

# CONQUEST

Conquest Mining Limited

Investor Presentation

April 2009

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- This report is based on and accurately reflects information compiled by Mr Jeff Innes, BE, Dip Fin Mgt, MAusIMM, GAICD who is a full time employee of the Company. Mr Innes 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 Jeff Innes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

# Investment Highlights

**Conquest is an attractive prospect with strong market fundamentals, near-term production, quality exploration acreage and the right people**

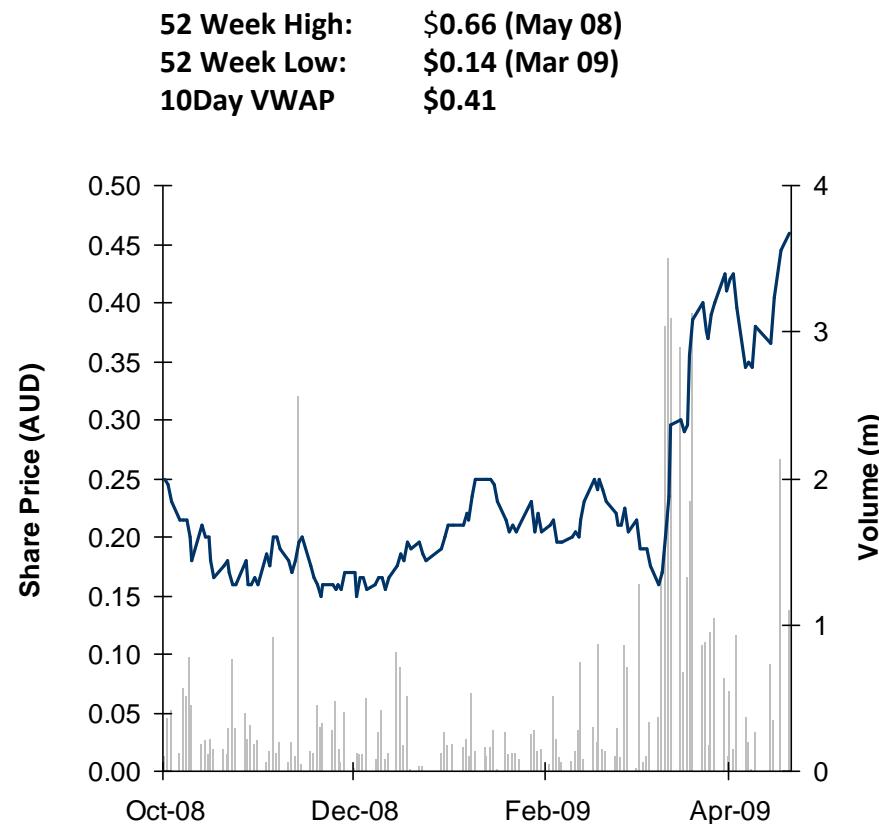
<b>Market</b> Exposure to strong gold prices	<ul style="list-style-type: none"><li>✓ Gold trading at historical highs</li><li>✓ Given broad uncertainties in the macro climate consensus estimates are that the gold price is expected to remain elevated with significant upside</li><li>✓ High USD denominated gold price is compounded by AUD FX leverage</li></ul>
<b>Management</b> Wealth of experience, strong team	<ul style="list-style-type: none"><li>✓ Board and management team has the right mix of technical and commercial experience</li><li>✓ Depth of knowledge and proven track record</li></ul>
<b>Project</b> Near-term production asset with robust economics	<ul style="list-style-type: none"><li>✓ Silver Hill resource of 1.17moz Au, 37.39moz Ag &amp; 68.4kt Cu<sup>1</sup> per resource estimate announced on 26 March 2009</li><li>✓ Pre-Feasibility (PFS) demonstrates attractive economics</li><li>✓ Production rate up to 180koz Au equivalent p.a. at a cash cost of &lt;A\$400/oz</li></ul>
<b>Partner</b> Joint Venture relationships with Gold Fields Ltd	<ul style="list-style-type: none"><li>✓ Validation of project quality with Gold Fields, one of the world's largest gold producers, as a JV Partner</li><li>✓ JV provides for substantial exploration expenditure in the near-term</li><li>✓ Supportive cornerstone investor</li></ul>
<b>Upside</b> Excellent exploration potential	<ul style="list-style-type: none"><li>✓ Retains substantial land holding in significant mining district</li><li>✓ High likelihood of future project generation as understanding of regional geology is further established</li></ul>

1: Total Silver Hill Inferred, Indicated and Measured Resource

# Financial Snapshot

**Conquest's share price has improved on significant operational progress and strong market fundamentals**

## Share Price / Volume Chart (A\$)



## Key Statistics (A\$)

Listed Ordinary Shares:	271.75m
Fully Diluted Ordinary Shares:	276.90m
Price as at 21/04/09 :	\$0.46
Market Cap as at 21/04/09 :	\$125.00m
Fully Diluted Market Cap 21/04/09 :	\$127.37m
Net Debt (cash):	\$(27.50m)
Undiluted Enterprise Value:	\$97.50m

## Substantial Shareholders

Gold Fields Ltd	19.1%
JJ Holdings	6.8%

# Board Member & Management Profiles

## Rich Krasnoff



Non-Executive  
Chairman

- BA (Econ), MBA (Harvard)
- Previous Group Director of E-Commerce and a member of the Executive Committee at Wesfarmers
- 10 years consulting with McKinsey & Co (including 4 years as principal/partner) and has extensive experience in developing growth & performance improvement strategies for companies
- Director of Grange Resources from June 05 to January 09

## John Terpu

Managing Director



- 20 years commercial and management expertise in a broad range of business and investment activities
- Has been involved in the mining and exploration industry through the acquisition and investment in a number of strategic exploration and mining projects
- Has a wide range of contacts in the exploration and mining investment community

## Bruno Firriolo

Executive Director



- CPA, BBus (Accounting)
- Has been a partner with the accounting firm Cleaver & Associates since April 1991 dealing with all aspects of accounting and taxation
- For many years offered specialised taxation consulting services to other accounting firms as well as major corporate clients.

## Joseph Radici

Non-Executive  
Director



- A CPA and Fellow of the Taxation Institute of Australia
- Operated an accounting practice in WA since 1983, presently trading as J L Radici & Associates. His client base includes large business and corporations
- Has been chairman of a number of unlisted public companies which have specialised in land subdivisions throughout Perth and overseas.

## Doug Stewart

Non-Executive  
Director



- Over 37 years experience in the mining industry in a variety of geological and engineering roles
- Has had management responsibilities on mining operations in Africa, Canada and New Zealand in both open pit and underground mines
- Formerly an Associate Director of N M Rothschild & Sons (Australia)
- Most recently the MD of Territory Resources until July 07 where he played a principal role in managing that company through IPO and into production.
- Included undertaking a feasibility study, capital raising, regulatory approvals, construction of port facilities, commercial agreements and appointment of suitable personnel to plan and operate the mine

## Jeff Innes

Chief Operating Officer

- Mining Engineer with 28 years experience at Operations Manager and General Manager level with Pilbara Iron, KCGM, Ravenswood Gold and Oz Minerals
- Most recent appointment as Deputy General Manager of the Century Mine in Queensland
- BEng (Mining), Diploma in Financial Management and member of the ICD & AusIMM

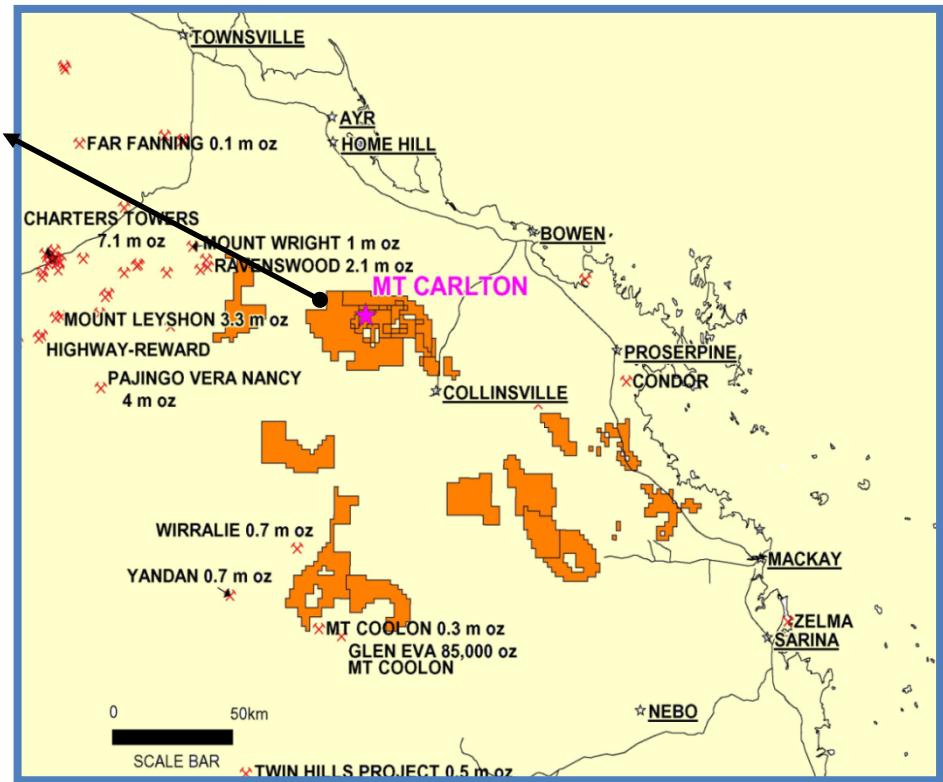
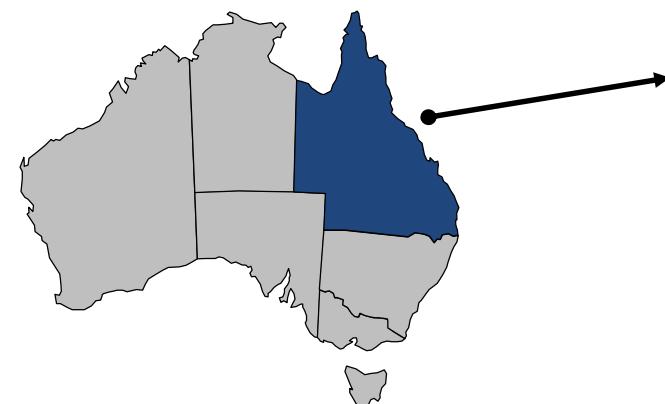
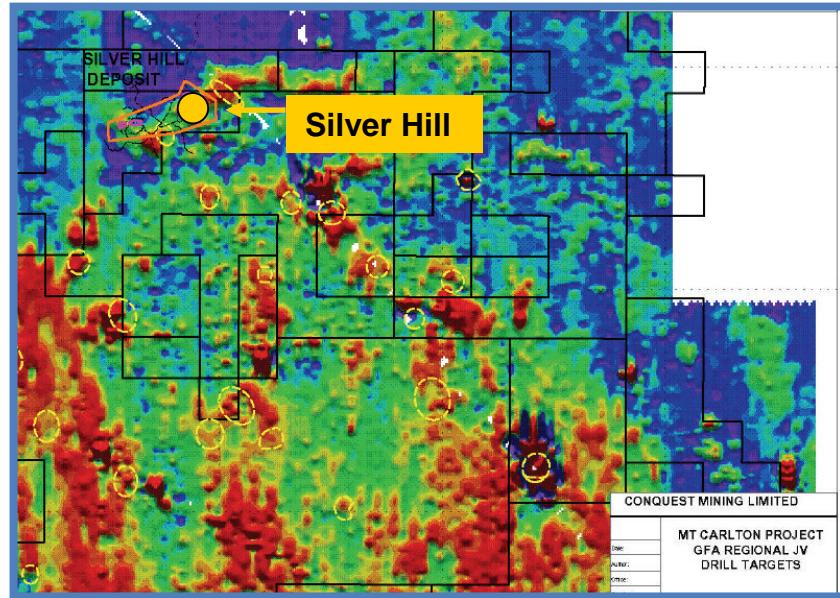
# Conquest Mining Projects

**Conquest has three primary asset classes comprising the Silver Hill Project, Regional Exploration & Cash**

Silver Hill Project	Regional Exploration	Cash
<ul style="list-style-type: none"><li>• Near-term production asset with operations commencing within 2 years</li><li>• Full Feasibility underway</li><li>• Highly attractive economics and significant cashflow contribution</li><li>• Excluded from the initial JV with Gold Fields</li></ul>	<ul style="list-style-type: none"><li>• Future project generation</li><li>• 4,260km<sup>2</sup> land holding in central north QLD gold fields</li><li>• Significant Mining District with 20moz historical gold production</li><li>• Validated project quality with Gold Fields Ltd (GFA) JV<ul style="list-style-type: none"><li>– GFA's largest greenfields exploration program worldwide</li><li>– Requires \$5m spend (already satisfied) in the first year plus 150,000m drilling to obtain 51% in regional exploration (excludes Silver Hill)</li><li>– On completion of 150,000m drilling requirement GFA can purchase further 24% of Regional JV Area &amp; 50% of Silver Hill based on NPV</li></ul></li></ul>	<ul style="list-style-type: none"><li>• \$27.5m cash in the bank</li><li>• Will assist funding of the Silver Hill development</li></ul>

# Project Location

Conquest's projects are located in the central north Queensland gold fields



# Silver Hill Pre-Feasibility Study

**Outcomes of the Silver Hill PFS are highly attractive and indicate the project will deliver substantial shareholder value and is fundable**

Key Statistics <sup>1</sup>		
Reserve Size	Mt	5,885
Mine Life	Years	6.17
Capital Expenditure	AUDm	118
Total Cost /t Ore Mined	AUD/t	51.14
Total Cost /t Ore Processed	AUD/t	50.48
Total Cost /oz Gold Equivalent	AUD/oz	363.80
Total Gold Produced	Kg	18,514
Total Silver Produced	Kg	254,184
Total Copper Produced	'000t	25.11
Total Net Cashflow (pre-tax)	AUDm	492
NPV (pre-tax)	AUDm	319
IRR (pre-tax)	%	75
Payback Period Post Capex	years	1.42

- Conquest has completed the PFS on the Silver Hill Project with input from a number of independent consultants
- Results indicate that combining a high grade concentrate with lower grade concentrate production treated on site using a bio oxidation process results in a robust project that has a favourable IRR and NPV
- Results also indicate that the Project can support a reasonable level of debt based on banks' minimum coverage ratios
- Conquest has materially progressed discussions with offtake counterparties and is confident of negotiating contracts on acceptable terms

1. Calculation based on a discount rate of 8%, Gold price of US\$900/oz, Silver price of US\$12.5/oz, Copper price of US\$4,000/t and a flat USD:AUD FX rate of 0.70:1.00

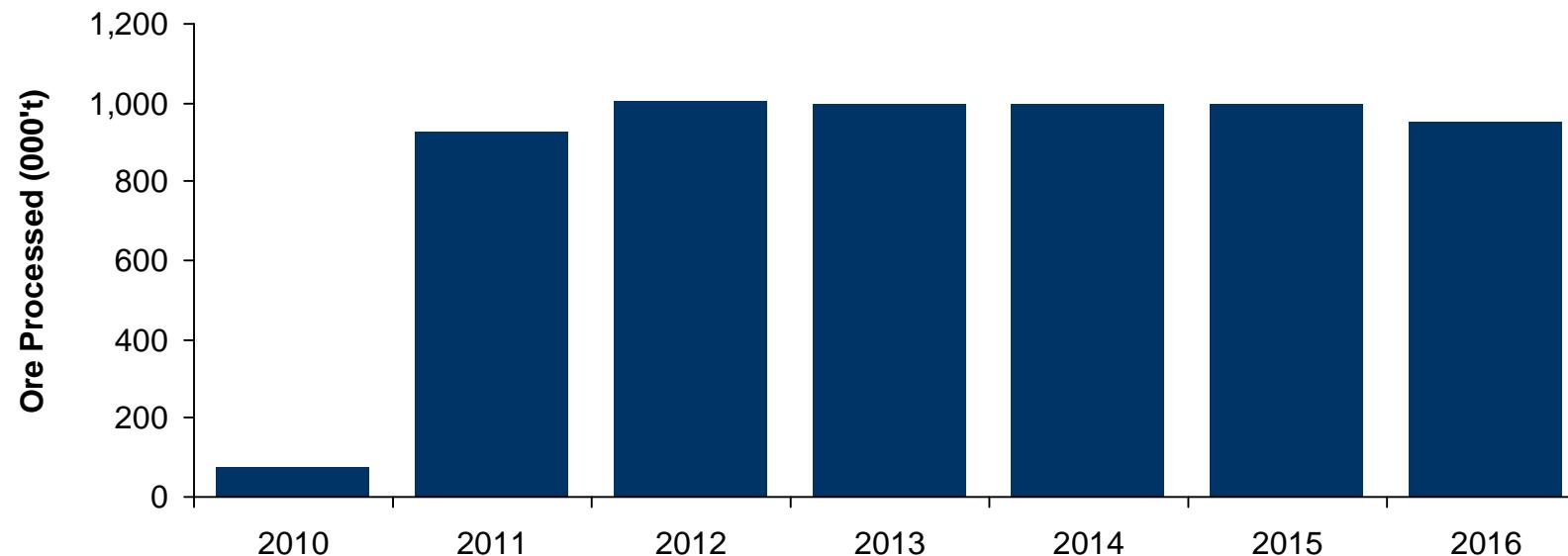
# Independent Experts

Conquest has engaged several independent experts to assist in the evaluation of Silver Hill

Contribution	Consultant(s)
Mine design and cost estimation	   AMDAD
Flotation design and cost estimation	 Calder's Engineering
GEOCOAT® design and cost estimation	GeoBiotics & Mike Gunn
Geology and resource model	
Metallurgy	 
Environmental Impact Study	
Market and pricing	
Financial model development	 Azure Capital

## Ore Processed & LOM Grades

**At nameplate capacity, 1Mtpa of ore will be processed with gold grades between 2-5g/t and silver grades of 19-181g/t**



Metal Grades	2010	2011	2012	2013	2014	2015	2016
Strip Ratios	-	7.81	6.01	2.13	3.58	2.13	0.92
Gold Grade (g/t)	1.97	4.79	3.27	3.20	2.61	3.08	3.14
Silver Grade (g/t)	62.07	43.28	78.04	180.78	92.05	21.70	18.65
Copper Grade (%)	0.64%	0.58%	0.58%	0.41%	0.54%	0.24%	0.39%

# Costs & Recovery Assumptions

## Costs

### Capital Expenditure (AUDm)<sup>1</sup>

Stage 1 – HG Concentrate capex	93
Stage 2 – Bi oxidation expansion	25
<b>Total</b>	<b>118</b>

### Mining Costs (LOM AUD/t ore mined)<sup>2</sup>

Ground Preparation	0.27
Ore Mining Costs	4.58
Waste Mining Costs	17.65
Other	3.21
<b>Total</b>	<b>25.71</b>

### Operating Costs (LOM AUD/t ore processed)<sup>2</sup>

Grind & Floatation	9.39
Concentrate Drying & Handling	0.97
Bio leach	3.58
SX/Cryst	1.14
CIL	1.82
Laboratory & Offsite Assay	0.77
Maintenance	4.08
Administration Warehouse & Infrastructure	3.37
<b>Total</b>	<b>25.12</b>

## Revenue Side Costs

Total Charges & Fees	Effective 4.3% of gross Rev.
Freight	Effective 0.8% of gross Rev.
Government Royalty	2.7% Gross Rev.

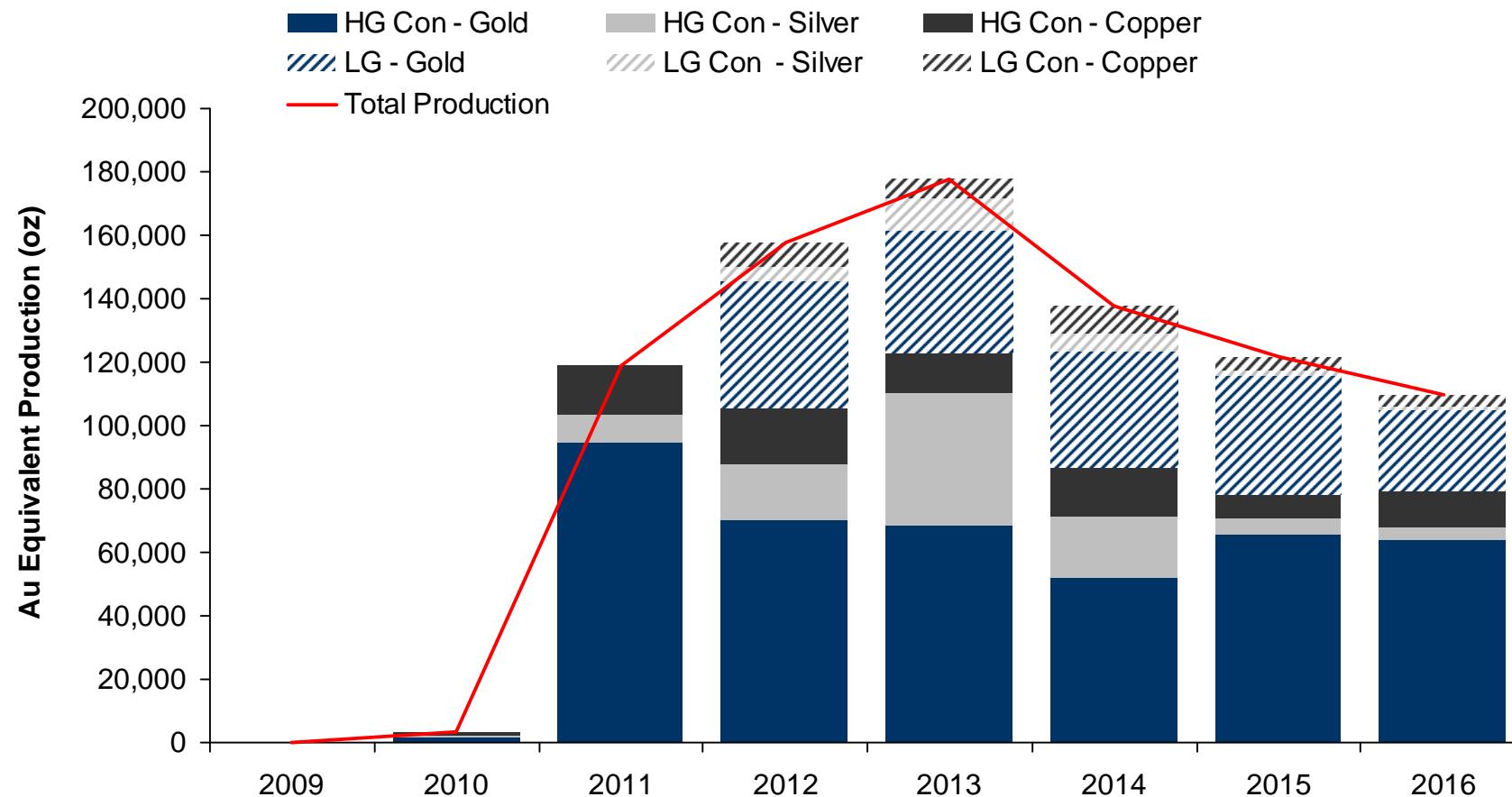
## Recoveries

Recovery in Concentrates <sup>3</sup>	HG	LG	Total
Mass Recovery	3%	11 %	14%
Au Recovery	66%	27%	93%
Ag Recovery	48%	11%	59%
Cu Recovery	69%	27%	96%

1. Capex is incurred in two stages including \$93m for the initial HG concentrate operation and a subsequent \$25m for the low grade bio oxidation expansion. The bio oxidation capex will be incurred ~2 years into the project and therefore requires no external funding.
2. Combined mining & operating costs are circa \$50-51/t ore
3. Recoveries will vary with grades and ore characteristics

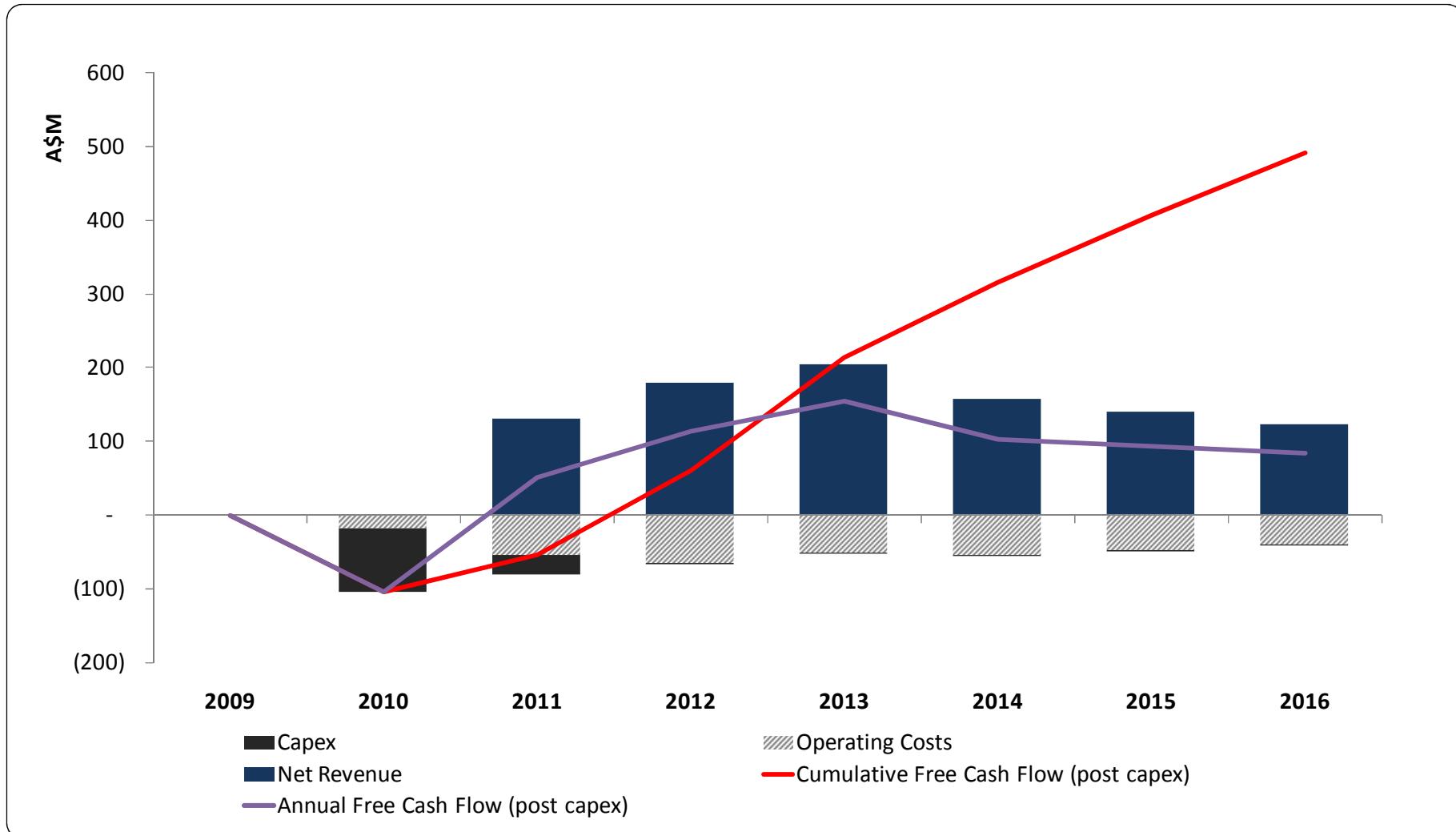
# Production

**Gold equivalent production will peak at ~180Koz in 2013 and remain >100Koz until 2016**



# Cash Flow Profile

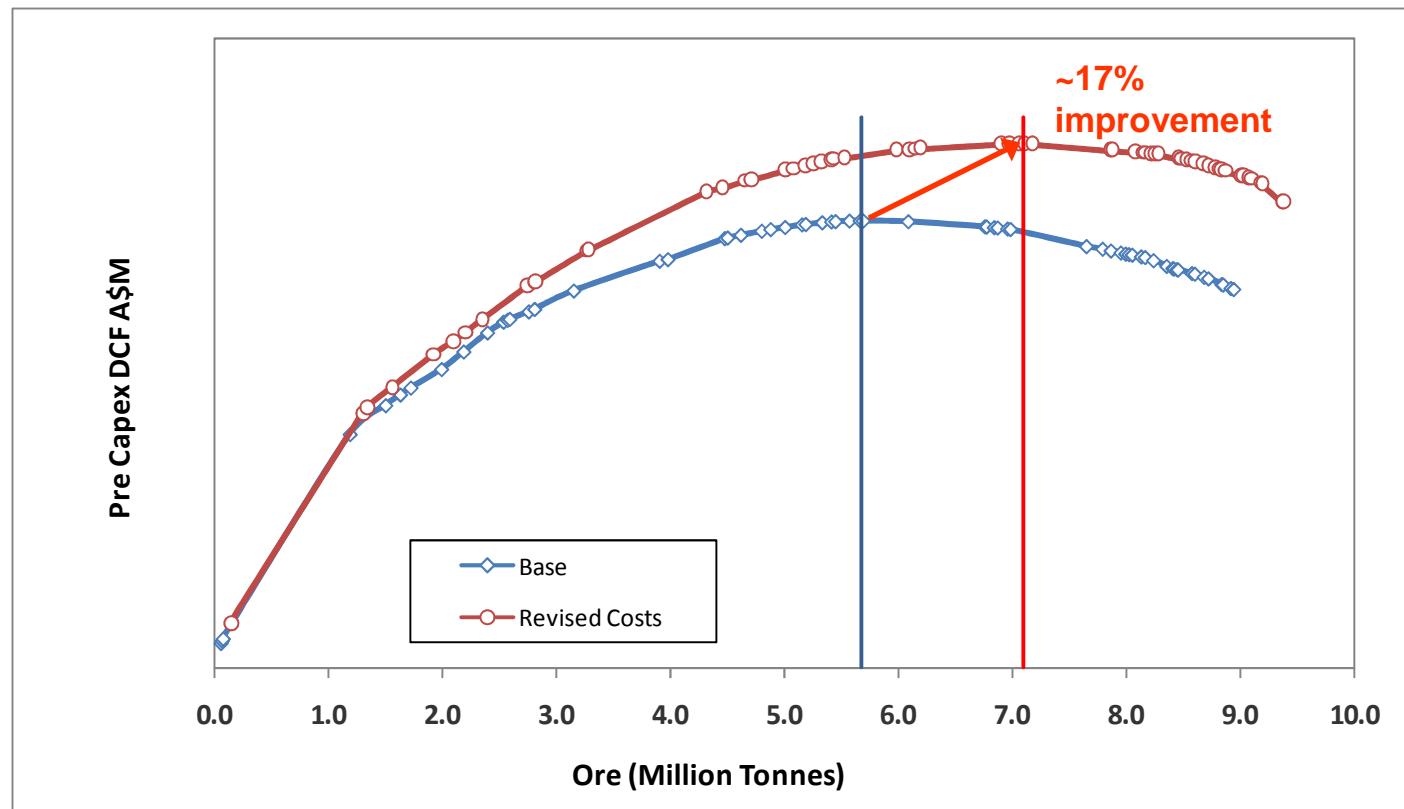
Average Annual Net Cash flows of \$100m pa over the LOM



# Silver Hill Optimisation

**Conquest has identified the potential for significant optimisation of the PFS which will have a significant positive impact on NPV**

- Subsequent to the PFS completion, Conquest has identified 10-15% reductions to operating costs which have a high probability of applying to Silver Hill
- Optimised costs coupled with more up to date schedules and pricing have been used to provide a revised optimal pit
- Analysis indicates a strong likelihood that in excess 7Mt will be mineable and contribute positively to the overall project value



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