

19 December 2016

## COMPLETION OF BELLEVUE GOLD PROJECT ACQUISITION, MANAGEMENT APPOINTMENT, EXPLORATION UPDATE

### HIGHLIGHTS:

- *Acquisition of the Bellevue Gold Project completed*
- *Appointment of Alex Passmore as CEO, significant resource and investment experience*
- *7 High priority exploration target areas identified*
- *Reconnaissance fieldwork commenced to define exploration program and target ranking*

### ***Completion of Acquisition***

Draig Resources Limited (Draig or the Company) (ASX : DRG) is pleased to advise that it has completed the acquisition of Golden Spur Resources Pty Limited, owner of the Bellevue Gold Project, as outlined in an announcement to the ASX on 22 August 2016 and approved by shareholders at a meeting held on 31 October 2016.

The Company has issued 60,000,000 ordinary shares in Draig to the vendors of Golden Spur as consideration for the acquisition.

### ***Management Appointment***

The Company is pleased to announce the appointment of Mr Alex Passmore as a consultant to the company fulfilling the role of Chief Executive Officer.

Mr Passmore is an experienced corporate executive with a strong financial and technical background. He has managed the arrangement of debt and equity financing for many well-known resources companies and has a wealth of experience in project evaluation. Most recently he managed the WA Natural Resources Business of Commonwealth Bank of Australia (Institutional Banking and Markets) which comprised a ~\$2bn portfolio of loan, hedge, trade finance and other working capital products to ASX listed and multinational resource entities.

Prior to this, Mr Passmore held senior roles at a national stockbroking firm including Director-Corporate Finance and Head of Research. Mr Passmore holds a BSc (Hons) in Geology from the University of Western Australia and a Graduate Diploma of Applied Finance and Investment from the Securities Institute of Australia.

For the provision of management services to the company Mr Passmore or his consulting company will receive remuneration of circa \$132,400 p.a. plus performance incentives which are currently under review.

**Exploration Plans**

An initial field reconnaissance trip to site has been conducted by representatives of the Board and key management in conjunction with a review of the extensive technical data relating to the Bellevue Gold Project.

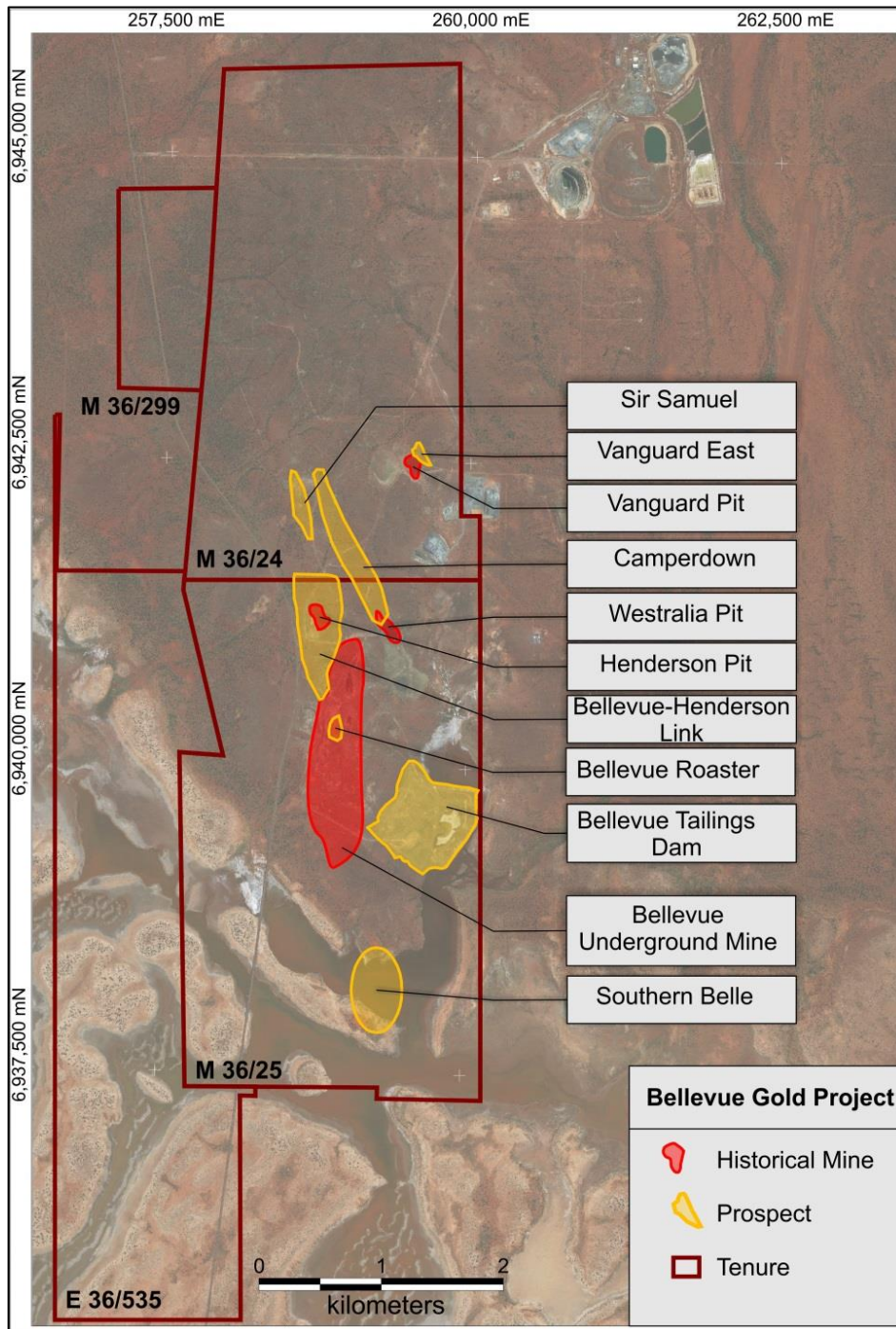


Figure 1: Bellevue Gold Project- Prospect Location Plan

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Key opportunities identified as a result of this process include:

- Extensive array of drill core requiring cataloguing and determination whether further sampling of uncut drill core is required
- Identification of historical workings and shear zones which have undergone limited historical testing to determine the potential tenor and extent of mineralisation beyond historical mining activities
- Down dip and along strike extensions to historical open pit and underground operations
- Historical tailings warranting further investigation at both the historical roaster site and more recent tailings from the open pit and underground operations

A program of prospect by prospect analysis to collate and digitise historical data is currently underway. Further releases will be made to market upon the completion of the data collation.

***Background on the Bellevue Gold Project***

The Bellevue Gold Project comprises several small open pits (Vanguard, Henderson, Paris, Westralia) and an underground mine (Bellevue) which were variously mined between 1982 and 1997 with total gold production of circa 750,000oz.

Mineralisation is thought to extend beyond these mined areas. The company is currently reviewing historical data and will undertake a systematic exploration programme in coming months to test near pit targets.

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Alex Passmore  
Chief Executive Officer

Ray Shorrocks  
Chairman

**Competent Persons Statement:**

The information in this announcement that relates to Bellevue Project Exploration Results is based on information compiled and fairly represented by Mr Robert Jewson, Managing Director of Geonomics Australia Pty Ltd, who is a Member of the Australian Institute of Geoscientists. Mr Jewson has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Jewson consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

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