



## **ASX RELEASE**

**17 AUGUST 2010**

### **Conquest Mining takeover offer for North Queensland Metals declared unconditional**

Conquest Mining Limited (ASX:CQT) ("**Conquest**") announces that it has declared its takeover offer ("**Offer**") for North Queensland Metals Limited (ASX:NQM) ("**NQM**") to be unconditional.

The Offer provides both the certainty of a substantial cash return to NQM shareholders as well as the opportunity to participate in the potential future value of the combined company. By accepting the Offer, NQM shareholders will become shareholders in a larger, growth oriented company which offers:

- A board with an excellent track record of increasing shareholder value.
- A gold-focused company with exposure to development of the Mt Carlton gold-silver-copper project<sup>1</sup>.
- Increased share liquidity and likely better access to capital markets.
- A strong platform for growth.
- Asset and risk diversification.

Since launching the Offer for NQM Conquest has continued to advance and de-risk its flagship Mt Carlton gold-silver-copper project in north Queensland. This has included successful metallurgical testwork; formal expressions of interest for offtake from two Chinese smelting groups; appointment of Calder Projects Services to undertake the optimisation engineering and costing study; and the purchase of a SAG mill from Hillgrove Resources.

To date, Conquest has received Offer acceptances for 21.84% of the NQM shares.

#### **Payment of Offer consideration**

As a result of the Offer being declared unconditional, in accordance with the Offer terms Conquest will provide the Offer consideration (0.5 Conquest shares and \$0.15 cash for each NQM share) to accepting NQM shareholders as follows:

- in respect of those NQM shareholders who have already accepted the Offer or who accept the Offer today, Conquest will provide the Offer consideration by the earlier of 1 month from today and 21 days after the end of the Offer period; and
- in respect of those NQM shareholders who accept the Offer after today, Conquest will provide the Offer consideration by the earlier of 1 month after the acceptance date and 21 days after the end of the Offer period.

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<sup>1</sup> There are a number of risks associated with the Mt Carlton project, which are described in sections 1.2 and 7 of Conquest's replacement bidder's statement dated 29 June 2010.

**Offer closing date**

The Offer is scheduled to close at 7.00pm (Sydney time) on 3 September 2010 (unless extended further in accordance with the Corporations Act).

**Statutory notice**

Attached is a notice under section 650F of the Corporations Act in which Conquest formally declares its Offer to be unconditional.

**For more information:**

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Conquest Mining Limited  
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**About Conquest**

Conquest is an Australian based and listed mining company with a focus on activities in north Queensland. The company has a 100% interest in the Mt Carlton gold-silver-copper project, near Townsville, that is being advanced towards development. Optimisation studies and a review of the proposed process flowsheet are underway and a development decision is expected in the December quarter of 2010.

Conquest is a growth oriented company that has the focus and ability to deliver a growth plan to achieve mid-tier market status and to take advantage of the benefits available to a company of this status. Conquest will seek to deliver this growth through successful development of its Mt Carlton project and by acting on consolidation opportunities in the relatively fragmented and poorly funded junior market sector.

## **Annexure – Notice under section 650F of the Corporations Act**

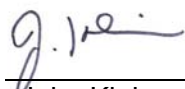
**To:** North Queensland Metals Limited; Australian Securities Exchange

Conquest Mining Limited (ACN 009 232 277) ("**Conquest**") gives notice under section 650F of the Corporations Act 2001 (Cth) that:

- (a) each of the Offers dated 5 July 2010 made by Conquest in accordance with the replacement bidder's statement dated 29 June 2010 (as supplemented by supplementary bidder's statements dated 15 July 2010 and 27 July 2010) (collectively the "**Bidder's Statement**") in relation to a takeover bid for ordinary shares in North Queensland Metals Limited (ACN 115 279 653) ("**NQM**"), and each contract resulting from acceptance of the Offers, is free from all of the conditions set out in section 11.12 of the Bidder's Statement; and
- (b) has voting power of 21.84% in NQM as at the time of giving this notice.

Terms defined in the Bidder's Statement have the same meaning when used in this Notice, unless the context requires otherwise.

Dated 17 August 2010



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Jake Klein

Executive Chairman

For and on behalf of Conquest Mining Limited