



ASX RELEASE

14 October 2009

\$65m Capital Raising to Fund Development of the Silver Hill Project and Regional Exploration

Conquest Mining Ltd (ASX:CQT or the "Company") today announced an equity raising comprising:

- A placement to institutional & sophisticated investors of 80.6 million Shares raising \$50 million ("**Share Placement**"); and
- A Share Purchase Plan providing existing shareholders with the opportunity to subscribe for up to \$15,000 worth of ordinary shares intended to raise a maximum of \$15 million ("**SPP**").

The proceeds from the offering will be used by the Company to:

- Fund commencement of construction of the Company's Silver Hill Project;
- Strengthen the Company's balance sheet; and
- Support resource definition/expansion and exploration initiatives within the Company's regional tenements.

Conquest Managing Director John Terpu said, that with the Silver Hill Project now at an advanced stage of development, the funding will allow construction to commence in early 2010.

"The capital raising will allow Conquest to commence a fast track development schedule and deliver near term returns to shareholders," Mr Terpu said.

This equity component, in conjunction with the potential debt alternatives that will be finalised after the Definitive Feasibility Study is completed in November 2009 will provide full funding for development of the entire Silver Hill high grade concentrate operations.

A portion of the raising will also be allocated to exploration allowing the Company to unlock increased value in the highly prospective regional tenements.

Conquest had originally sought to raise \$40 million through the Share Placement but, given the significant demand from institutional investors, agreed to increase the capital raising to \$50 million. There was additional interest beyond this level.

Azure Capital acted as sole corporate advisor and joint lead manager with Southern Cross Equities in relation to the raising.

Share Placement

The Share Placement will consist of two tranches as follows:

- 40.32 million Shares at \$0.62 to be issued using the Company's existing capacity under Listing Rule 7.1 to raise \$25 million; and
- Subject to Shareholder approval at an Annual General Meeting ("AGM"), the issue of up to a further 40.32 million Shares at \$0.62 to raise \$25 million.

A Notice of Meeting detailing the dates of the AGM will be dispatched in due course.

Share Purchase Plan

Conquest will also offer an opportunity for existing shareholders to participate in the capital raising by way of a Share Purchase Plan (SPP). Under the SPP, each eligible shareholder will have the right to subscribe for shares up to a maximum value of \$15,000 based on the Share Placement offer price of \$0.62 per share. The issue of shares under the SPP will occur after completion of the Share Placement using the Company's capacity under Listing Rule 7.1.

The subscription will be free of brokerage or transaction costs.

The SPP is intended to open on 26th October 2009 and will close at 5pm (WST), 12th November 2009. Australian and New Zealand based shareholders registered at 5pm (WST), 14th October 2009 will be eligible to participate. The SPP is intended to be capped at \$15 million. Conquest reserves the right to scale back applications if they exceed \$15 million in aggregate.

Full details of the SPP terms and conditions will be released to the ASX shortly.

About Conquest Mining

Conquest Mining is a Perth-based mining exploration company focused on discovering low cost gold and silver resources. Exploration at its Mt Carlton project in Queensland has delivered resources at a cost of \$10 per ounce of gold compared with an Australian average of \$60 to \$70 per ounce for grass-roots exploration.

John Terpu
Managing Director

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