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FINAL REPORT
LØKKEN CLAIMS 1-26
LØKKEN PROJECT

CENTRAL WESTERN NORWAY

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April 2015

Copies to: Mining Directorate, Trondheim
Panoramic Resources Ltd, Perth Office
Drake Resources Ltd, Perth Office
Drake Resources Ltd, Melbourne Office

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Appended Raw Field Data Folder with reports.

EXECUTIVE SUMMARY

Drake applied for 26 exploration claims around the Løkken Mine in 2010 and all were granted in March 2011. [redacted].

The Løkken Mines have produced 24Mt of 2.3% Cu, 1.8% Zn, 20g/t Ag ore. The claims cover down dip and along strike extensions of the mineralisation and extensive outcrop of mine host sequences lateral to the ore body. The main Løkken ore body is held in 3 mine leases owned by the State. These extensive mine host sequences outcrop within the area and had been well explored to the mid 1980's but there has been no exploration since.

Drake and its joint venture partner saw opportunity to bring all historical data into modern GIS and 3D visualisation software to assess exploration potential as well as to apply modern airborne geophysical techniques such as VTEM to test deeper than previously possible to generate new targets for drilling and hopefully a new orebody.

The joint venture's primary objective is to discover and develop copper deposits in the area.

Drake conducted extensive work in recovering and scanning all exploration reports in the area and then bringing this data into a GIS, which was reviewed together with reports to build a view of the area's potential.

As a result of the review, Drake recommended a twofold approach to exploring the area.

- A brownfields segment which would entail compiling all the hardcopy Løkken mine data into a 3D database which would be reviewed to assess potential for extensions to the mine mineralisation. A heliborne VTEM and associated magnetic survey of the most prospective area (the eastern claims). The survey was flown in mid-2011, and selected anomalies were followed up with gravity surveying and ground EM in 2012 to generate targets, which were drilled in mid-2014.

The former was aimed at establishing what reserves remained and what immediate target potential existed at the mine. The latter was aimed at locating a new +5 Mt stand-alone 2.5% Cu equivalent target.

The relinquished western claims 1-4 had no work conducted on them other than prior exploration data review.
The relinquished eastern claims 5-26 were the subject of data compilation, the VTEM survey, and follow up gravity and ground EM on the Littlevatnet, Kviknan, KongKarl East, Damlia North, Jordhus and Halsetåsan prospects each of which were drilled with disappointing results in mid 2015.

[redacted].

While only the 5 highest priority VTEM anomalies were tested and others remain untested and while the mine 3D data compilation proposal was not supported, the joint venture deemed that it could not support further work on the claims and they were relinquished in January 2015.

This is the Final Report on work conducted during the tenure of the claims and is submitted with the substantial geophysical, geological and geochemical data collected.

TITLE

The Løkken claim application 1-26 were submitted in November 2010 to cover the outcropping massive sulphides in the Løkken Mining area and their down dip and potential along strike extensions. The claims were granted to Drake, on 15/03/2011 as 0020-1/2011 to 0045-1/2011.

[redacted]

Details of the original granted claims are presented in the following table.

Number	Name	Company	Area	Granted date
0020-1/2011	LØKKEN 1	DRAKE RESOURCES LTD.	10000000	15/03/2011
0021-1/2011	LØKKEN 2	DRAKE RESOURCES LTD.	10000000	15/03/2011
0022-1/2011	LØKKEN 3	DRAKE RESOURCES LTD.	10000000	15/03/2011
0023-1/2011	LØKKEN 4	DRAKE RESOURCES LTD.	10000000	15/03/2011
0024-1/2011	LØKKEN 5	DRAKE RESOURCES LTD.	10000000	15/03/2011
0025-1/2011	LØKKEN 6	DRAKE RESOURCES LTD.	10000000	15/03/2011
0026-1/2011	LØKKEN 7	DRAKE RESOURCES LTD.	10000000	15/03/2011
0027-1/2011	LØKKEN 8	DRAKE RESOURCES LTD.	10000000	15/03/2011
0028-1/2011	LØKKEN 9	DRAKE RESOURCES LTD.	10000000	15/03/2011
0029-1/2011	LØKKEN 10	DRAKE RESOURCES LTD.	10000000	15/03/2011
0030-1/2011	LØKKEN 11	DRAKE RESOURCES LTD.	10000000	15/03/2011
0031-1/2011	LØKKEN 12	DRAKE RESOURCES LTD.	10000000	15/03/2011
0032-1/2011	LØKKEN 13	DRAKE RESOURCES LTD.	10000000	15/03/2011
0033-1/2011	LØKKEN 14	DRAKE RESOURCES LTD.	10000000	15/03/2011
0034-1/2011	LØKKEN 15	DRAKE RESOURCES LTD.	10000000	15/03/2011
0035-1/2011	LØKKEN 16	DRAKE RESOURCES LTD.	10000000	15/03/2011
0036-1/2011	LØKKEN 17	DRAKE RESOURCES LTD.	10000000	15/03/2011
0037-1/2011	LØKKEN 18	DRAKE RESOURCES LTD.	10000000	15/03/2011
0038-1/2011	LØKKEN 19	DRAKE RESOURCES LTD.	10000000	15/03/2011
0039-1/2011	LØKKEN 20	DRAKE RESOURCES LTD.	10000000	15/03/2011
0040-1/2011	LØKKEN 21	DRAKE RESOURCES LTD.	10000000	15/03/2011
0041-1/2011	LØKKEN 22	DRAKE RESOURCES LTD.	10000000	15/03/2011
0042-1/2011	LØKKEN 23	DRAKE RESOURCES LTD.	10000000	15/03/2011
0043-1/2011	LØKKEN 24	DRAKE RESOURCES LTD.	10000000	15/03/2011
0044-1/2011	LØKKEN 25	DRAKE RESOURCES LTD.	9000000	15/03/2011
0045-1/2011	LØKKEN 26	DRAKE RESOURCES LTD.	9000000	15/03/2011

The claim rentals were not paid in Jan 2015 and the claims were allowed to lapse.

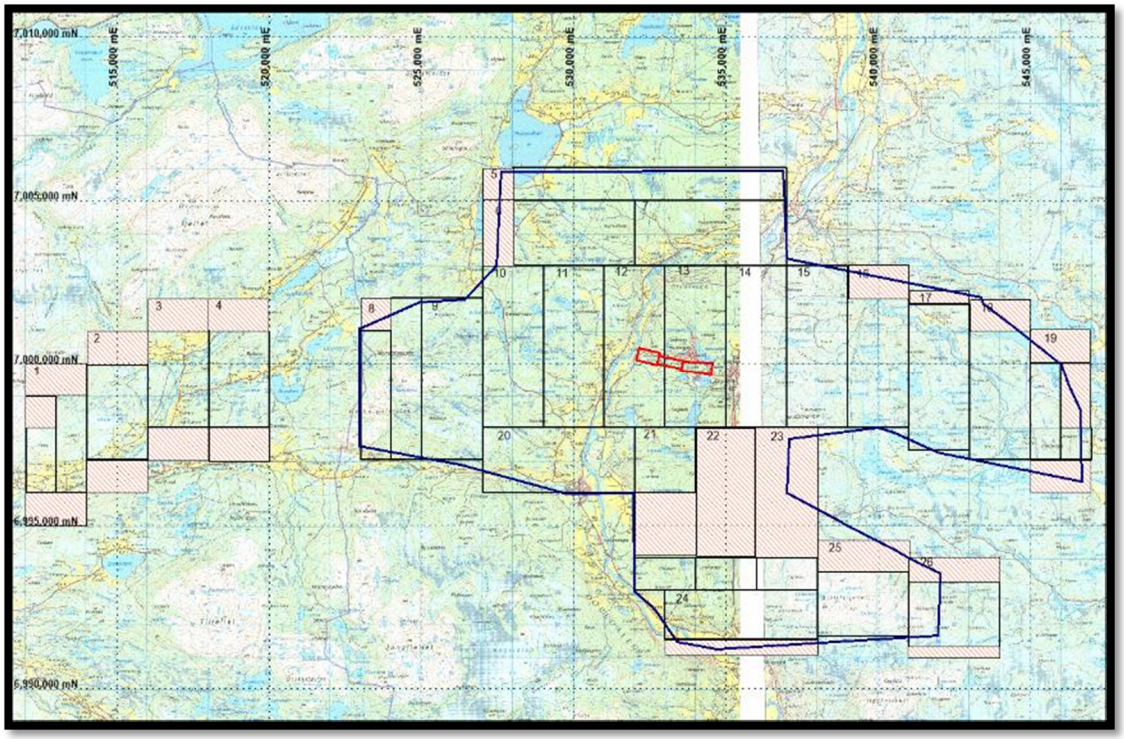

Fig 1. Plan showing Drake claims 1-26 outlined in black, and areas partially relinquished in January 2013 in orange cross hatching. The State claims over the Løkken mine are shown with red outline.The outline of the VTEM survey is shown in dark blue.

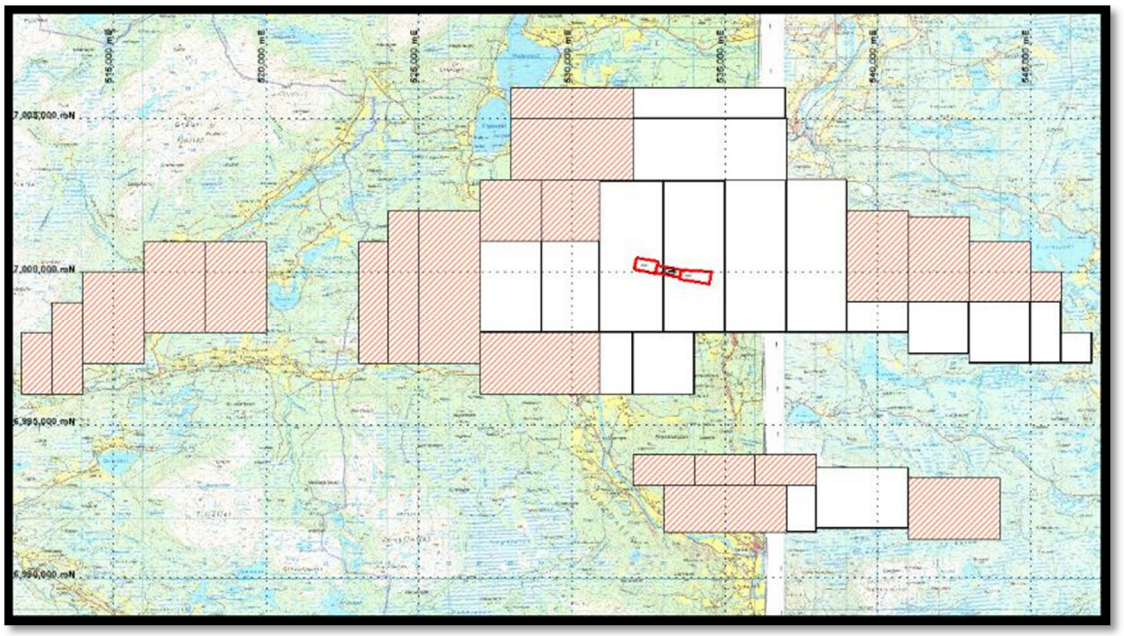

Fig 2. Plan showing Løkken claims relinquished in Jan 2014 (orange and white cross hatching) and retained areas (white). The State claims over the Løkken mine are shown with red outline.

LOCATION

The Løkken Mine and the claim applications covering it, are located approximately 30kms south of the regional centre of Orkanger and 80kms south west of the city of Trondheim in Central Western Norway. The claims are located within the Meldal, Orkdal and Melhus Kommunes.

OBJECTIVES

The Drake Panoramic Joint Venture has as its primary objective the discovery and development of copper deposits.

Drake's proposal to Panoramic at commencement involved the compilation of all available exploration and mine data within the claims into a 3D database and GIS to better understand remaining potential of the area in a brownfields and greenfields sense, as well as a program of modern airborne geophysics e.g. VTEM which would be followed up with ground EM where appropriate and with drilling.
Panoramic supported compilation of the GIS of all exploration data, and a heliborne VTEM survey but did not support a 3D database compilation of Løkken mine data.

WORK CONDUCTED

Data Review

During the first two years of the project Drake on behalf of the joint venture had selected prior exploration and mining reports at the NGU and Mining Directorate and a number of plans to be scanned to pdf at substantial expense, for reference and review.

An exploration GIS was compiled, based on topo-cadastral data. DIGHEM magnetic and electromagnetic data, litho-geochemical sampling and stream sediment geochemistry was obtained from DMF and the NGU and reprocessed/digitised. Prior ground geophysical surveys and geological maps were registered and brought into the GIS.
All available exploration drill hole data was digitised and assay data, and where available survey data was brought in.

A review of the data suggested that a heliborne VTEM and magnetic survey should be flown over the mine stratigraphy and would provide significantly deeper penetration than was achievable in the 1982 DIGHEM survey. Anomalies generated would be followed up with ground EM and if appropriate drilling

Subsequently many plans and sections and mine survey and opening plans have been located in the old Orkla archive at Løkken and have been recently scanned by NGU but not reviewed.

VTEM Survey

In August/September 2011 the VTEM survey was flown by Geotech and data was processed and modelled by Newexco Ltd based out of Perth with final targets defined by late 2011.

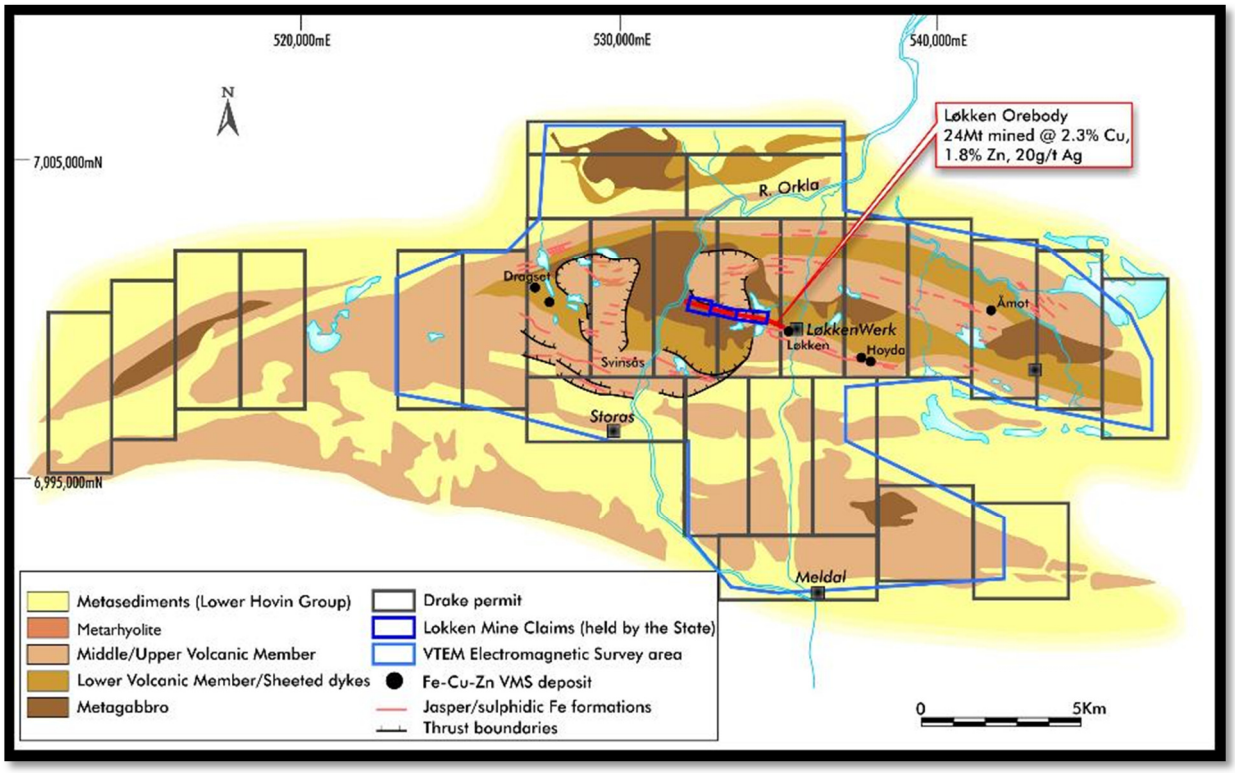

Fig 3. Plan showing the outline of the VTEM survey in blue relative to then claim boundaries and geology.

Extensions of the survey outside the planned outline were brought about by identification of EM anomalism by the flight crew.
Assessment of the EM anomalism outside of the claims relative to geological survey mapping suggests they are sourced by graphitic sediments and so no follow up work in the field was conducted.

Both raw data, processed data and reporting on the processing and modelling are submitted with this report. The key report is Newexco's August 2012, Report 595.

Summary images of the magnetic and EM responses are submitted below.

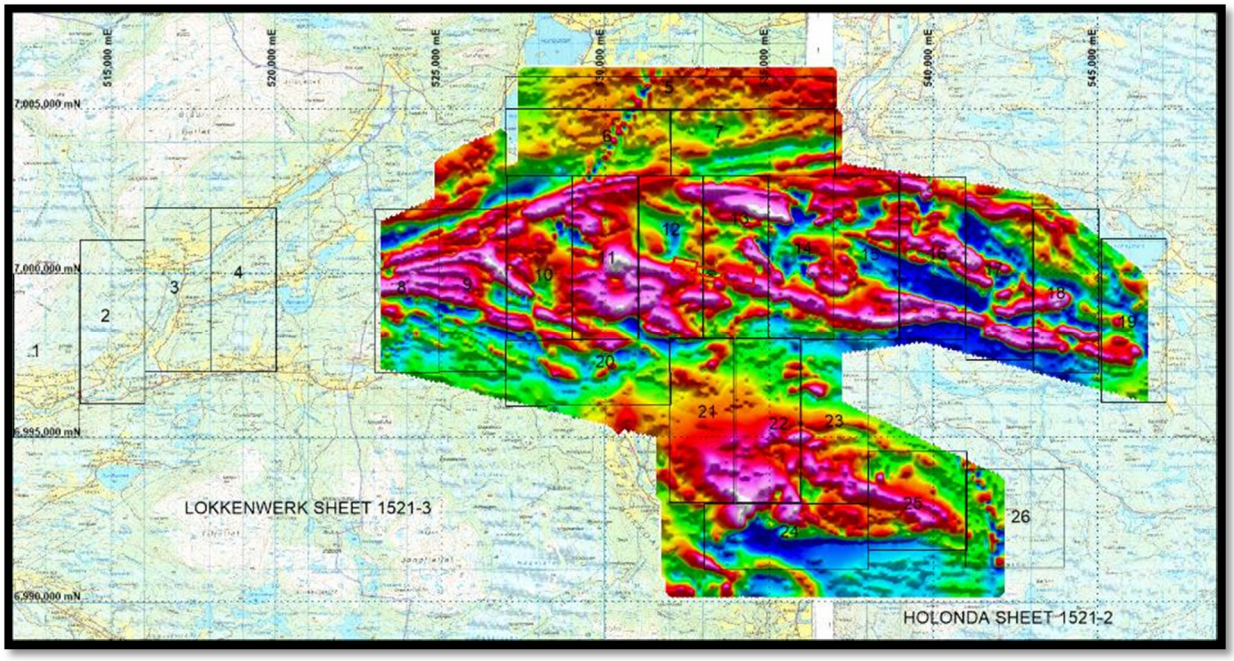

Fig 4. Total magnetic intensity reduced to pole response.

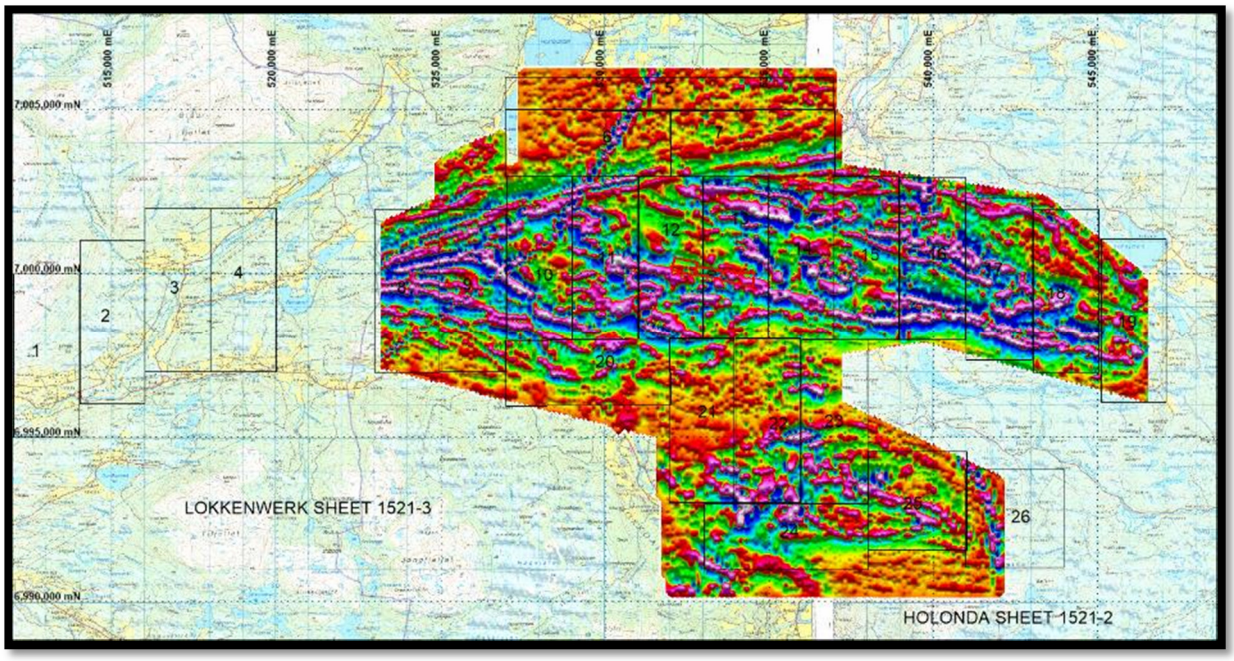

Fig 5. First vertical derivative reduced to pole magnetic response.

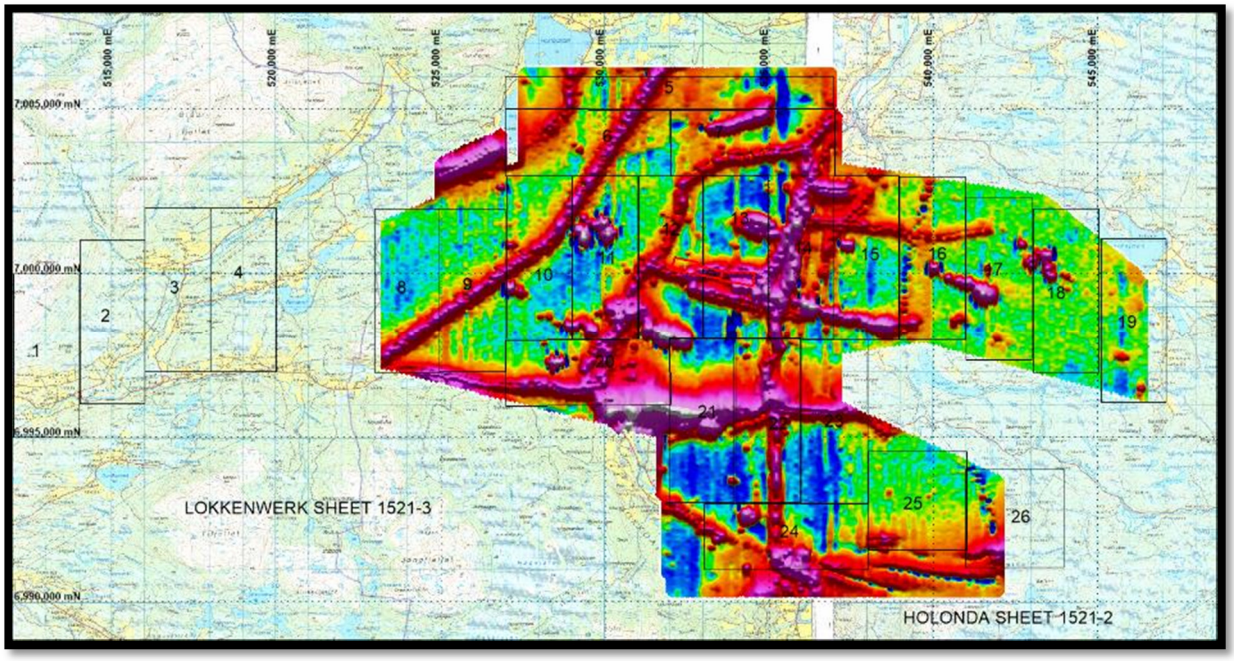

Fig 6. B Field Z component channel 20, EM response.

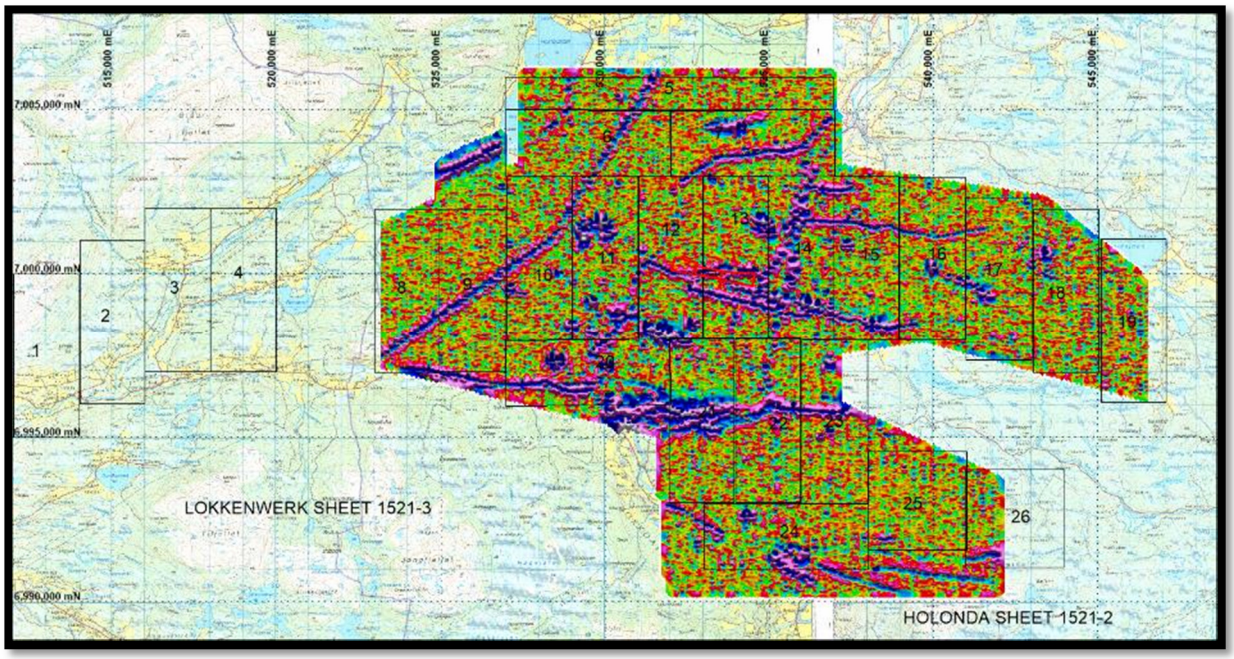

Fig 7. B Field x component SFF EM response for the relinquished areas.

VTEM anomaly follow up

Gravity surveying of 2 lines per anomaly was conducted over anomalies where depth to source was modelled from the VTEM at less than 150m as a screening process to ideally remove anomalism caused by thin vasskis horizons known to be excellent conductors.

Anomalies surveyed were Hoydal, Jordhus North, Littlevatnet north east, Bjortonna, Bustovatnet and Urvatnet. The key report on the gravity is N Hungerfords, July 2012, Løkken gravity report.

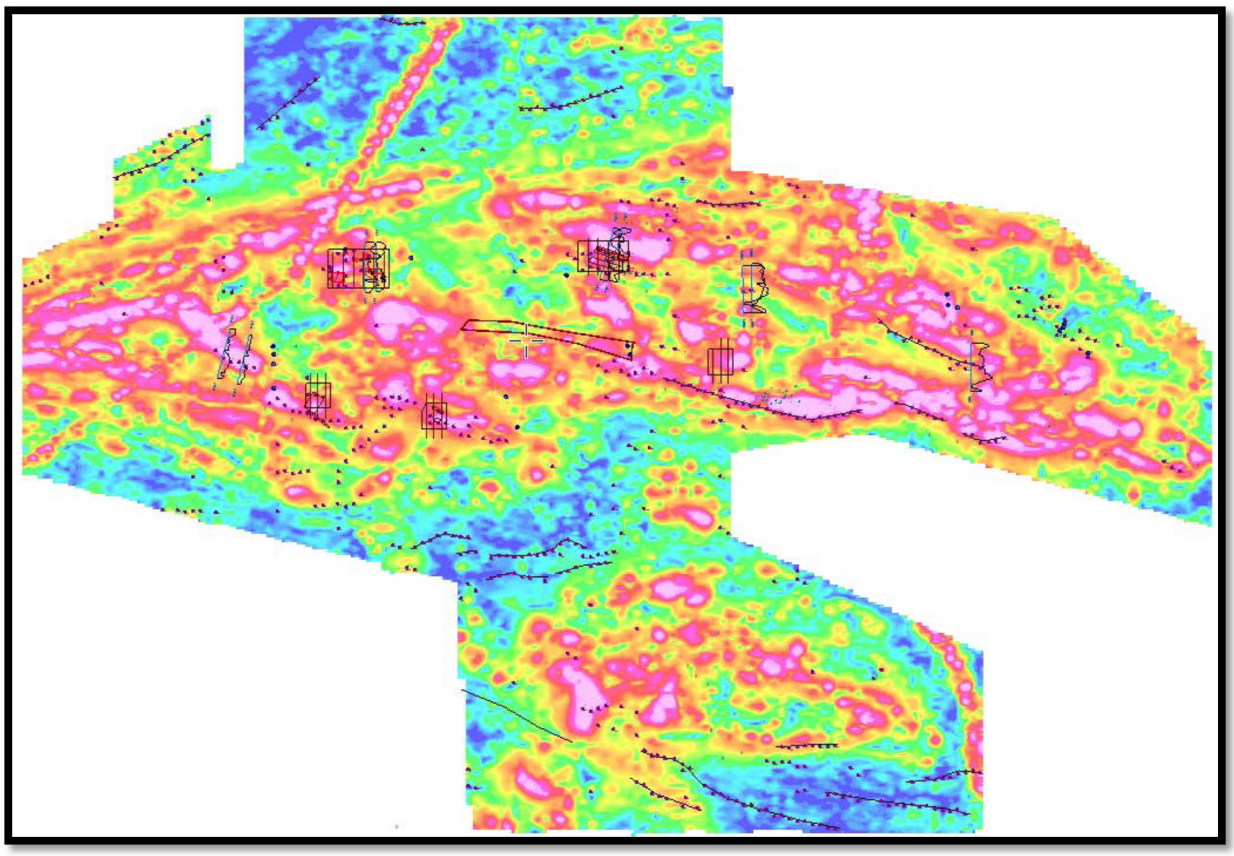

Fig 8. Løkken VTEM survey, grid of TMI RTP analytical signal overlaid by anomaly picks and FLEM grids/lines.

Those combined VTEM and gravity anomalies shallower than 150m and those VTEM anomalies deeper than 150m not able to be modelled from the VTEM data were surveyed with Fixed Loop EM in early 2012 to provide data to enable drill targeting.

All raw, processed and modelled digital data is submitted with this report.
The key report on the FLEM and the selection of drillholes and modelled targets is Newexco's August 2012 Report 594.

Drilling

Drake selected 5 targets initially for drilling which were drilled in mid-2014.

The program was managed and core logged by geologist Rune Wilberg with oversight by ex mine Chief Geologist Gudmund Grammeltdvedt. Core was cut and is stored at the Løkken core library.

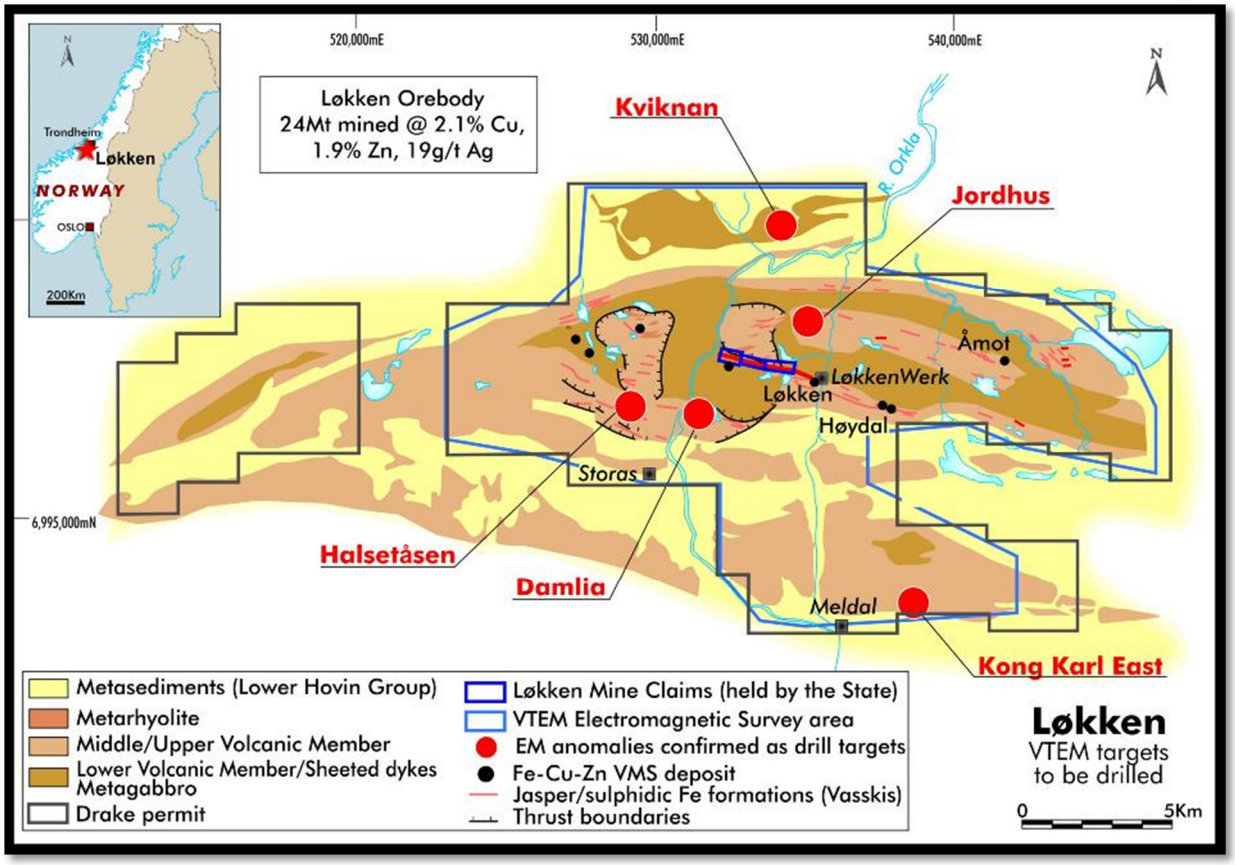

Fig 9. Plan showing the 5 initially selected VTEM anomalies for follow up drilling conducted in 2014.

Wilbergs report is as follows:
Exploration drilling, June-July 2014

Core drilling of 5 holes was conducted by Drillcon/SMOY during the period June 28 to July 22.
Geological logging, including registration of core orientation, and measurements of magnetic susceptibility and RQD was conducted in NGU`s core archive at Løkken. All holes are deviation surveyed.

<u>Magnetic susceptibility</u>
Susceptibility is measured systematically every meter by scanning at least 10 cm of the core. Instrument: Geoinstruments JH-8.

<u>Core quality and recovery</u>
RQD (rock quality designation) is developed to provide a quantitative estimate of rock mass quality, and is based on the percentage of intact core pieces longer than 100 mm in the total length of core and is calculated as RQD = (Length of core pieces > 10 mm / drilled length) x 100. RQD is measured and calculated in percent for every 10 m section (see log sheet) to assess the core quality down the hole. RQD is classified and rated after specific intervals (0-25 % = `very poor`, 25-50 % = `poor`, 50-75 % = `fair`, 75-90 % = `good` and 90-100 % = `excellent`).
Total core recovery (TCR) = (Total length of core recovery / drilled length) x 100.

<u>Core orientation</u>
Core orientation is carried out by Ezy-Mark every run. Strike and dip of schistosity and/or bedding is measured only when accuracy is judged reliable. The reason that this is seldom achieved is mainly because of massive and structureless rock, and also in cases where the orientation pins do not fit the core end, and/or trace of rotation can be observed, and no pencil mark is set.

Deviation survey
All holes are multi shot surveyed by Reflex EZ-Track.

Kviknan
Drill hole 14LKDD001 at UTM 533230 7004405, inclination 75°, azimuth 180°, 99.30 m depth.
This 99.30 m deep hole intersects entirely Gula Group metasediments – greywacke and graphitic phyllite. The upper 43.90m is metagreywacke, probably including a volcanogenic component. The medium grained metagreywacke is generally banded, with sections of massive varieties. These latter are grey, silicious and homogeneous, while the banded sections are greenish (chlorite) and more fine grained. Some sections, like between 10-22 m and 34-40 m, contain magnetite dissemination. Pyrite occurs as scattered euhedral grains up to 3-4 mm, and in tiny segregations. Thin, light coloured bands are carbonate rich. Occasional carbonate veinlets. A couple of places also red carbonate in small lenses is observed. Minor quartz veining, a few with some pyrite grains.
The phyllite below 43.90 m is strongly deformed, with intense folding, crumbling and shearing, and contains frequent quartz veins. It varies in few-meter scale between black and graphite rich to light grey, with no graphite. The graphitic sections contain approximately 5 % sulphides (50/50 of pyrite and pyrrhotite) as dissemination and in thin stringers, and also within quartz-carbonate veins and veinlets. Sulphides are occasionally enriched to 10-15 % in few-cm, up to 10 cm thick sections, like between 75.75-75.85 m depth (fig. 1).

Magnetic susceptibility is low in the greywacke, except where magnetite dissemination occurs, and increases distinctly in the phyllite below 43.90 m.
Strike and dip of schistosity, and in the greywacke also bedding, is generally between 270-290°/40-65°.

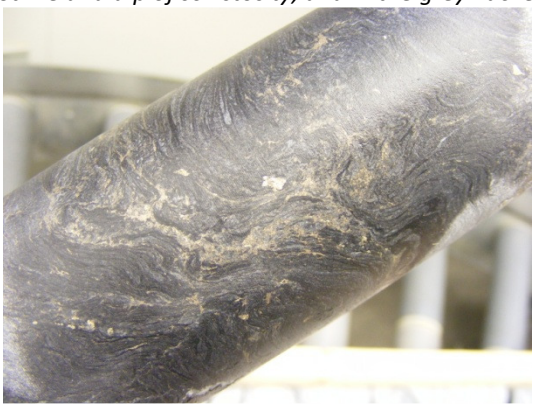

Fig. 1. Pyrite and pyrrhotite in graphitic phyllite. Kviknan 75.80 m.

Damlia
Drill hole 14LDDD001 at UTM 531452 6998522, inclination 50°, azimuth 235°, 206.85 m depth.
The conductor(s) is located within the upper pillow lava unit. The hole intersects predominantly basaltic lava flows, occasionally with pillow structure, and minor beds of light coloured chert, black chert and jasper, subordinate deposits of pyroclastics and volcanogenic sediments, and also layers of iron sulphide exhalite expressed as fine grained, massive pyrite (`vasskis`), up to 88 cm thick, which explain the EM anomaly.

The basalt varies from rather dark green and minor dark grey to very light with exceeding albitisation. A few thin sections are grey-blue (magnetite dissemination) and red-brown (hematite dissemination). It is fine grained, with subordinate medium grade sections with transitional gradation to fine grained.
Pillow structure can be seen many places, often with hyaloclastite along the rims (fig. 2), while on the other hand major units are massive and structureless. Larger pillows probably occur, indicated by few centimetre thick epidote filling between pillows. In the upper part of the hole hydrothermal solutions percolating fractures have resulted in very limited (few mm) sericite alteration, enveloped by epidotisation (fig. 3).
Carbonate occurs in veins and vesicles, as does epidote. Minor sections are variolitic, with epidote in spherulites. Some sections are very fractured, probably caused by cracking between pillows. Pillow breccia is observed a few places. Pyrite and pyrrhotite dissemination are very weak in the basalt.
A gabbroid rock, possibly a sill, with ophitic texture (fig. 4) is intersected at 131.40-133.00 m.

Fig. 2. Epidotised pillows with hyaloclastite rims. Damlia, 10.15 m.

Vasskis layers (fig. 5 and 6) composed of very fine grained pyrite and probably subordinate pyrrhotite are hosted in both (and often an intermix of) chert and volcanogenic, finely laminated sediments/tuffite, often magnetite bearing. These sediments often show colour banding. Even if mm-thin pyrite lamellae occur in the many cherty beds above, it is below 195 m depth that the vasskis horizons occur in significant thicknesses, with the thicker between 199.12-200.00 m.

Due to the massive character of the dominant lithology, the basalt, only one core orientation was possible to obtain, of bedding in volcaniclastic sediment. It is 5°/40°, however not in correspondence with general strike and dip at surface.

Fig. 3. Fracture with sericite rims, enveloped by epidote altered basalt. Damlia, 11.80 m.

Fig. 4. Gabbroid rock with ophitic texture. Damlia, 132.00 m.

Fig. 5. Vasskis. Damlia, 195.90 m.

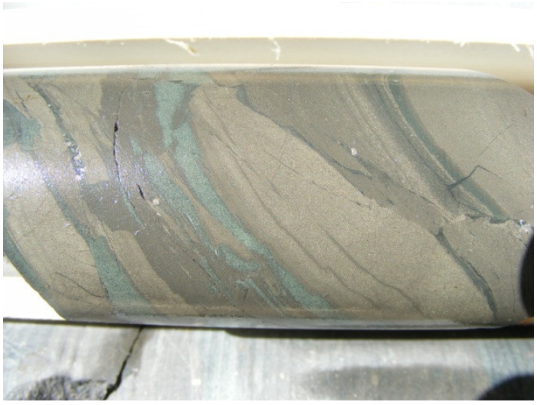

Fig. 6. Vasskis. Damlia, 196.15 m.

As can be seen in the log, magnetic susceptibility is highly variable, from the low-magnetic albitised basalt through unaltered to magnetite disseminated lava, to magnetite rich cherts and volcaniclastic, tuffaceous sediments. The massive vasskis horizon at 199.12-200.00 m is very low in susceptibility, whereas the immediate structurally underlying (stratigraphically above) volcaniclastic is highly magnetic.

Deviation surveying was possible only down to 123 m, due to major fault/clay zones and fracturing. Several fault zones with brecciation occur between 119 and 153 m. The breccia is composed of basalt fragments in clayish matrix. Earlier generations of active tectonic activity are also demonstrated in one of these breccia zones, where a jasper- and basalt fragment shows breccia veining of pyrite and later carbonate veining.

Jordhus

Drill hole 14LJDD001 at UTM 534750 7001580, inclination 70°, azimuth 180°, 180.25 m depth.
This hole intersects conductors in two levels, iron sulphide mineralised jasper at 102.84-116.76 m, and vasskis (massive pyrite exhalite) at 167.53-169.56 m. Traces of chalcopyrite occur associated with pyrrhotite in yet another, minor mineralisation below, at 171.36-171.76 m. Lithologies encountered are chiefly basalt flows with subordinate chert/jasper beds and adjacent thin volcanigenic sediments, and two thin dolerite dykes.

The basalt is generally aphanitic, both green and grey varieties. Major sections are quite strongly epidotised, both pervasively and patchy, and vein bound. Moderate albitisation is common, which is also carbonate veining and axinite-carbonate-epidote veining. Pillow structures with hyaloclastite interstices are occasionally encountered (fig. 7). The basaltic section between 121.50-167.53 is atypical, very homogeneous, grey and with larger grain size (still fine grained). The homogeneous character is also expressed in levelled magnetic susceptibility – only the lower 3.5 m is enhanced, coinciding with sericite alteration in the (stratigraphic) foot wall basalt of the (structurally) underlying exhalative vasskis.

Fig. 7. Pillow lava with hyaloclastite, 26.20 m, Jordhus, shows both unaltered and epidotised pillows.

A significant jasper bed (also minor light grey, blue grey and green varieties of chert intercalated) is intersected between 102.84 and 116.76 m. It is veining and dissemination of pyrite and subordinate pyrrhotite and magnetite through the entire section, but the richer part occur between 113.65 and 116.76 m (fig. 8). It is semimassive between 116.33-116.76 m (fig. 9).
A 2 m thick vasskis is intersected between 167.53-169.56 m (fig. 10). It is massive, very fine grained pyrite and subordinate pyrrhotite with a pronounced lamination and contains intermixed layers (few mm thin) of light sericitic sediment. The lower (stratigraphically upper) few cm (and mm-thin layers elsewhere) is enriched in magnetite. Above the vasskis contact 0.5 m thickness of the basalt carries significant dissemination and a few, up to 5 mm thick beds of massive pyrrhotite. Below the lower vasskis contact 1 m of the basalt contains dissemination and up to 2 cm thick semimassive beds of pyrite, pyrrhotite and magnetite.
Within the 40 cm thick section between 171.36-171.76 m (fig. 11), pyrrhotite and traces of chalcopyrite are contained in a 16 cm thick chert and also in adjacent volcanogenic sediments above and below, as up to 4 cm thick massive beds, veins and dissemination.

Fig. 8. Chert with vasskis. Sulphides (pyrite and subordinate pyrrhotite, and also magnetite) have apparently plumed up through the silica gel and fed overlying stratified exhalite/vasskis (to the right). Jordhus, 115.00 m.

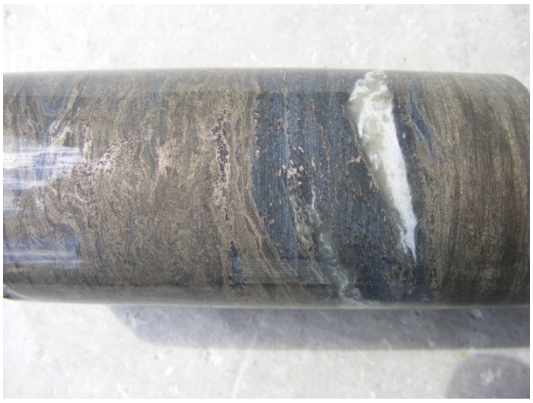

Fig. 9. Vasskis in `black` chert. Jordhus, 116.65 m.

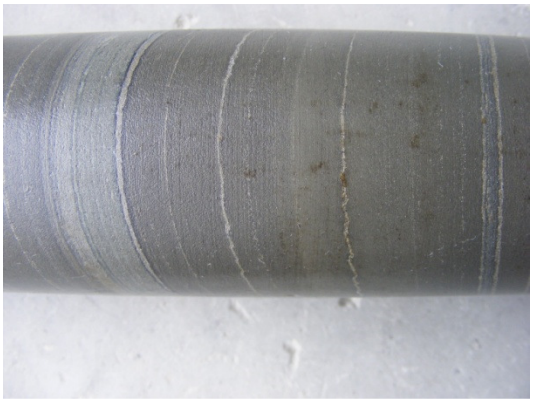

Fig. 10. Massive, banded vasskis. Jordhus, 168.60 m.

Two thin dolerite dykes are encountered in this hole. The dolerite is fine grained and darker than the intruded basalt. These dykes have sharp contacts and mm-thin chilled margins, and one shows flow banding. A few basalt xenoliths are incorporated along one dyke margin.

As the rock is occasionally very fractured and also contains three breccia zones with clay alteration, the Jordhus hole is cased with PVC rods to facilitate down hole EM.

Fig. 11. Massive pyrrhotite beds in carbonaceous volcanogenic sediments, in contact with chert (left). Jordhus, 171.45 m.

Kong Karl East

Drill hole 14LKKDD001 at UTM 538543 6991822, inclination 45°, azimuth 0°, 132.80 m depth.
Explanation for the conductor might be found already in the first drilled meter, even if this is some distance south of the predicted conductor. Overburden is thick, 29.80 m. Upper 35 cm of bedrock (29.80-30.15) is black, graphitic limestone. 30.15-30.40 is matrix supported limestone breccia, and 30.40-30.80 m is sheared mix of sericitic basalt

and calcareous, graphitic schist. These thin graphitic schist bands and lenses carry occasionally strong pyrite dissemination.
Below the assumed thrust, the drill hole intersects entirely basalt with occasional pillow structures and veining of carbonate, carbonate-quartz-epidote, and axinite-carbonate-epidote(-magnetite).
Two carbonate rich semimassive pyrrhotite-pyrite (few chalcopyrite grains observed) bands occur at 124.95-124.96 (1 cm thick, pyrite dominated) and 126.95-127.00 m (4 cm thick, pyrrhotite dominated, fig. 12).
The upper part of the hole is very fractured and the hole is therefore PVC cased to facilitate down hole EM.

Fig. 12. Pyrrhotite-pyrite bands in carbonate-sericite rich layer, in pillowed basalt. Also sulphide dissemination in the dark rims between pillows to the left. Kong Karl East, 126.00 m.

Halsetåsen
Drill hole 14LHDD001 at UTM 528982 6998550, inclination 65°, azimuth 245°, 378.20 m depth.
Halsetåsen was drilled well below the target depth at 345 m without penetrating this lower conductor plate. However, at higher levels, between 100 and 151 m depth, several iron sulphide mineralisations were intersected.
The major unit encountered in this hole is a thick succession of uniform pillow lava between 151 and 378 m, only interrupted by a single, less than one meter thick jasper bed. The uniformity is also expressed in an even and very low susceptibility level all along the 227 m thickness. This basalt lava is pronouncedly well pillowed, with substantial hyaloclastite between pillows, and variolitic texture is common. Pronounced semi-pervasive epidotisation is characteristic, and epidote also occurs in veins and varioles. Carbonate- and carbonate-axinite-epidote veining is ubiquitous.
This thick pillow lava unit is structurally overlain by a 151 m thick mixed succession of basalt with layers of chert/jasper and volcaniclastic sediments, both frequently sulphide mineralised, and three dolerite dykes with sharp contacts. This upper basalt lava is very magnetite rich, specially the upper 40 m, and also carbonate rich, and carries scattered pyrite grains and clusters. Pyrite also occurs in carbonate veins.
Most of the flows in this upper, mixed unit are pillowed but in the lower part also a couple of massive flows occur. Between 132-141 m is a coarse grained gabbro with transitional gradations to fine grained, with a one meter thick mylonite (part of it is subsequently brecciated and clay altered) above.
Several chert and jasper beds/lenses are intercalated in the basalt between 75-151 m depth, but they are of very limited thickness compared to outcrops seen in the jasper quarry. Mafic volcaniclastics are a more substantial part of the succession between 59-151 m, and they are often very carbonate rich.
Pyrite and pyrrhotite mineralisations are frequent in the interval 100-151 m. Most of the sulphide beds are hosted in mafic volcaniclastic, often sericite-chlorite altered sediments, a few with a silicious, cherty component (fig. 13). More seldom pyrite beds are hosted in chert, like between 100-102.75 m where the chert contains massive pyrite beds up to a few cm thick (fig. 14).
The main vasskis mineralisation, which is graphitic, occurs between 102.75-102.96 (fig.15), and the sediment below (102.96-104.15) hosts several few-cm thick massive pyrite layers.

Strike and dip of the upper jasper contact, and banding in the jasper, at 309.20 is 297°/53°.

PVC casing is installed in the hole.

Fig. 13. Pyrrhotite-pyrite mineralisation in mixed mafic/siliceous sediment. Halsetåsen, 150.88 m.

Fig. 14. Chert with massive pyrite bed. Halsetåsen, 102.30 m.

Fig. 15. Vasskis. Halsetåsen, 102.90 m.

Base metals except traces of chalcopyrite are not encountered in any of the holes. Exhalative sulphidic iron formations, however, are frequent, both hosted in chert/jasper and in mafic volcaniclastic sediments.

July 22 2014
Rune Wilberg

Half core samples were submitted to ALS, Piteå for analysis and their raw data and reports are presented with this report.
Dill logs, survey data, geology, sample and drill related data are presented with the raw data sent with this report.

In summary four of the drillholes, Halsetåsen, Kong Karl, Jordhus and Damlia intersected at least one and in some cases numerous "vasskis" horizons within the modelled target EM conductor plates which explained the EM anomaly.
"Vasskis" is the Norwegian term for an exhalative iron formation unit and is comprised largely of pyrite +- magnetite, cherty silica, jasper.
Vasskis horizons occur lateral to the main Løkken orebody within the dominant basaltic pillow lava sequence typical of the classic Cyprus type copper orebodies. They may be proximal or distal to the orebody. A study of the geochemistry of the vasskis in more detail might provide indicators and vectors to ore grade copper zinc mineralisation in the vicinity.

At Kviknan the EM conductor was a graphitic unit with minor pyrite and pyrrhotite mineralisation.

Assay results are reported below:

Drillhole	East	North	Dip	Azimuth	From (m)	To (m)	Width (m)	Cu (%)	Zn (%)
LH001 Halsetåsen	528982	6998550	-65	245	100.61	100.71	0.1	0.03	0.03
					102.75	102.96	0.21	0.03	0.09
					102.96	104.15	1.19	0.02	0.04
					144	144.17	0.17	0.02	0.01
					147.33	147.54	0.21	0.05	0.03
					150.63	150.89	0.26	0.02	0.03
LK001 Kviknan	533230	7004405	-75	180	75.63	75.74	0.11	0.01	0.01
LKK001 Kong Karl	538543	6991822	-45	0	126.95	127.06	0.11	0.02	0.00
LJ001 Jordhus	534750	7001580	-70	180	113.85	113.97	0.12	0.01	0.03
					116.33	116.76	0.43	0.01	0.04
					167.65	169.47	1.82	0.01	0.06
					171.36	171.66	0.3	0.01	0.01
LD001 Damlia	531452	6998522	-50	235	195.87	196	0.13	0.03	0.03
					199.28	199.9	0.62	0.04	0.03

Table One: Drill results from sulphide intercepts at target depths at the 5 Løkken Drill holes.

CONCLUSIONS AND RECOMMENDATIONS

Following the gathering and review of all available literature on the Løkken mine area Drake and it's joint venture partner Panoramic Resources Ltd flew a VTEM survey over a large part of the group of claims in 2011. As a result of ground gravity and Fixed Loop EM follow up work on anomalies generated by the VTEM, Drake selected the 5 highest priority targets for drilling. Four of the drillholes, Halsetåsen, Kong Karl, Jordhus and Damlia intersected at least one and in some cases numerous "vasskis" horizons within the modelled target EM conductor plates which explained the EM anomaly but which were geochemically only weakly anomalous in copper and zinc, the key metals sought.

The fifth Kviknan intersected an unmineralised graphitic unit.

In January 2015, the joint venture partners elected to relinquish the whole area.

EXPENDITURE

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