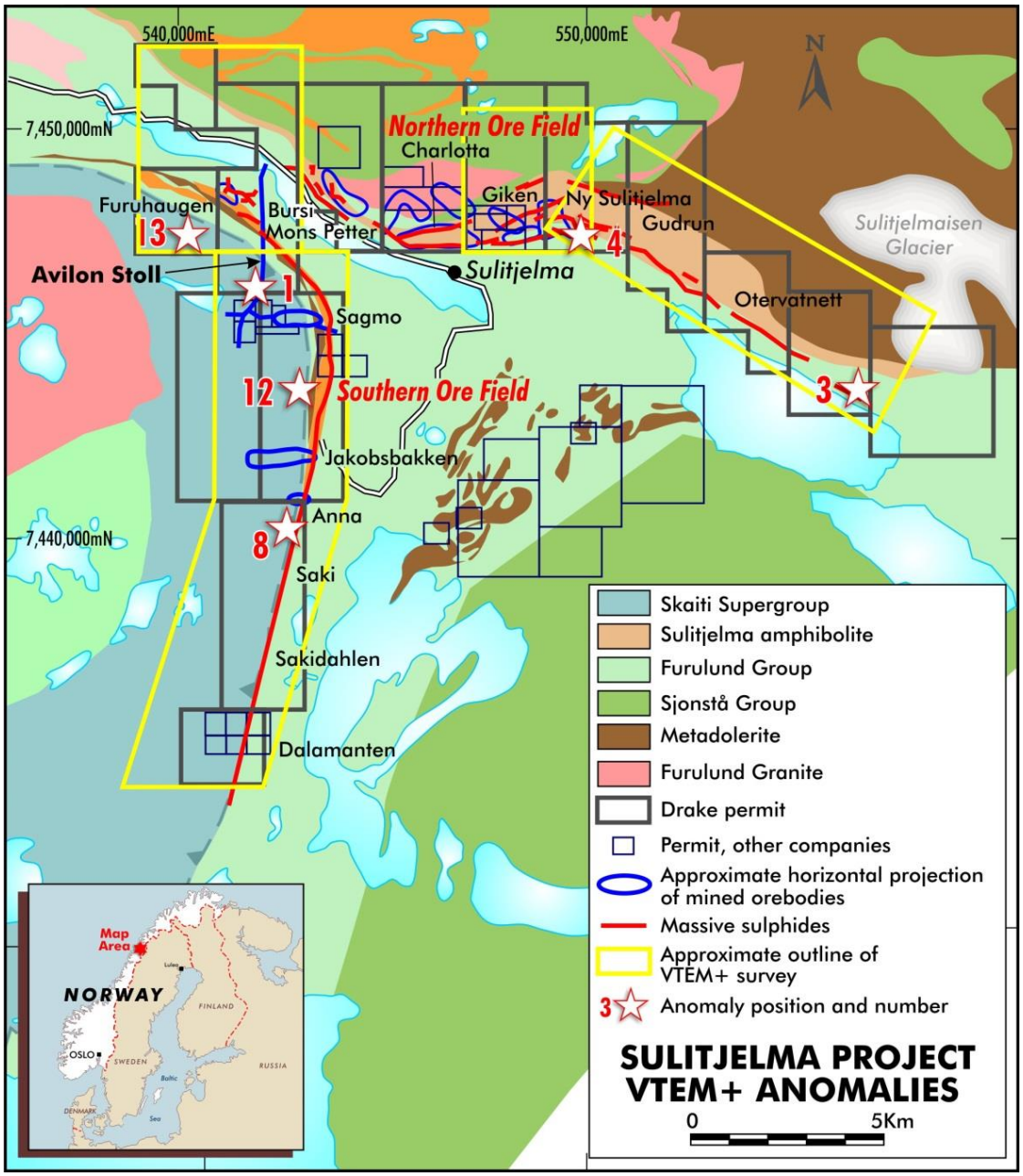

Figure One: Plan showing area flown with VTEM in 2014 and 6 targets explored via ground EM in 2015. As can be seen by the number of mined ore bodies, a large number of underground access paths exist and might be a considerable help during both exploration and potential operations stages.

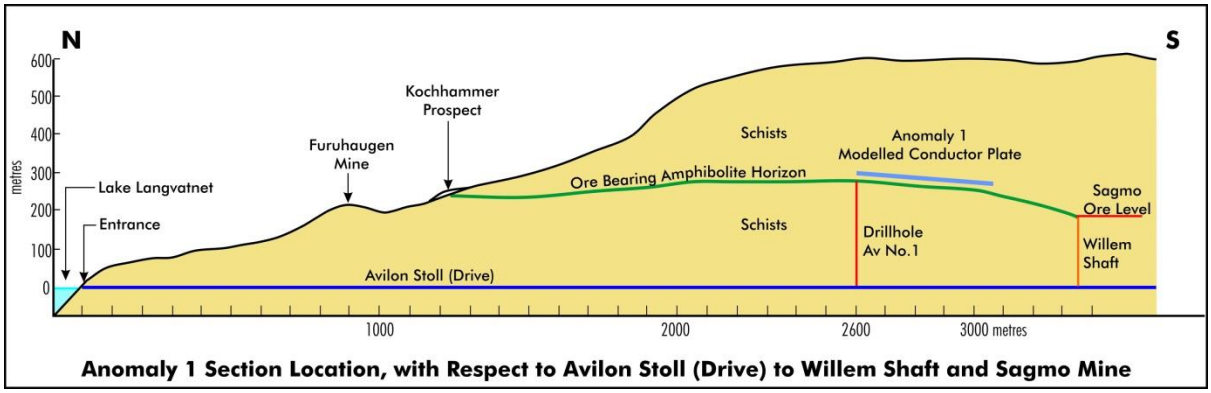

Figure Two: An historic section showing the Avilon Stoll (N-S) with anomaly 1 modelled plate superimposed and sitting on or slightly above the amphibolite horizon in the plane of the Kochhammer Mine and Sagmo ore level. The historic drill hole Av No 1 ended in amphibolite but there appears to be no assays collected of this final portion of the drill core.

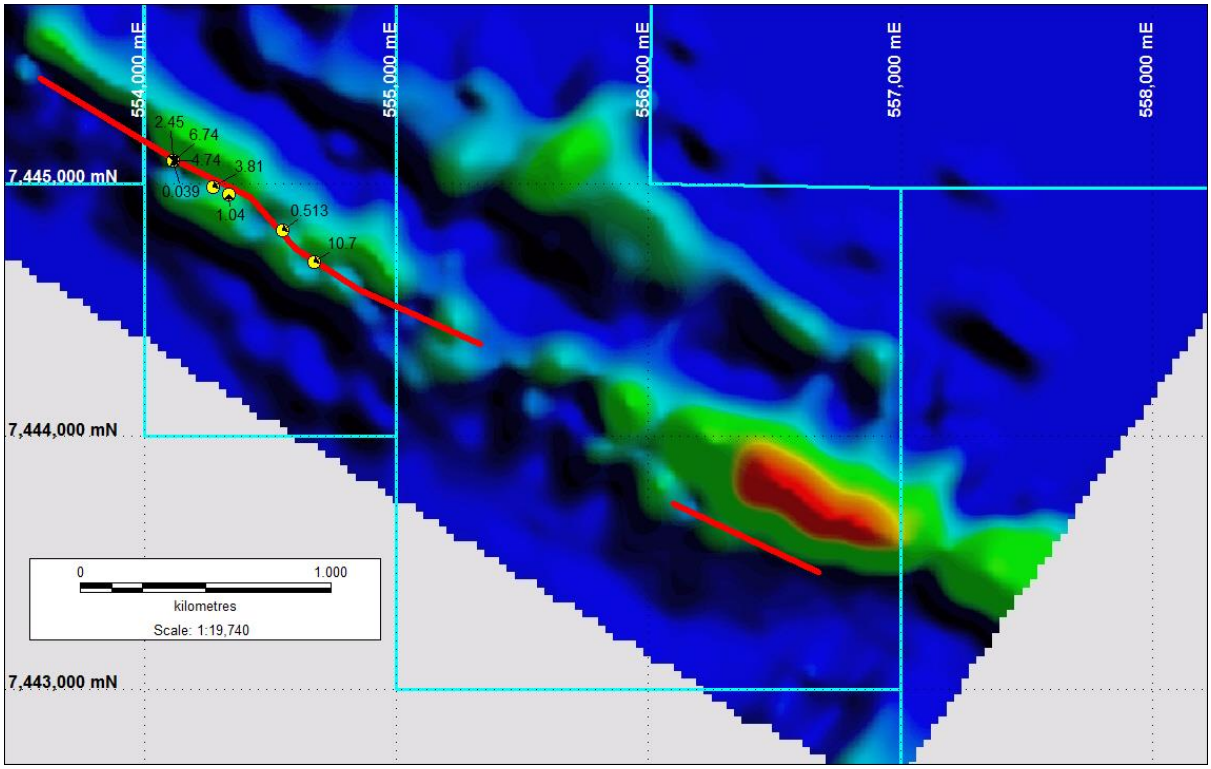

Figure Three. Anomaly 3 VTEM image. Most anomalous result occurring in the south west (orange/red). Massive sulphide outcrops as red lines. Recent surface sample %copper results located in NW corner

Note 1: *Under the Sulitjelma JV terms, Panoramic has the right to sole-fund exploration to earn a 70% interest in the project. Drake can participate in the projects at 30% or 10% or revert to a 2% Net Smelter Return royalty*
Note 2: *Source Norwegian Geological Survey*
Note 3: See Drake announcement 05/11/14

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Competent Persons Statement

The information related to Sulitjelma exploration results is extracted from reports entitled "VTEM results reveals 6 targets at Sulitjelma Project, Norway" created on 21/01/15 and "Surface Samples return high grade copper and zinc" created 5/11/14 and are available to view on www.drakeresources.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Caution Regarding Forward Looking Information.

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