

ASX ANNOUNCEMENT 26 May 2008

DRAKE-ZINIFEX ALLIANCE COMMENCES MAJOR ELECTROMAGNETICS SURVEY IN SWEDEN

Zinifex Ltd, (ASX Code: ZFX) as Manager of the Drake (ASX Code: DRK) -Zinifex Exploration Joint Ventures, has commenced a major, detailed airborne electromagnetics survey over ten of its licence areas in Sweden. This survey uses the state-of-the-art helicopter-borne time-domain VTEM system.

The contract is for 2,983 line kilometres covering 270 square kilometres.

These licence areas cover:

- The Falun copper-zinc mine, and prospective rocks in the Falun belt
- The prospective belt immediately north of Falun
- The area surrounding the historic Bersbo mine.



Location of the airborne surveys at Falun and Bersbo

Airborne electromagnetic (EM) methods are a powerful group of exploration techniques used by mineral resource companies in the search for base and precious metal-bearing, massive sulphide deposits. EM techniques have been highly successful in directly identifying commercial deposits of metals on most continents.

Electromagnetic methods measure the rates of decay of electrical currents that the EM system pulses into the ground. As the rate of decay depends largely upon the size and conductivity of the connected mass of an electronic conductor, EM methods lend themselves particularly well to the search for large massive sulphide bodies.

EM techniques are particularly well suited to surveys in glaciated terrains such as those in Sweden where fresh bedrock and unoxidised sulphides lie close to the surface, and there is little conductive overburden.

Examples of major mines discovered by electromagnetical techniques are Hellyer in Tasmania and Kidd Creek in Canada.

The main orebody mined at Falun over the past 1400 years contained a very large connected mass of massive sulphide which would have been an excellent EM conductor. The targets of the exploration at Falun are subcropping commercial bodies of these sulphide minerals that have not yet been detected.



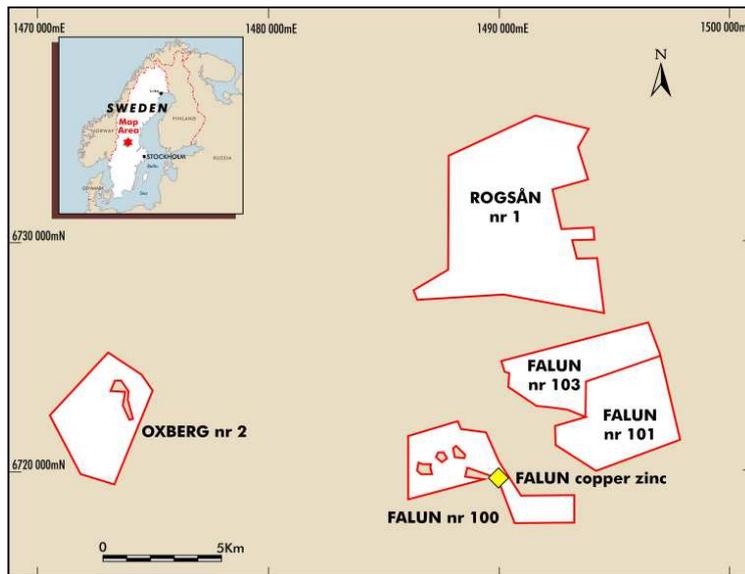
Sulphide minerals in drill core, Falun

The time-domain VTEM system, contracted by the Drake – Zinifex exploration Joint Venture, is operated by Geotech Ltd., a Canada-based firm that specialises in airborne geophysical surveys. The VTEM system is a 12-sided structure of cables which is transported by helicopter, as in the photo below. For more information on VTEM, see <http://geotech.ca/>



VTEM system

It is anticipated that the Drake-Zinifex VTEM survey in Sweden will directly identify sites for drill holes to test specific targets in these prospective areas.



Map of the licence areas at Falun being covered by electromagnetics

For further information contact

Bob Beeson
Managing Director

Tel.: (61) (0)3 98900292
bob@drakeresources.com.au

The information in this report that relates to Exploration Results, Mineral Resources, or Ore Reserves is based on information compiled by Dr Robert Beeson. Dr Robert Beeson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking. This qualifies Dr Beeson as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Robert Beeson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.