



Drill testing of six exceptional EM copper-zinc targets in Norway

- **Panoramic Resources and Drake approve drilling at the Lokken JV and Nordgruva JV projects - Norway**
 - **First drilling at Lokken in almost three decades to test 5 EM geophysics targets**
 - **Nordgruva drilling to test two large off hole conductors suggesting massive sulphides detected in 2013 drilling**
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Drake, with its joint venture partner in the Nordgruva and Løkken projects, Panoramic Resources Limited¹, advises that funding is approved for the drilling programs at both projects. The sequential program is to commence mid 2014.

Lokken Drilling

In August 2011 a VTEM Survey identified significant conductors north, south and west of the Løkken Mine. Ground Fixed Loop EM and Gravity surveys conducted in March/April 2012 screened the anomalies and confirmed the presence of source conductors and five sites were identified as priority drilling targets for massive copper sulphide (Figure 1)². All five targets will be drilled in the pending ~900m diamond drilling program.

Drake Resources has claims covering much of the Løkken copper-zinc mining district of central Norway, except three small claims over the old mine. The Løkken Mine is the largest single copper zinc deposit in Norway and would appear to have been the largest Cyprus Type deposit in the world. It produced 24Mt of 2.1% Cu 1.8% Zn and 19 g/t Ag continuously between 1654 and 1987 (Source NGU) when mining ceased. The mineralisation is hosted in basalts. The old mine is covered by three small claims held by the State. Parts of the Løkken orebody extend into the Drake claims. Drake permits cover much of the remainder of the district.

Mineralisation at Løkken is comprised of chalcopyrite, pyrite, and sphalerite with minor pyrrhotite and magnetite set within a quartz carbonate matrix and extended over some four kilometres. The mineralisation is structurally controlled in a rod-like form extending from surface in the east to approximately 1,200m deep in the west.

Nordgruva Drilling

The single diamond drill hole planned for Nordgruva is targeting two off-hole conductors identified in diamond drill hole NKSD001 drilled late in 2013³. The objective of hole NKSD001 was to investigate one of five exceptional conductors identified from a detailed airborne electromagnetic (VTEM) survey flown by Drake in 2012 and followed up with ground EM. The hole encountered minor disseminated sulphide mineralisation within amphibolites between 384m and 424m down hole and host rock appears consistent with ore bearing units of the region³.

The down hole EM survey conducted at completion of drilling NKSD001 identified two significant, strong off-hole conductors at approximately 400m and 450m (Figure 3 & 4). The stratigraphic position in or in close proximity to gabbro amphibolite units, conductor characteristics and strength, suggest they could both represent massive sulphides of potentially substantial thickness. A prior geological study has interpreted three mineralised horizons in the areas of past mining within the region (Figure 2) and the conductors identified in NKSD001 appear to be coincident with the upper two of these mineralised horizons.

Nordgruva is part of the Røros mining district in central Norway which has a copper/zinc mining history extending back over 300 years from multiple sites.

Drake's CEO, Jason Stirbinskis added "We recently announced⁴ a potential near-term copper production opportunity involving our Joma copper/zinc project, we wait with interest to see if the approaching Lokken and Nordgruva drilling will significantly enhance our Nordic copper/zinc portfolio".

Notes:

1: Under the JV terms for both projects, 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. The planned programs will result in Panoramic achieving its 70% earn-in milestone.

2: See announcement 9/1/12 "Strong Electromagnetic Conductors Identified at Lokken" Link to announcement <http://drk.live.irmau.com/IRM/Company/ShowPage.aspx/PDFs/1217-52184638/StrongelectromagneticconductorsidentifiedatLokken>

3: See announcement 3/1/14 "Nordgruva Final Assays" Link to announcement <http://drk.live.irmau.com/IRM/Company/ShowPage.aspx/PDFs/1408-74861841/NordgruvaDrillingFinalAssays>

4: See announcement: 6/3/14 "Drake signs LOI targeting near term copper production" Link to announcement <http://drk.live.irmau.com/IRM/Company/ShowPage.aspx/PDFs/1413-87978845/DrakeSignsLOITargetingNearTermProduction>

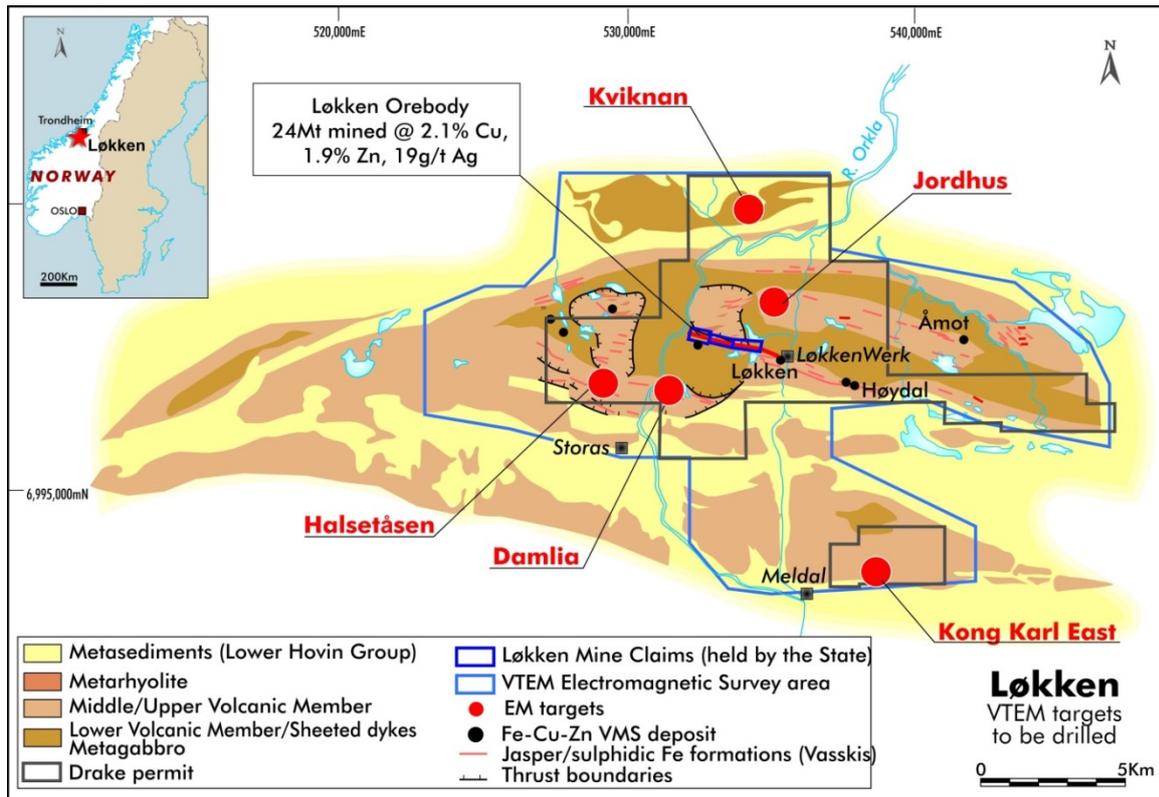


Figure One: Plan of Drake claims outline on geology plan showing fixed loop ground EM conductors on which drilling is planned.

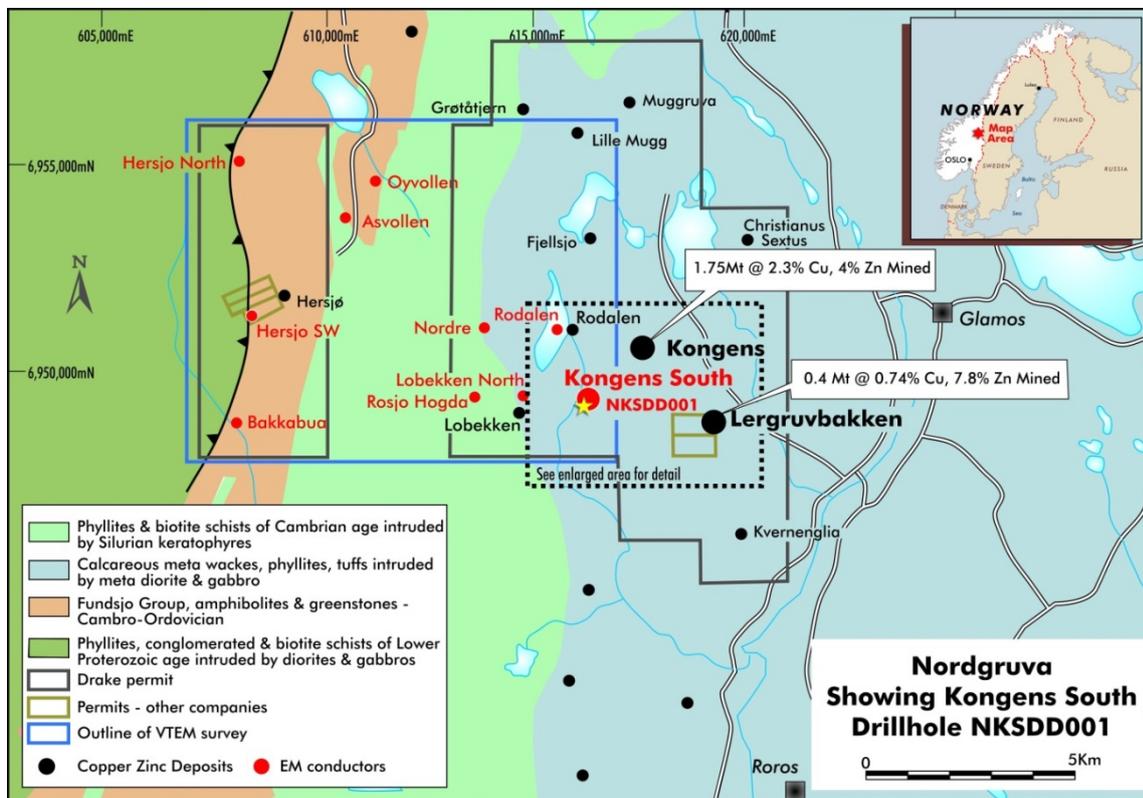


Figure Two: Nordgruva JV permit area contains historical mines and numerous targets generated from modern exploration techniques

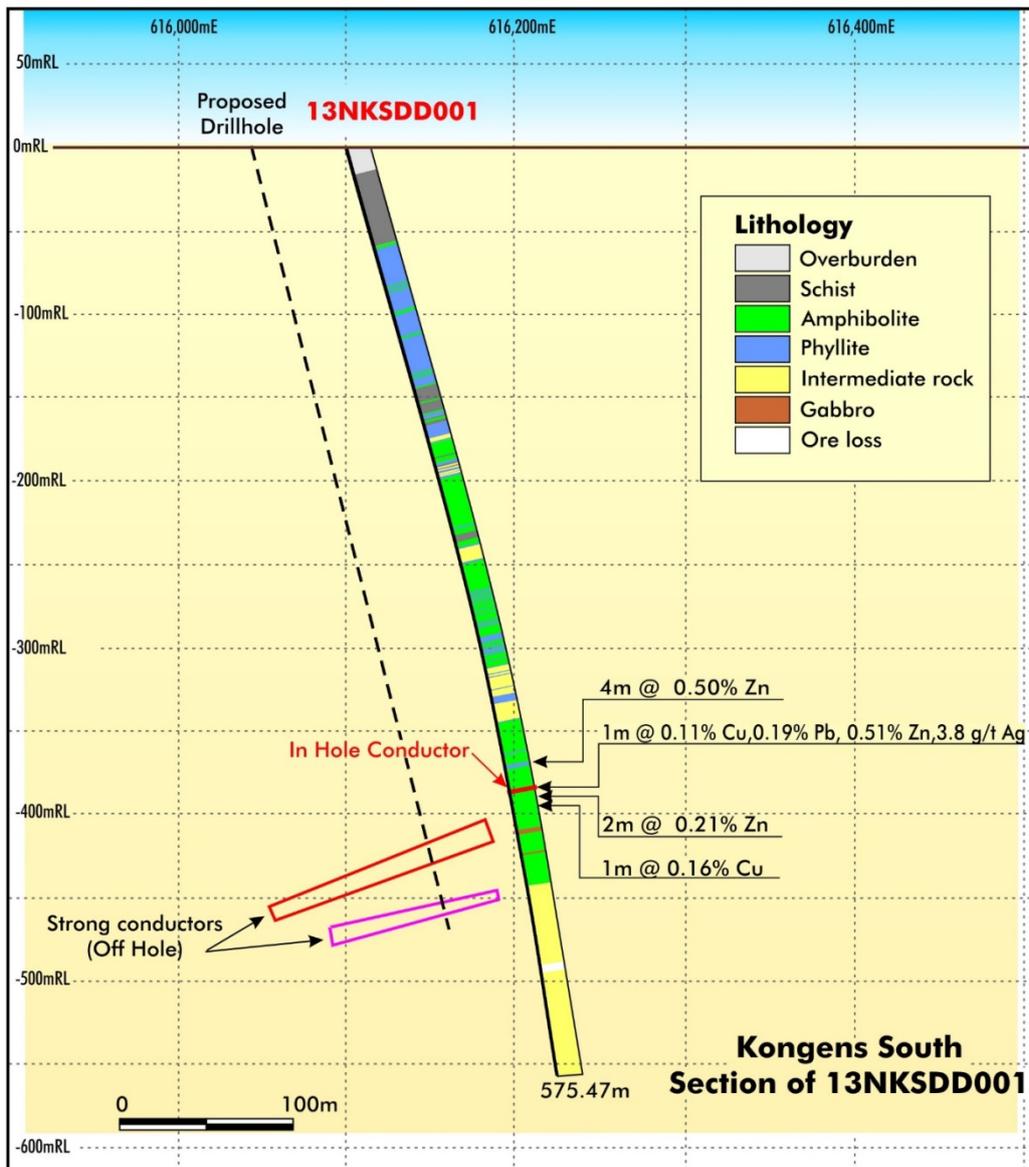
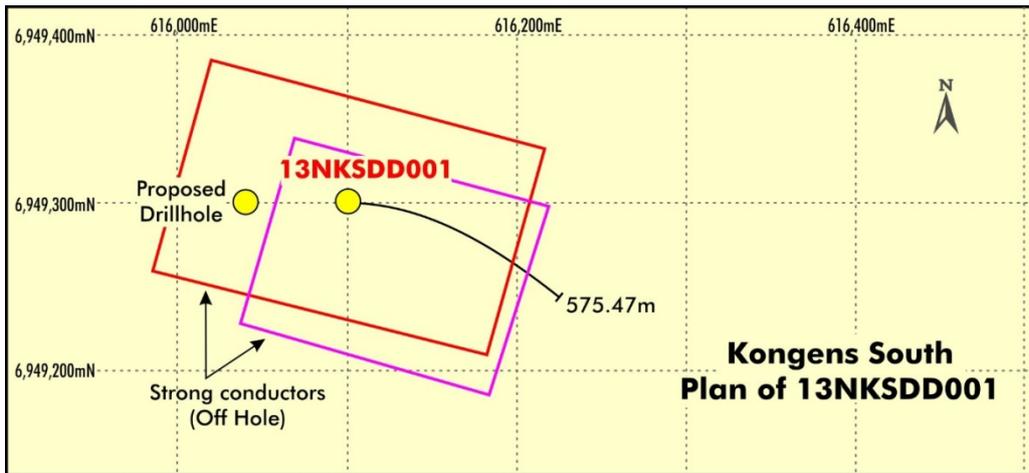


Figure Three and Four: Plan and cross sectional view of holes with NKSD001 assay results, proximity of strong off-hole conductors and 2014 planned drill hole.

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Competent Person Statement

The information related to Nordgruva exploration results is extracted from the report entitled "Nordgruva Final Assays" created on 3/1/14 and is 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 announcement. 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 announcement.

The information related to Lokken exploration results is extracted from the report entitled "Strong Electromagnetic Conductors Identified at Lokken" created on 9/1/12 and is 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 announcement. 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 announcement. This information was prepared and first disclosed under the JORC code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was reported.

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