

FINAL REPORT
ON PARTS OF SULITJELMA CLAIMS 1, 2, 3, 4, 5, 6, 7, and 8.
RELINQUISHED IN JANUARY 2015
SULITJELMA PROJECT

NORTHERN NORWAY

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EXECUTIVE SUMMARY

The Sulitjelma Mines have produced in excess of 25Mt of Cu Zn ore. Drake applied for 18 exploration claims in 2010 and 2011 and all were granted in 2011. A further claim 25 was applied for in August 2014 following a VTEM survey. The claims cover down dip and along strike extensions of the mineralisation and extensive outcrop of massive sulphides lateral to the ore bodies.

The most significant ore bodies and remaining resources are held by Ny Sulitjelma Mines. These extensive massive sulphide outcrops appeared poorly explored and as no exploration had been conducted since the 1980's 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.


Upon completion of 2 years of tenure and with increased rentals and budget pressures, the joint venture decided in January 2013 to relinquish those areas deemed to be non-prospective being parts of claims 1,2,3,4,5,6,7,8,11,12,17 and all of claims 15 and 18.

Upon completion of 3 years of tenure and with the increased rentals and further budget pressures, the joint venture decided in January 2014 to further relinquish those areas deemed to be less-prospective being claims 12,13 and 14.

In January 2015 the joint venture following the flying of a VTEM survey decided to relinquish further parts of claims 1, 2, 3, 4, 5, 6, 7, and 8.

Drake on behalf of the JV has conducted extensive work in recovering and scanning all mine and exploration reports in the area and then bringing this data into a GIS and 3D database. It flew a VTEM survey in 2014 which did not generate anomalism in the areas subject to this report warranting follow up. As a result no fieldwork was conducted on the areas relinquished the subject of this report.

Reporting and the provision of data on the VTEM survey in the areas the subject of this report is submitted with this report together with expenditure proportionately incurred during the tenure.



Title

The Sulitjelma claim application 1-15 were submitted in November 2010 to cover the outcropping massive sulphides in the Sulitjelma Mining area and their down dip extensions. The claims were granted to Drake, on 15/03/2011 as 0077-1/2011 to 0091-1/2011. Applications for claims 16, 17 and 18 were submitted during early 2011 and were granted respectively as 0283-1/2011, 463 and 464-1/2011.

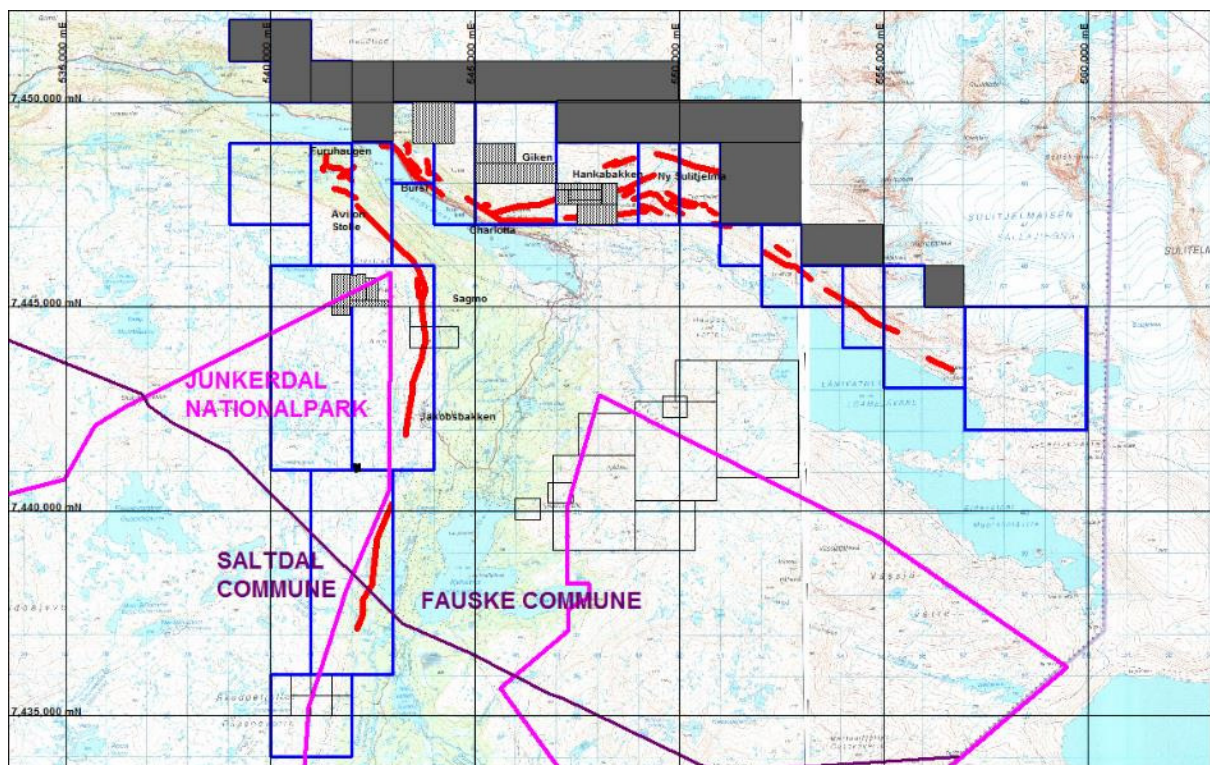
Details of the originally granted claims are presented in the following table.

Number	Name	Company	Area	Granted date
0077-1/2011	SULITJELMA 1	DRAKE RESOURCES LTD.	10000000	15/03/2011
0078-1/2011	SULITJELMA 2	DRAKE RESOURCES LTD.	10000000	15/03/2011
0079-1/2011	SULITJELMA 3	DRAKE RESOURCES LTD.	10000000	15/03/2011
0080-1/2011	SULITJELMA 4	DRAKE RESOURCES LTD.	10000000	15/03/2011
0081-1/2011	SULITJELMA 5	DRAKE RESOURCES LTD.	10000000	15/03/2011
0082-1/2011	SULITJELMA 6	DRAKE RESOURCES LTD.	10000000	15/03/2011
0083-1/2011	SULITJELMA 7	DRAKE RESOURCES LTD.	10000000	15/03/2011
0084-1/2011	SULITJELMA 8	DRAKE RESOURCES LTD.	10000000	15/03/2011
0085-1/2011	SULITJELMA 9	DRAKE RESOURCES LTD.	10000000	15/03/2011
0086-1/2011	SULITJELMA 10	DRAKE RESOURCES LTD.	10000000	15/03/2011
0087-1/2011	SULITJELMA 11	DRAKE RESOURCES LTD.	10000000	15/03/2011
0088-1/2011	SULITJELMA 12	DRAKE RESOURCES LTD.	10000000	15/03/2011
0089-1/2011	SULITJELMA 13	DRAKE RESOURCES LTD.	10000000	15/03/2011
0090-1/2011	SULITJELMA 14	DRAKE RESOURCES LTD.	10000000	15/03/2011
0091-1/2011	SULITJELMA 15	DRAKE RESOURCES LTD.	9000000	15/03/2011
0283-1/2011	SULITJELMA 16	DRAKE RESOURCES LTD.	10000000	8/06/2011
0463-1/2011	SULITJELMA 17	DRAKE RESOURCES LTD.	10000000	2/09/2011
0464-1/2011	SULITJELMA 18	DRAKE RESOURCES LTD.	9000000	2/09/2011

Details of the claims held as at Jan 2015 are presented in the table below.

ID	Name	Holder	Area	Grant Date
0077-3/2011	SULITJELMA 1	DRAKE RESOURCES SWEDEN AB	1000000	15/03/2011
0077-4/2011	SULITJELMA 1	DRAKE RESOURCES SWEDEN AB	5000000	15/03/2011
0077-2/2011	SULITJELMA 1	DRAKE RESOURCES SWEDEN AB	3000000	15/03/2011
0086-1/2011	SULITJELMA 10	DRAKE RESOURCES SWEDEN AB	10000000	15/03/2011
0087-2/2011	SULITJELMA 11	DRAKE RESOURCES SWEDEN AB	4000000	15/03/2011
0283-1/2011	SULITJELMA 16	DRAKE RESOURCES SWEDEN AB	10000000	8/06/2011
0463-2/2011	SULITJELMA 17	DRAKE RESOURCES SWEDEN AB	1000000	2/09/2011
0463-3/2011	SULITJELMA 17	DRAKE RESOURCES SWEDEN AB	2000000	2/09/2011
0463-4/2011	SULITJELMA 17	DRAKE RESOURCES SWEDEN AB	4000000	2/09/2011
0078-2/2011	SULITJELMA 2	DRAKE RESOURCES SWEDEN AB	3000000	15/03/2011
0078-3/2011	SULITJELMA 2	DRAKE RESOURCES SWEDEN AB	4000000	15/03/2011
0208-1/2014	SULITJELMA 25	DRAKE RESOURCES SWEDEN AB	9000000	30/10/2014
0079-2/2011	SULITJELMA 3	DRAKE RESOURCES SWEDEN AB	8000000	15/03/2011
0080-2/2011	SULITJELMA 4	DRAKE RESOURCES SWEDEN AB	8000000	15/03/2011
0081-2/2011	SULITJELMA 5	DRAKE RESOURCES SWEDEN AB	4000000	15/03/2011
0081-3/2011	SULITJELMA 5	DRAKE RESOURCES SWEDEN AB	3000000	15/03/2011
0082-2/2011	SULITJELMA 6	DRAKE RESOURCES SWEDEN AB	4000000	15/03/2011
0082-3/2011	SULITJELMA 6	DRAKE RESOURCES SWEDEN AB	5000000	15/03/2011
0083-2/2011	SULITJELMA 7	DRAKE RESOURCES SWEDEN AB	2000000	15/03/2011
0083-3/2011	SULITJELMA 7	DRAKE RESOURCES SWEDEN AB	3000000	15/03/2011
0084-2/2011	SULITJELMA 8	DRAKE RESOURCES SWEDEN AB	6000000	15/03/2011

Having reviewed available literature on the project and with rentals increasing in year 3 of the project and increased pressure on budgets, Drake recommended to the joint venture that portions of the claims be relinquished in 2013 as there had been no exploration and appeared to be very limited prospectivity and then again in 2014 because of limited potential and high access costs for any exploration. With flying of the VTEM survey in mid 2014 the Joint Venture was further able to reduce claims in Jan 2015 and as a result of results obtained from the survey applied for a new claim 25 having dimensions of 3km by 3 km in the extreme east close to the Swedish border.



Plan showing Drake JV claims as at Jan 2015, outlined in blue and areas partially relinquished in January 2015 in dark grey. Massive sulphide outcrops are shown in red lines and prior small claims are shown in grey stippling and thin black outline.

Location

The Sulitjelma Mine and the claim applications covering it, are located approximately 60kms east of the regional centre of Bodø and 30kms east of the town of Fauske in Northern Norway, just north of the Arctic Circle. The claims are located within the Fauske and Saltdal 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 into a 3D database, GIS to better understand remaining potential

of the area in a brownfields sense. At the same time, a GIS of all exploration data was compiled and it was intended to assess greenfields exploration potential and the approach to exploration that may be undertaken in this sub-arctic environment.

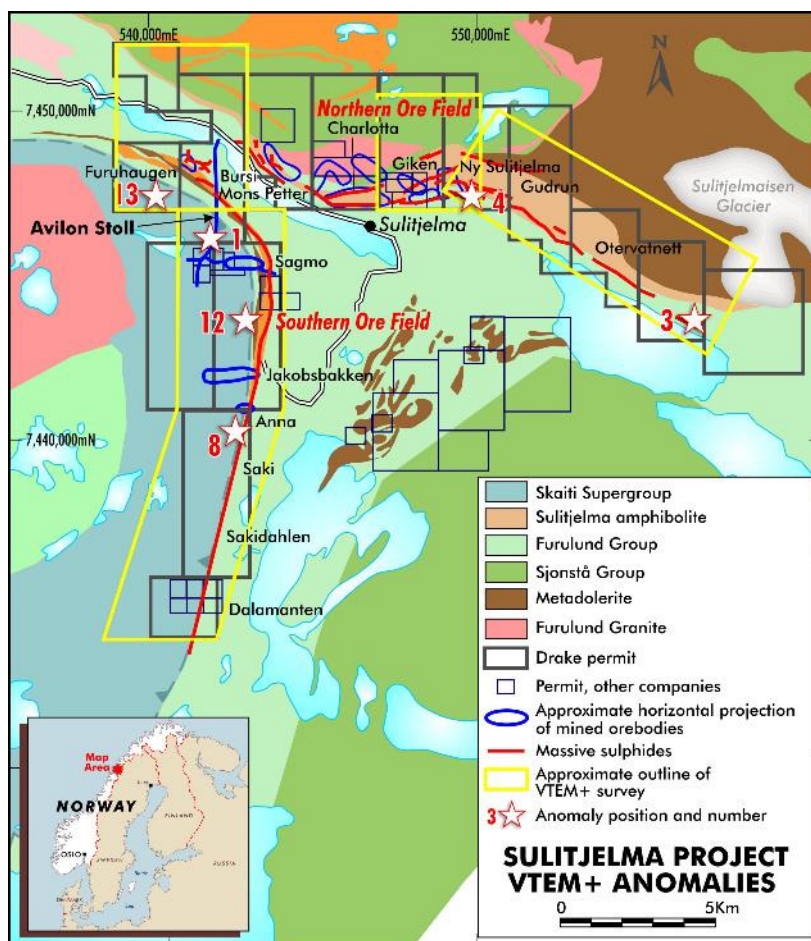
It was expected that as part of the exploration program modern airborne geophysics e.g VTEM would be followed up with drilling.

Work Conducted

During the first two years of the project Drake on behalf of the joint venture has had all prior exploration and mining reports and a number of plans scanned to pdf at great expense, for reference and review.

An exploration GIS was compiled, based on topo-cadastral data. DIGHEM magnetic and electromagnetic data and stream sediment geochemistry was obtained from the NGU and reprocessed. Prior ground geophysical surveys and geological maps were registered and brought into the GIS.

All drill hole data both exploration and underground was digitised and assay and where available, survey data, was brought in together with underground openings so as to generate a 3 D visual database.



A VTEM survey was flown by Geotech Ltd in August 2014 having approximate outlines shown in the adjacent plan.

The survey was flown with 150m line spacing.

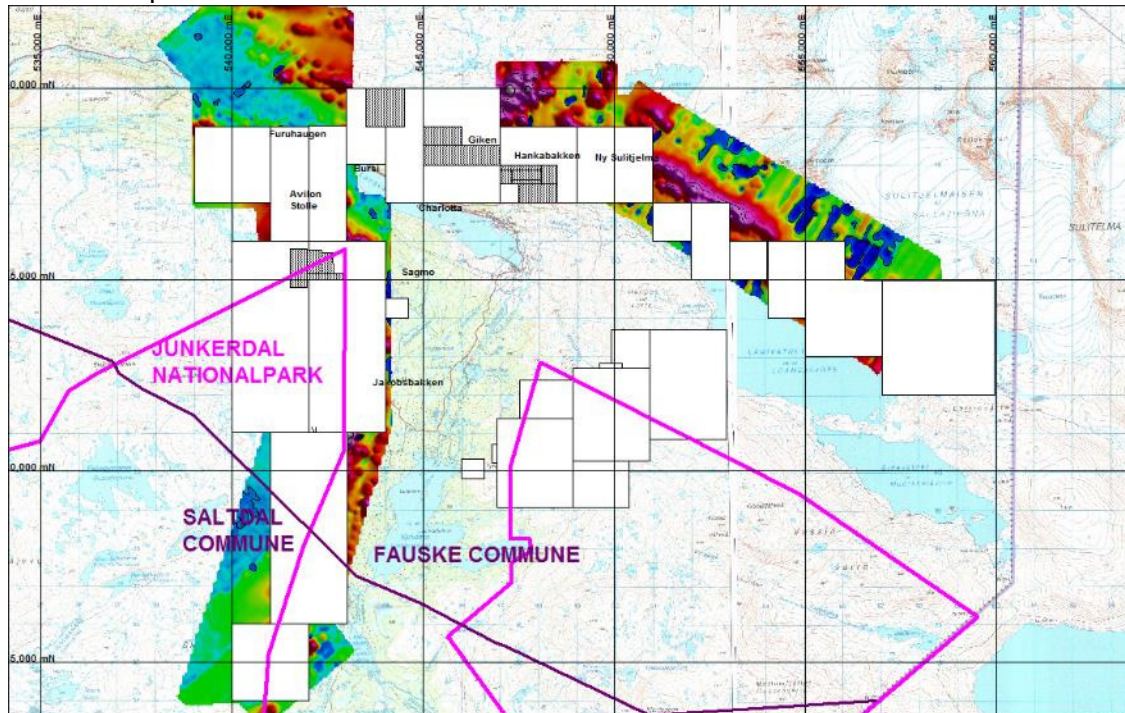
Small portions of the areas relinquished in Jan 2015 were covered with VTEM and as a result of subsequent processing, and modelling was deemed to have no significant conductors and was duly relinquished.

As there were no significant conductors no follow up work in the field was conducted.

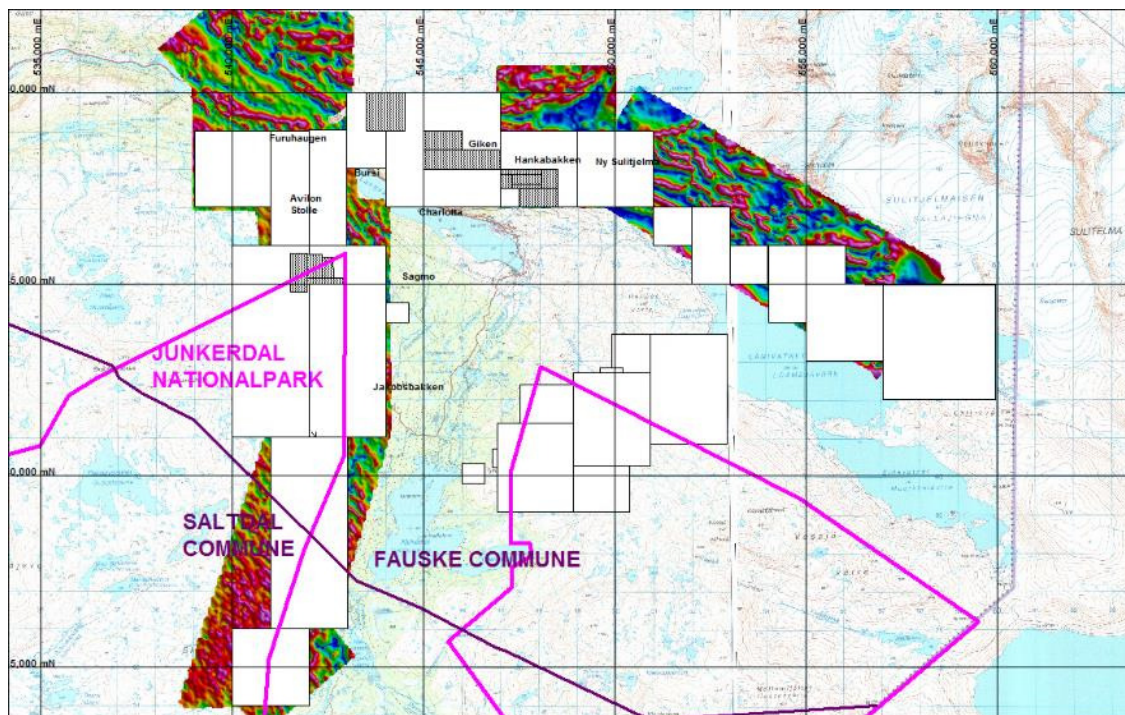
As a result therefore, VTEM survey specs raw and processed VTEM data over the relinquished area is submitted in digital form to accompany this report.



The following diagrams provide a clearer picture of the area surveyed relative to Drake claims and of the processed data.



Plan showing the VTEM B Field Z component Channel 28 Image of the areas relinquished.



Plan showing VTEM magnetic tilt derivative image of the areas relinquished

Conclusions and Recommendations

The only work conducted during 2014 was the flying of a helicopter borne VTEM survey flown by Geotech Ltd. Processing of the data and modelling was conducted by Newexco Ltd in Perth.

The modelled data was appraised in conjunction with prior exploration data and as a result a ground EM program was recommended to follow up anomalies in the retained areas. The areas relinquished contained some minor anomalism which upon appraisal of prior exploration resulted in the decision that no further exploration could be justified.

Because of their lack of prospectivity and budget pressures, these areas have been relinquished.

Expenditure

Drake's accounting system works on a project basis and it is not possible to breakdown expenditure that may have been incurred on claims or those parts of the claims recently relinquished on which this report is based.

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