

ASX ANNOUNCEMENT

29 April 2008

REX MINERALS TAKES OPTION TO PURCHASE DRAKE RESOURCES' MT CARRINGTON GOLD-SILVER-ZINC PROJECT

Drake Resources Limited (Drake) (ASX Code: DRK) is pleased to announce that it has granted an option to Rex Minerals Limited (Rex) (ASX Code: RXM) to purchase all of its interests in the Mt Carrington gold-silver project in northern NSW. These interests include Drake's option to purchase a 90% participating interest in 22 mining and related leases from Virotec International PLC (Virotec), Drake's 90% interest in EL 6273 with Cazaly Resources Ltd (Cazaly), and its 100% interests in ELs 6452 and 6453. Drake's agreement with Rex follows lengthy discussions involving all four companies with a view to restructuring the project for advanced-stage exploration and resource assessment.

Mt Carrington is an epithermal gold-silver system. The project was mined by Mt Carrington Mines Ltd in the late 1980s, and lay dormant until Drake acquired its option over the leases in 2005.

Drake completed a focussed programme of data acquisition, processing and interpretation. This was followed by detailed structural mapping, and reverse circulation drilling of targets in the gold, silver and supergene copper systems. This work confirmed the presence of a gold-silver resource and Drake concluded that a major exploration and development programme would be required to progress the project. Drake's Managing Director, Bob Beeson, said that he was pleased that the arrangement with Rex was clearly in the strategic interest of both companies.

The terms of the option agreement are as follows:

- Rex has a 12-month option to purchase a 100% interest in the Mt Carrington project, including Drake's 90% participating interest.
- The consideration for the option over Drake's interest in the project is \$135,000.
- If Rex exercises the option to purchase, it will pay Drake the following further consideration:
 - \$765,000 cash, plus
 - \$1,350,000 in the form of Rex Shares, based on the volume-weighted average price of Rex shares during the 30 trading days prior to completion

The sale is conditional upon Rex obtaining the renewal of the Mining Leases, and the consent from the Minister to the transfer of the Mining Leases from Virotec's Mt Carrington Mines Pty Ltd to Rex.

In addition, the Drake Resources Board has accepted the offer from Rex Minerals Ltd for the following reasons:

- Development of the Mt Carrington property requires a level of expenditure that is beyond Drake's present funding capacity.
- Drake will retain an interest in Mt Carrington through its shareholding in Rex, plus exposure to Rex's high-quality gold and copper-gold exploration portfolio.
- The sale will provide cash to fund exploration of Drake's existing portfolio of properties, plus any new opportunities that emerge.
- The time taken to manage the complex Mt Carrington project will now be available for staff to focus on improving other Drake projects.
- Rex has the management and technical skills and the financial resources to fully exploit the opportunities as Mt Carrington.

Drake's main focus is its generative exploration Alliance and joint ventures with Zinifex Ltd. To date, Drake's generative activity has given rise to 17 exploration joint ventures which are currently being sole-funded by Zinifex. Drake continues to identify opportunities for the Alliance in Australia, Scandinavia and Canada. The Alliance's exploration programmes in Sweden are well advanced.

For further information contact:

Bob Beeson

Managing Director

Tel.: (61) (0)3 98900292

bob.beeson@drakeresources.com.au

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:

36,903,000 fully paid ordinary shares
27,197,000 listed options