

ASX ANNOUNCEMENT

28 January 2016

QUARTERLY REPORT FOR THE PERIOD ENDED 31 DECEMBER 2015

Summary

- Placement and rights issue to raise up to approximately \$810,000
- Board and management changes
- Cash balance of \$1.68 million at the end of the quarter

Draig Resources Limited (ASX: DRG) (**Draig** or the **Company**) is pleased to provide its Activities Report for the quarter ended 31 December 2015.

Placement and Rights Issue

During the quarter the Company entered into a fund raising mandate with Patersons Securities Limited (**Patersons**) to raise up to \$810,000, before costs.

The fund raising comprises two stages:

- Placement - On 31 December 2015 the Company issued 9,953,451 fully paid ordinary shares at a price of \$0.02 per share, raising \$199,069, before costs.
- Rights Issue - On 12 January 2016 the Company announced a 2:5 Non-Renounceable Rights Issue (**Offer**) at a price of \$0.02 per share, to raise approximately \$610,000, before costs. The Rights Issue is underwritten on a firm basis by Patersons as to 15 million shares, or \$300,000 of the Rights Issue proceeds. A prospectus was issued on 18 January 2016, with the Offer closing on 2 February 2016.

The Company is undertaking the capital raising to enable it to accelerate its review and analysis of other opportunities which may provide appropriate risk adjusted returns to shareholders. Funds raised under the Offer, together with existing funds, will assist the Company in negotiating potential opportunities and maintaining ongoing approaches from parties with different potential opportunities for the Company.

Board and Management Changes

Mr Ray Shorrocks and Mr Guy Robertson were appointed directors of the Company on 31 December 2015.

Mr Ray Shorrocks has over 20 years' experience in corporate finance and has advised a diverse range of mining companies during his career at Patersons, one of Australia's largest full service stockbroking and financial services firms. He has been instrumental in managing and structuring equity capital raisings as well as having advised extensively in the area of mergers and acquisitions.

Mr Guy Robertson is a chartered accountant with extensive experience in all aspects of the operation and management of ASX listed companies. Mr Robertson has held senior positions in a number of companies in the Jardine Matheson Group in Australia and Hong Kong, in the areas of insurance, property and retail.

Mr David Meldrum resigned as a director of the Company on 31 December 2015. The board extends its sincere thanks to David for his contribution to the Company.

Mr Robertson was appointed joint company secretary on 11 January 2016.

Operations and Cash Balance

During the quarter the Company continued to look for and assess new investment opportunities. The Company had a cash balance, after the share placement raising \$199,069 (before costs), of \$1.68 million as of 31 December 2015.

The Company continues to maintain its two exploration licences in Mongolia, 13581X and 13879X, details of which are as follows:

Name of Licence	Location	Licence Number	Interest at Quarter End	Change in Interest During Quarter
Teeg	Ovorhangay, Mongolia	13879x	75%	No Change
Urtiin Am	Ovorhangay, Mongolia	13581x	75%	No Change

Board and Management

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Directors

Peter Doherty – Executive Chairman
Guy Robertson – Non-Executive Director
Raymond Shorrocks – Non-Executive Director
Jarrod Smith – Executive Director

Company Secretaries

Jarrold Smith
Guy Robertson