Zinc Co Australia Limited
ABN 96 119 397 938

# ASX ANNOUNCEMENT

## CONQUISTADOR PROJECT
## HIGH GRADE ZINC INTERSECTIONS

- **A new zone of zinc mineralisation intersected 140 metres grid south from previous drilling.**
- **CNQRC045 returned:**
  - **21 metres at 3.14% zinc, 0.68% lead, 1.08 g/t gold from 134 to 155 metres**

  **including:**
  - **2 metres at 8.49% zinc, 2.94% lead, 0.35 g/t gold from 146 metres, and**
  - **1 metre at 12.21% zinc, 1.71% lead, 12.2 g/t gold from 154 metres**
- **CNQRC045 terminated in high grade zinc mineralisation at 155 metres.**
- **A ground electromagnetic survey is planned to define drill targets based on these results**

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### BACKGROUND

Zinc Co Australia Limited ("Zinc Co", "the Company") is a dedicated zinc explorer. The company listed on the ASX on 29 May 2007.

The Conquistador zinc project (Zinc Co earning 75%) hosts drill intersections of volcanic hosted massive sulphide style ("VHMS") mineralisation including:

- 4 metres @ 8.25% zinc ("Zn"), 20.5 g/t silver ("Ag"), 0.53% copper ("Cu") and 0.63% lead ("Pb") from 88 metres,
- 6.7 metres @ 6.1% Zn including 2 metres @ 18% Zn from 118 metres, and
- 2.4 metres of 12.15% Zn, 0.64% Cu, 0.63% Pb and 27.5 g/t Ag from 135.4 metres.

Mineralisation is hosted by Archaean felsic schists with similarities to Oxiana's Golden Grove VHMS deposits located 150 kilometres to the south east.

The terrain is flat with no rock outcrop in the project tenement. All information is from drilling and geophysics. Fresh bedrock is around 50 metres to 70 metres below surface.

### RC DRILLING RESULTS

Zinc Co completed 1360 metres of RC drilling in 11 holes at the Conquistador Project in July 2007. Collar, sampling and assay information is listed in the attachment.

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Six holes (CNQRC044 to CNQRC049) were completed on two traverses (local grid 12400E and 12800E) across the southern margin of a strong IP chargeability geophysical target. The zone was defined by a reconnaissance MIMDAS survey on 400m spaced lines completed in 2003. All previously reported significant drill intersections are within the chargeability zone which is from 350 metres to 600 metres wide over 800 metres strike and open to the west. The drill traverses were designed to define the limits of mineralisation associated with the chargeability zone.

On the 12800E traverse, holes CNQRC044 and CNQRC045 returned significant zinc intersections (Table 1).

CNQRC045 is 140 metres from previous drilling. CNQRC046, 50 metres south of CNQRC045, intersected 30 metres of strong pyrite with broad zones of anomalous zinc, lead and gold. CNQRC049, a further 50 metres south, was abandoned due to drilling conditions in overburden at 29 metres.

| Hole number | From (m) | To (m) | Interval (m) | Zn % | Pb % | Au g/t |
|---|---|---|---|---|---|---|
| CNQRC044 | 128 | 130 | 2 | 2.53 | 0.7 | 0.73 |
| CNQRC045 | 134 | 155 | 21* | 3.14 | 0.68 | 1.08 |
| including | | | | | | |
| CNQRC045 | 134 | 138 | 4* | 3.67 | 0.68 | 1.00 |
| CNQRC045 | 146 | 148 | 2 | 8.49 | 2.94 | 0.35 |
| CNQRC045 | 154 | 155** | 1 | 12.2 | 1.71 | 12.2 |

**Table 1**

* interval composited by length weighting with 1.00% Zn cut off and including up to 6 metres internal dilution.

** CNQRC045 terminated in mineralisation at 155 metres

On the 12400E traverse CNQRC047 intersected weakly pyritic sericite schist with weakly anomalous zinc values. CNQRC048 encountered a dolerite dyke at 98 metres and was not an effective test of the target.

A further five holes in the programme (CNQRC039 to CNQRC043) were located in areas of previous drilling. All holes intersected significant sulphides (e.g. 16 metres from 72 metres of 5 volume % pyrite in CNQRC041) and broad intervals of anomalous zinc/lead/gold values including the higher grade zones listed in Table 2.

CNQRC039 and CNQRC040 intersected post mineral basic dykes from around 100 metres down hole and were not effective tests of the target.

| Hole number | From (m) | To (m) | Interval (m) | Zn % | Pb % | Au g/t |
|---|---|---|---|---|---|---|
| CNQRC040 | 72 | 74 | 2 | 1.67 | 0.83 | 0.16 |
| CNQRC041 | 78 | 80 | 2 | 1.67 | 0.30 | 0.22 |
| CNQRC042 | 92 | 96 | 4 | 1.90 | 0.34 | 0.67 |

**Table 2**

The southern drilling traverses have demonstrated that the east north east trending mineralised corridor at Conquistador extends significantly further grid south than previously known and contains high grade zinc mineralisation associated with significant gold values.

Zinc Co has the right to earn up to a 75% interest in the Conquistador Project from Giralia Resources NL. Subject to the terms of a split commodity deed, Giralia retains certain rights to explore for and exploit gold deposits.

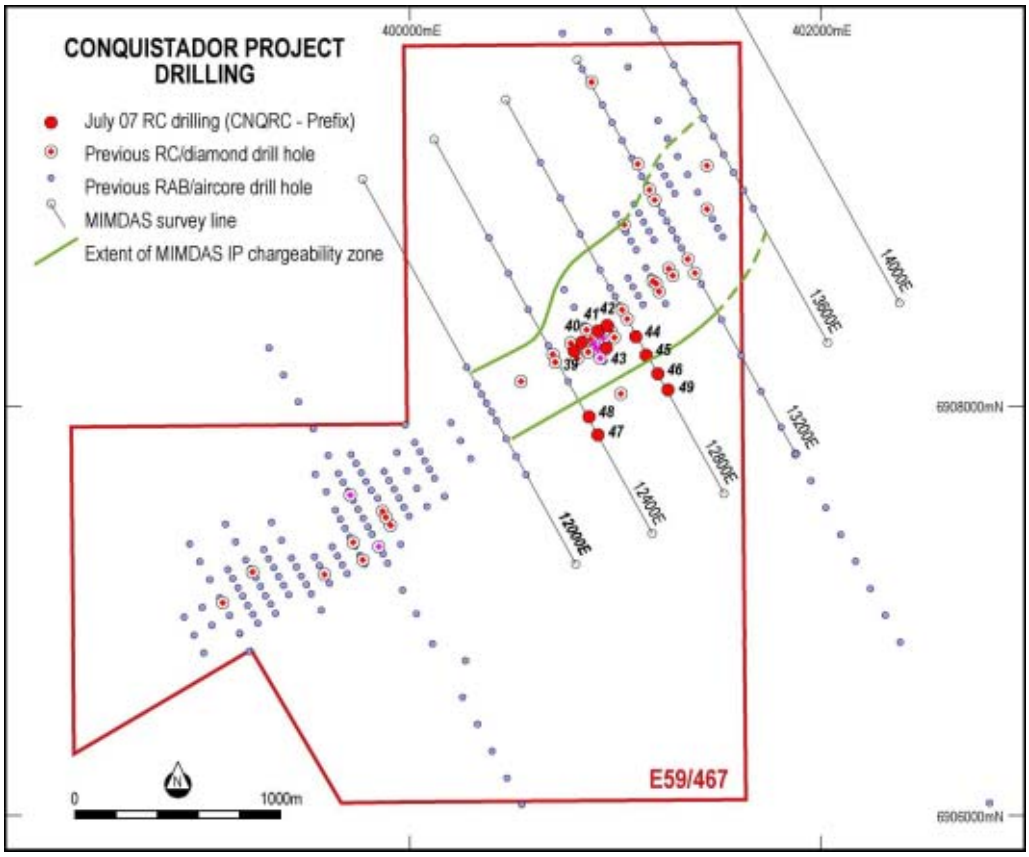
**FOLLOW UP PROGRAM**

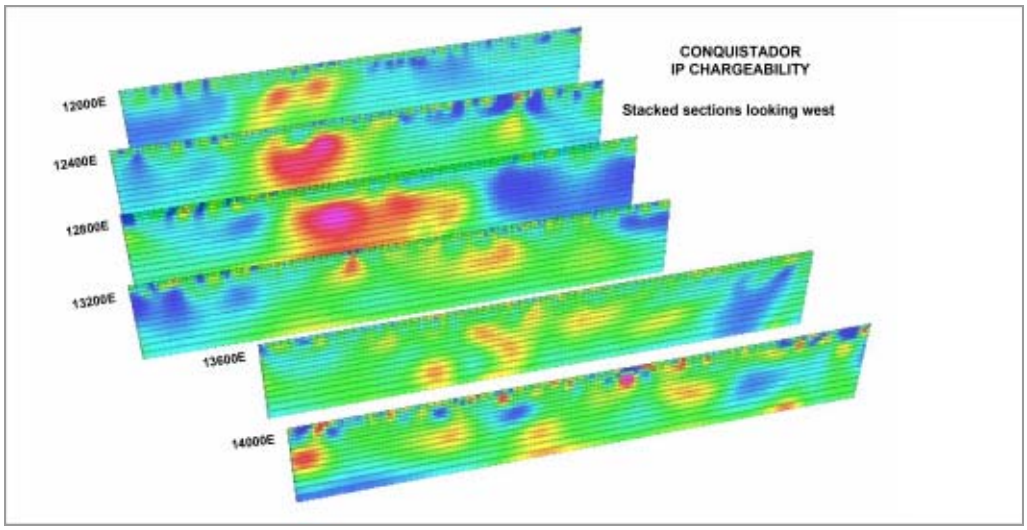
A ground electromagnetic survey is planned to define targets for follow up drilling. The survey is designed locate extensions to the drilled high grade zones and to test for new mineralisation within and on the margins of the IP chargeability zone.

**G Comb** **Perth**
**Chairman** **14 August 2007**

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by A M Hespe, who is a Member of the Australasian Institute of Geoscientists. Mr Hespe 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 to qualify 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 Hespe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## CONQUISTADOR JULY 2007 RC DRILLING PROGRAM



## COLLAR DETAILS (in AGD84/Zone50/AMG coordinates)

| Hole Number | East | North | RL | Inc | Az | Depth |
|---|---|---|---|---|---|---|
| CNQRC039 | 400803 | 6908268 | 1000 | -60 | 331 | 119 |
| CNQRC040 | 400840 | 6908309 | 1000 | -60 | 331 | 101 |
| CNQRC041 | 400919 | 6908363 | 1000 | -60 | 331 | 135 |
| CNQRC042 | 400965 | 6908391 | 1000 | -60 | 331 | 125 |
| CNQRC043 | 400961 | 6908282 | 1000 | -60 | 331 | 149 |
| CNQRC044 | 401104 | 6908337 | 1000 | -60 | 331 | 143 |
| CNQRC045 | 401156 | 6908246 | 1000 | -60 | 331 | 155 |
| CNQRC046 | 401212 | 6908156 | 1000 | -60 | 331 | 143 |
| CNQRC047 | 400920 | 6907856 | 1000 | -60 | 331 | 149 |
| CNQRC048 | 400876 | 6907946 | 1000 | -60 | 331 | 113 |
| CNQRC049 | 401262 | 6908076 | 1000 | -60 | 331 | 29 |

*Collar coordinates were surveyed with a mobile GPS. Elevations are nominal. Azimuths are magnetic and correspond to local grid north.*

*Reverse Circulation drilling samples were collected at one metre intervals through a cyclone. The drilling samples were sub-sampled on site and composited into 2m intervals for assay. Standards and field duplicates were submitted with the original samples.*

*SGS Perth assayed all drilling samples, using 50 gram fire assay for gold and four acid digest/AAS for silver, copper lead and zinc. The samples will be re-assayed for silver at a lower detection limit than the 50ppm used in this scheme.*