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ASX ANNOUNCEMENT 27 SEPTEMBER 2007



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NEW GEORGETOWN ZINC EXPLORATION PLAY

The Zinifex (ASX Code: ZFX) - Drake Resources (ASX Code: DRK) Alliance is pleased to announce that it has signed a joint venture agreement with Queensland Gold and Minerals Ltd (QGM) to explore the Werrington - Oak Park area, 50km south of Kidston in north Queensland.

The exploration permit area, EPM 14128, covers the Einasleigh Metamorphics that is considered prospective for world class Cannington and Broken Hill type lead-zinc-silver mines because:

- Part of the Palaeoproterozoic Einasleigh Metamorphics in the Georgetown block is correlated with Cannington and Broken Hill mine host sequences
- Relatively limited exploration has been completed compared to the Mt Isa and Broken Hill blocks
- Encouraging Broken Hill type resources occur in the same sequence:
Copper Strike's Chloe deposit: 1.82 Mt @ 2.23% lead, 5.12% zinc 42 g/t silver and 0.25% copper (80 kilometres to the north)
Jackson deposit: 0.49 Mt @ 4.06% lead, 5.26% zinc, 115 g/t silver and 0.11% copper
- The Werrington - Oak Park area contains similar rocks to those that host the base metal mineralisation to the north.

The Zinifex - Drake Resources Alliance has continued to expand its portfolio of properties prospective for zinc, lead and copper deposits with the signing of a joint venture agreement with Queensland Gold and Minerals Ltd (QGM) to explore the Werrington - Oak Park area in Queensland.

The main Werrington - Oak Park target area contains the Friday, Lauries, West Fence and Bloodwood base metal prospects. Only limited exploration has been completed in the area with the following results:

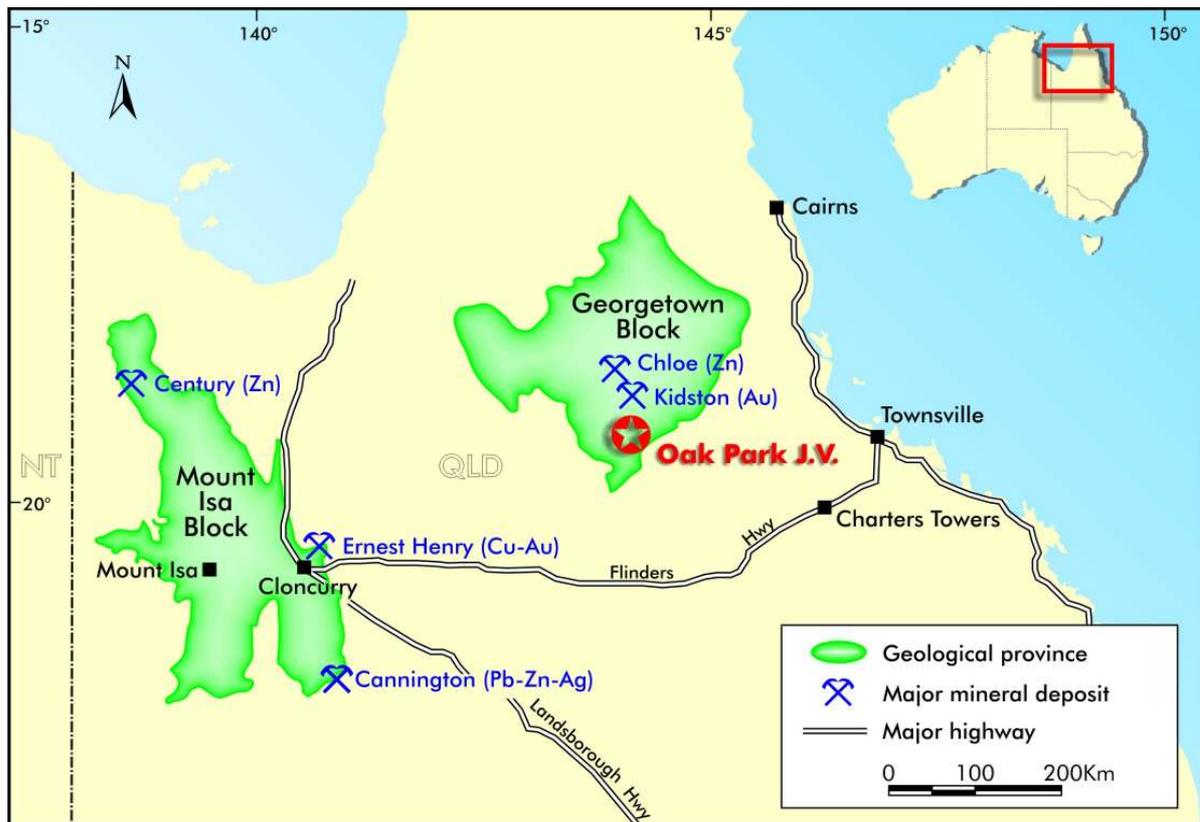
- Single drillholes testing the gossans locating sulphides with low percentage copper, zinc and barium values.
- The area has been explored for base metals in the mid seventies and early nineties without any systematic geophysical surveying or drill testing
- Detailed review of previous exploration has indicated that several prospective untested targets exist along strike and up sequence from the known prospects.

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Drake's Managing Director, Dr Bob Beeson, said: "The Oak Park target provides an excellent opportunity to explore one of a few most prospective areas in the Georgetown block with extensive gossan development, with the prospective zone extending under cover.

Previous exploration has focussed dominantly on gossan search and patchy ground geophysics. An integrated approach using systematic electromagnetics and detailed surface sampling will quickly lead to a selection of drill targets prospective for Broken Hill type deposits"



Location Plan - Oak Park Joint Venture

Under the agreement with QGM, the Alliance would have the sole right to explore and develop any Cu, Pb, Zn, Ag mineralisation within EPM 14128. The Alliance would commit to a minimum annual expenditure of \$50,000 until the completion of a Bankable Feasibility Study (BFS). The joint venture will be terminated after 5 years if a JORC defined base metal resource has not been established. At the completion of a BFS, Drake/Zinifex shall hold an 80% interest and QGM shall hold a 20% interest in the potential Mining Area, which would include the resource(s) and the required processing and infrastructure areas.

The Drake - Zinifex Alliance

Drake Resources Ltd and Zinifex Australia Ltd have an alliance to seek out zinc exploration and development opportunities in several of the most prospective areas around the world. Drake is the Manager of the Alliance. The purpose of the Alliance is to bring together



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Drake's technical project generation skills in base and precious metals exploration and Zinifex's operational capabilities in advanced project exploration, mineral project development and mining. The Alliance is focusing its search on the known prospective mineral provinces in Australia, Scandinavia, North America and southern Africa.

Under the terms of the Heads of Agreement, the Alliance is funded jointly with cash and in-kind contributions. Drake is identifying and presenting opportunities to the Alliance for consideration. Any project identified by the Alliance, but not accepted by Zinifex, can be taken up by Drake. Each of these areas of interest accepted by the Alliance will become a Drake – Zinifex exploration Joint Venture, initially sole-funded by Zinifex. Drake has the right to participate in each Joint Venture at the level of 30% or 10%, or to dilute its interest to a royalty.

For further information contact:

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Information Source

The information in this report that relates to Exploration Results, Mineral Resources, or Ore Reserves is based on information compiled by Mr Rick Berg. Mr Berg is a member of the AIG and 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 Mr Berg as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Berg consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.