

FINAL REPORT
HERSJØ EXTENSIONS PROJECT

HERSJØ CLAIMS 14,15,16,17
RØROS DISTRICT, NORWAY

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Copies to: Mining Directorate, Trondheim
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EXECUTIVE SUMMARY

In mid-2011, the Drake Resources Ltd managed Nordgruva Joint Venture with Panoramic Resources Ltd flew a heliborne VTEM electromagnetic and magnetic survey over 8 of the 13 Hersjo Nordgruva claims.

The technique proved highly effective locating anomalism not previously detected in the Hummingbird EM survey flown by the NGU in 1999 on behalf of the Noranda Crewe Joint Venture.

Upon receipt of the preliminary results in August Sept 2011 Drake applied for a number of claims in the district, 4 claims of which were to cover the extensions of the Hersjo Mine in the Fundsjo Group.

The objective was to fly further VTEM to assess this highly prospective sequence of rocks and if warranted follow up with drilling.

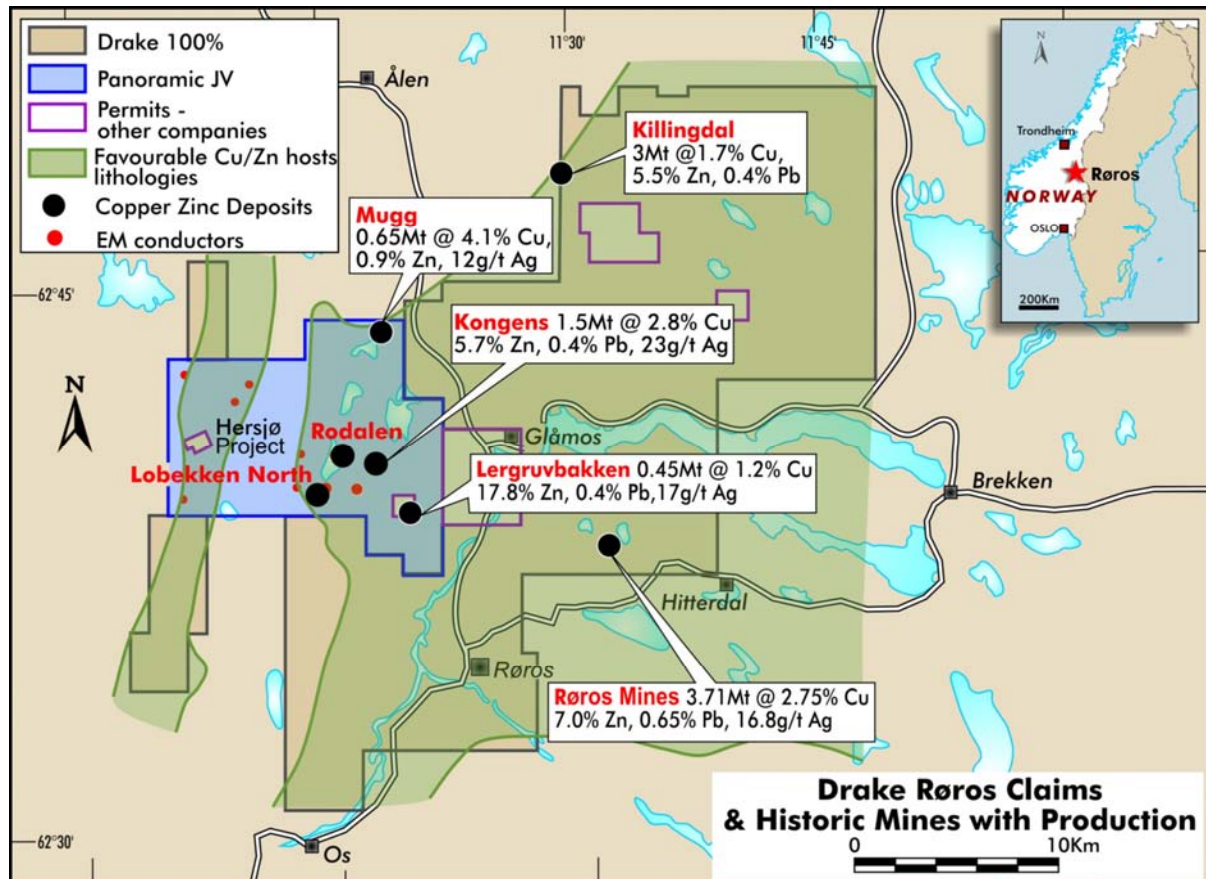
Drake proposed a program of work including VTEM to the Joint Venture, which eventually was not approved. Drake could not fund the program in its own right and had no option but to relinquish the claims.

No work was conducted in the field and pre application work entailed collecting topo-cadastral plans, NGU mineral occurrence, and prior geophysical survey data outlines as well as reviewing the BV report database of DirMin acquired for the Hersjo Nordgruva Joint Venture.



Title

The Hersjø 14-17 claim applications were submitted in September 2011 to cover the available northern and southern extensions of the greenstone belt hosting the Hersjø mine. The claims were granted on 20/10/2011 as 0909-1/2011 to 0912-1/2011 respectively and cover an area of 37km².



Plan showing the Drake 100% claim applications and prior Joint Venture claims on geology. The 4 Hersjø Extension claims are seen in the extreme west of the plan.

Location

The Hersjø Mine and the extension project claim applications covering it, are located approximately 16 kms West to 20kms North West of Røros in the Os and Holtålen Kommunes Norway.

Objectives

Having flown the heliborne VTEM electromagnetic / magnetic survey over the Hersjø Mine and Kongens Mine areas in the adjoining 13 claims of the Nordgruva Joint Venture (Panoramic Resources Ltd and Drake Resources Ltd) during mid-2011, the joint venturers realised the potential of modern geophysical surveying in the area and elected to protect the extensions of the Cambro-Ordovician Fundsjø greenstone belt which hosts the Hersjø mine.

Following preliminary review of the VTEM survey data over the JV's Nordgruva claims covering in part the Hersjø Mine and the Fundsjo Group, Drake applied for the 4 Hersjo extension claims and proposed to the Joint Venture that they fly more extensive VTEM and to follow up anomalies as warranted with drilling.

Work Conducted

No fieldwork and no reappraisal of prior work was conducted by Drake resources.

Office based work prior to application included acquiring 1:50,000 topo-cadastral sheets for the area and NGU geology plans, mineral occurrence and geophysical survey outline and review of known mineralisation.

Conclusion

Despite no work being done, the area remains highly prospective for discovery of a Hersjø type Cu Zn deposit.

Drake's proposal to the Nordgruva Joint Venture (Panoramic Resources Ltd and Drake Resources Ltd) that the Hersjo Extension Project claims be flown with VTEM and then followed up if warranted with drilling of any anomalies generated was eventually not approved. This was mainly because of budgetary constraints. Drake Resources itself could not raise the funds to separately conduct a program and the claims were therefore relinquished at the end of their second year of grant.