



ASX ANNOUNCEMENT

6 SEPTEMBER 2007

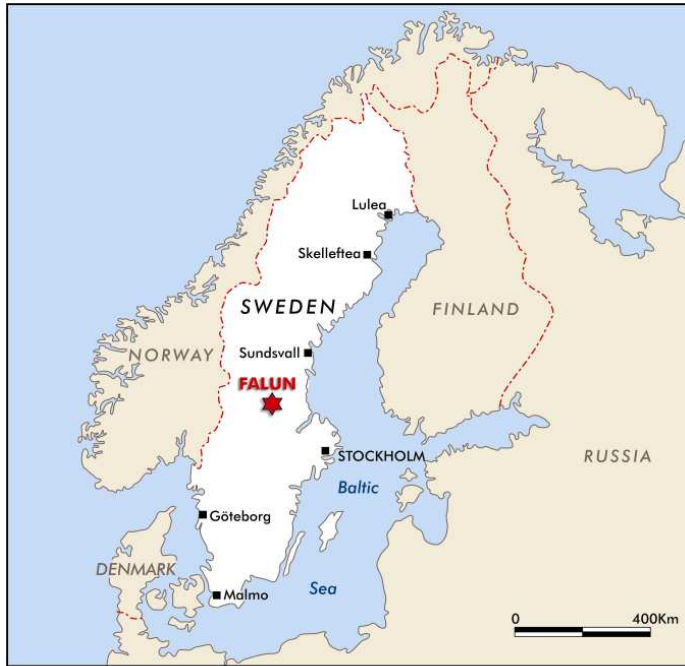


DRAKE - ZINIFEX JOINT VENTURE

EXPLORATION LICENCE COVERING UNEXPLORED AREAS IMMEDIATELY EAST OF THE HISTORIC FALUN COPPER MINE GRANTED

- The Drake (ASX Code: DRK) - Zinifex (ASX Code: ZFX) Alliance application for an exploration licence that covers the eastward strike extension the Falun copper mine host rocks has been granted
- The Domängruvan copper-zinc sulphide deposit is highly prospective for massive and disseminated sulphide mineralisation, and for gold vein mineralisation.
- The area was mined for sulphur in the First World War to 20 metres depth but remains open along strike and at depth
- Four Assay samples taken from the waste dump gave the following ranges for copper and zinc:
 - Copper: 0.03 – 4.4% Cu
 - Zinc: 0.8 – 6.1% Zn
- During the 17th and 18th centuries Falun was the world's largest copper mine, the Falun was also Sweden's largest gold mine and the second largest silver mine
- The area has been occupied by the Swedish military since the First World War, and no exploration has been permitted for almost a century
- Falun 101 forms part of the Drake and Zinifex portfolio in this major base metal belt
- The Alliance's exploration programme to evaluate the remaining mineral potential of the area has commenced
 - An airborne magnetics survey has been completed
 - Detailed geological and structural mapping has commenced
 - An airborne electromagnetic survey
 - This initial programme is sole funded by Zinifex (ASX Code: ZFX)

Drake Resources Limited is pleased to announce that the application for an exploration licence that includes the strike extensions to the east of the Falun Copper Mine in Sweden has been granted. The licence (Falun Nr 101) is a joint venture between Drake and Zinifex.



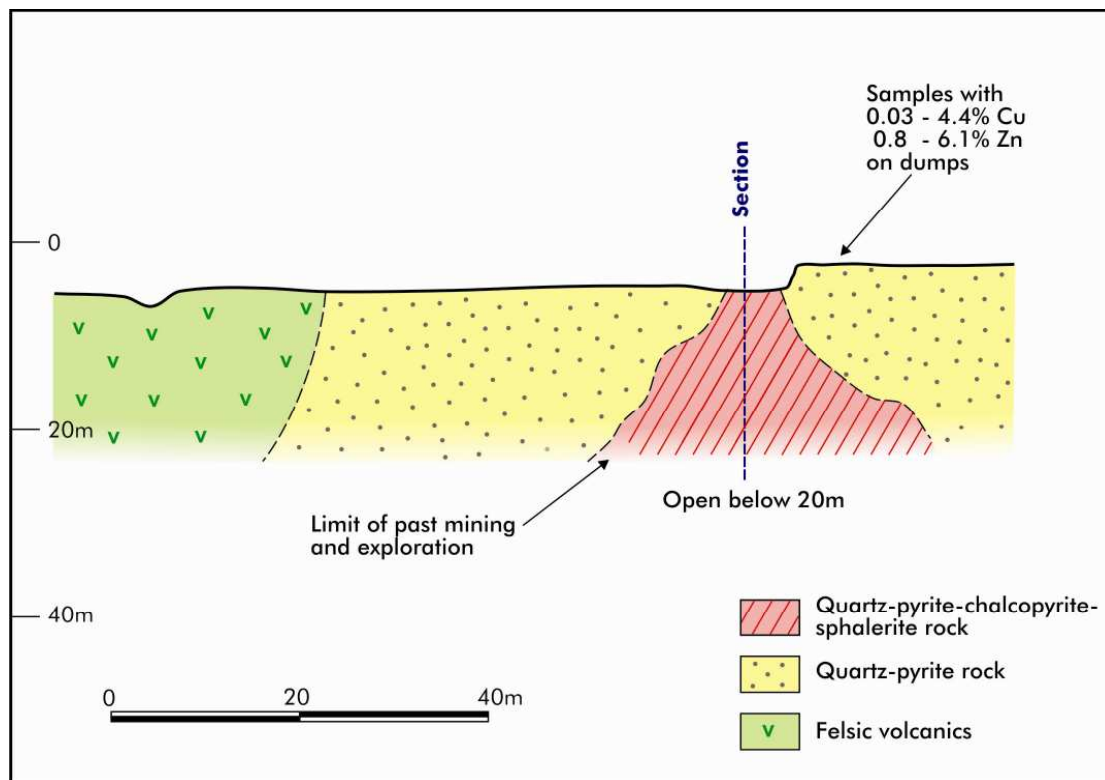
Sweden - Falun Location Map

The world-class Falun copper mine operated for over 1300 years until its recent closure in 1992. During the 17th and 18th centuries Falun was the world's largest copper mine. Whilst best known as a major copper producer, the Falun was also Sweden's largest gold mine and the second largest silver mine.

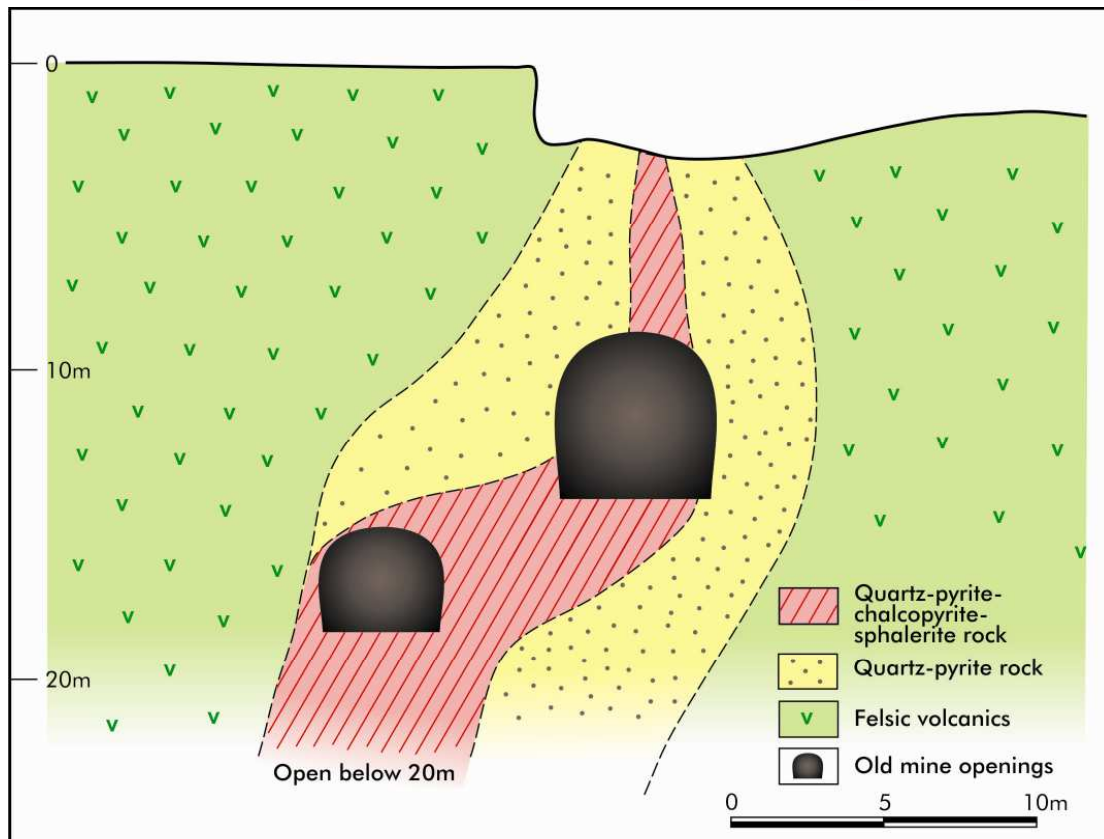
Application Falun 101 covers the area immediately east of the Falun township. This application contains the Domängruvan massive sulphide occurrence, which is a historic mine that closed in 1917.

Domängruvan was mined primarily for pyrite during the First World War. Development and drilling at the time reached depths of only 20 metres. The records of this mining, retained by the Mines Inspector's office in Falun, indicate that the material mined contained massive and disseminated sulphides.

The distribution of chalcopyrite- and sphalerite/galena-bearing quartz-pyrite rock within a halo of quartz pyrite rocks is shown on the sections and plans below.



Domängruvan : Long Section



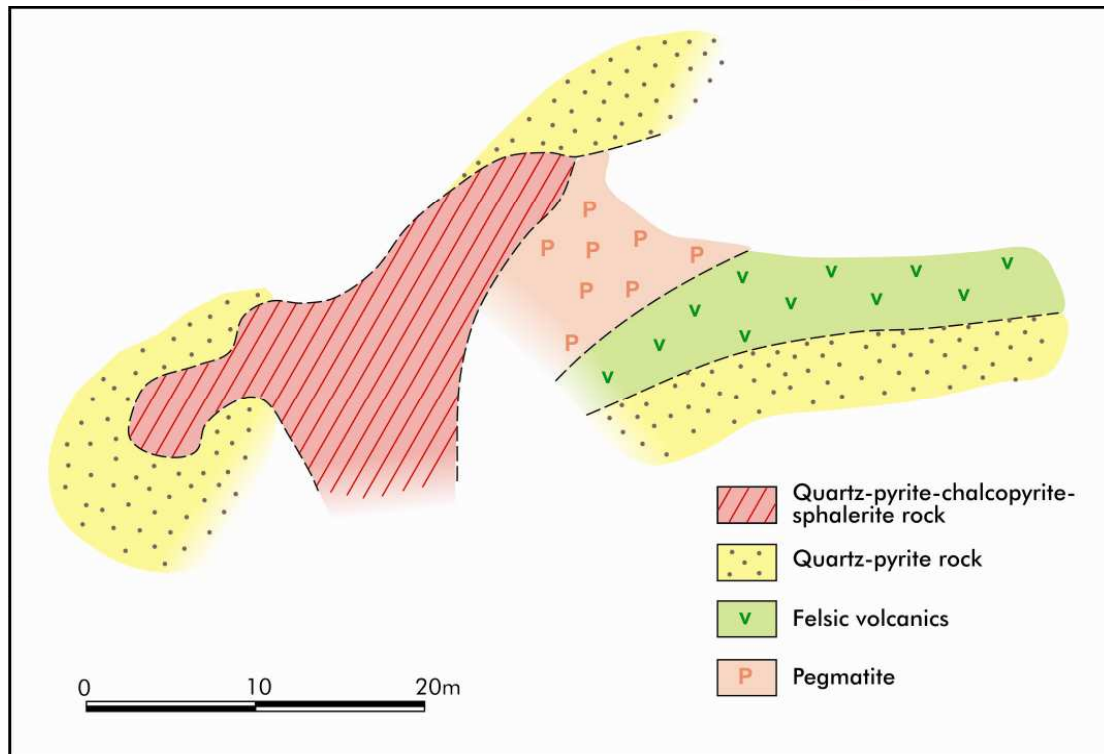
Domängruvan : Cross Section

The quartz-pyrite-chalcopyrite-sphalerite rocks appear to be increasing in strike and width between the surface and 20 metres depth. There has been no drilling below this depth.

Material on the waste dumps indicates that pyrite is the dominant sulphide, but sphalerite and chalcopyrite are also present. Four samples were collected from the waste dumps. The assays of these samples gave the following ranges for copper and zinc:

Copper: 0.03 – 4.4% Cu
Zinc: 0.8 – 6.1% Zn

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Domängruvan : Level plan at 15 metres depth

This area has been occupied by the Swedish military since the First World War, and no exploration has been permitted since then. This highly prospective zone has therefore not been subject to any recent exploration technologies, including geophysical surveys to detect mineralisation at depth.

The licence area also includes three iron ore occurrences, one of which is along strike from the Domängruvan sulphide deposit.

Drake and Zinifex are commencing their exploration with detailed airborne magnetics, airborne electromagnetics and detailed geological mapping. This programme is sole-funded by Zinifex.

For further information contact:

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Tel.: (03) 9890 0292

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.

Corporate Information

Directors

| | |
|--------------|--|
| B Fraser | Non-Executive Chairman |
| Dr B Beeson | Managing Director |
| J Stephenson | Non- Executive Director & Company Secretary |

Issued Capital

As at the date of this report the issued capital of the Company is comprised of:

33,250,000 fully paid ordinary shares
15,550,000 listed options