



## **ASX RELEASE**

**21 August 2008**

### **More High Grade Strikes at Silver Hill**

- **Drilling at Silver Hill Deposit confirms grades and extends the resource south and west. Drilling by Conquest is continuing with 2 rigs on contract, and combined current exploration expenditure estimated at \$2 million per month.**
- **Diamond drill hole HC08RCD398, located on the east side of the Silver Hill deposit, intersected 5m at 9.01 g/t gold and 14m at 6.96 g/t gold. These intersections are of higher grade than adjacent holes.**
- **Diamond drill hole HC08RCD406 intersected 29m at 60 g/t silver extending the line of lode 50m west of previous intersection of 8m at 249g/t silver in hole HC07RC350.**
- **RC drill hole HC08RC432 intersected 40m at 42 g/t silver on the south side of the deposit indicating further exploration potential.**
- **Gold Fields has accelerated its substantial exploration program with 20 staff now on site, and drilling in progress with 2 rigs testing priority prospects, including 22 targets identified by EM and IP geophysical surveys.**

Conquest Mining Limited (ASX code : CQT) is pleased to announce that recent exploration drilling at the Silver Hill Deposit has intersected significant / encouraging mineralisation both along strike and at depth under Silver Hill Deposit (Table 1).

#### **Drilling**

Drilling along the western line of lode has added 50m strike extension with an intersection of 29m at 60 g/t silver in hole HC08RCD406. This is exciting from an exploration point of view as shows the mineralisation is continuing along a prominent structure. Further drilling in this area is due to commence with diamond extension of precollars. Similarly hole HC08RC432 intersected 40m at 0.24g/t gold and 42 g/t silver, equivalent to 1.2 g/t gold, on the south side of the deposit. This substantial width of mineralisation indicates further exploration potential to south, as previous nearby holes had only 2-3m widths of grade.

Hole HC08RCD402, located on the west side of V2 Hill, intersected **42m at 3.24 g/t gold equivalent**. This significant result has added robust grade in the centre of the deposit. Similarly hole HC08RCD398 intersected **5m at 9.01 g/t gold** and **14m at 6.96 g/t gold** which are also considered excellent results. Although located within the east side of the deposit, it is between previous wide intersections of 1-2g/t gold.

Diamond drilling continued on north-east side of V2 Hill with completion of a second deep hole to the granite basement – HC08RCD430 to 522m depth. This hole was drilled after the first deep exploration hole (HC08DD017) intersected a number of substantial stockwork and breccia mineralised rhyodacite units. Assays received had best of 10m @ 0.63g/t gold, 27g/t silver, 0.36% copper at 312-330m depth. Although not high grade, it is significant as it indicates there is potential to locate significant mineralisation at depth within silicified rhyodacite units.

## Metallurgical Testwork

Bacterial leach testwork is in progress on flotation concentrate and results from this amenability testwork are expected in September. The process being investigated offers the potential for comparison of recoveries and capex to the current already successful Albion development model.

## Work Programmes

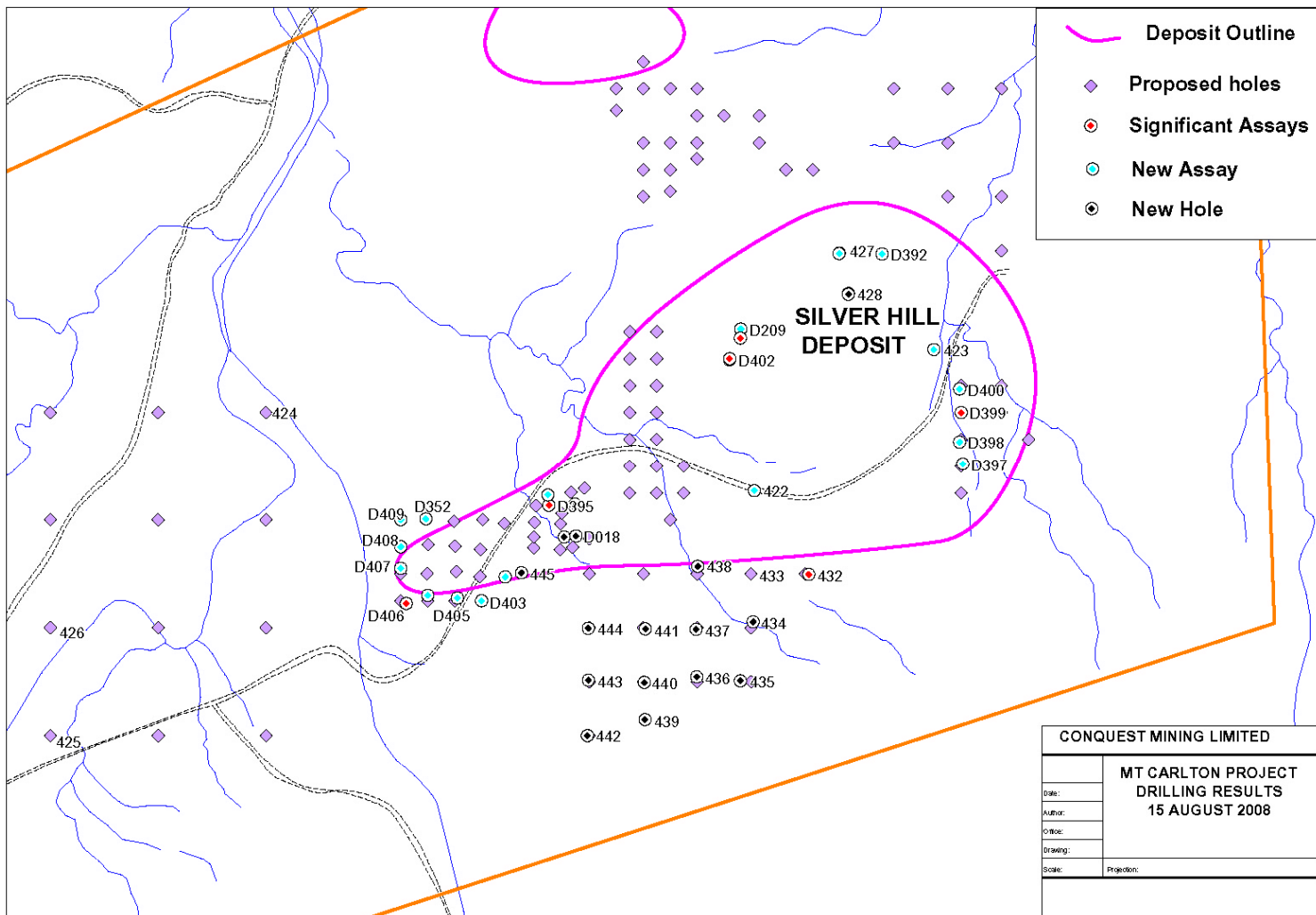
The company has completed 48 diamond holes for 7,076 metres of HQ core, and 58 RC holes for 6,522 metres of percussion drilling in the calendar year to date, and aims to complete a further 15,000 metres in the current year (Figure 1).

Gold Fields similarly have a substantial exploration effort underway with drilling in progress on the Regional Joint Venture Area with two rigs. They have 20 men on site including soil sampling crews, geophysics crews, 5 geologists, and a heritage survey team of 4.

**Table 1. Significant Drill Intersections – August 2008.**

Drill Hole	Coordinates		Set up	Depth	Significant Intersections	Gold
	AMG N	AMG E				Equivalent
	M	M	Dip/Azi	M		g/t
HC08RCD395	7757827	558525	-60/180T	228.5	<b>69-81m; 12m @ 0.01g/tAu, 301g/tAg, 0.08%Cu</b>	6.19
					<b>incl 76-77m; 1m @ 0.01g/tAu, 2490g/tAg, 0.75%Cu</b>	51.3
					133-138m; 5m @ 0.49g/tAu, 55g/tAg, 0.02%Cu	1.63
					159-163m; 4m @ 2.21g/tAu, 35g/tAg, 0.05%Cu	3.01
HC08RCD392	7758294	559143	-75/181T	246.8	147-150m; 3m @ 0.47g/tAu, 10g/tAg, 0.13%Cu	0.93
					162-167m; 5m @ 1.96g/tAu, 18g/tAg, 0.23%Cu	2.78
					177-180m; 3m @ 0.45g/tAu, 35g/tAg, 0.44%Cu	2.03
HC08RCD397	7757904	559293	-75/181T	126.7	56.6-69m; 12.4m @ 1.25g/tAu, 3g/tAg, 0.01%Cu	1.33
					77-80m; 3m @ 0.49g/tAu, 7g/tAg, 0.18%Cu	0.99
HC08RCD398	7757945	559287	-75/180T	156.6	<b>61-66m; 5m @ 9.01g/tAu, 3g/tAg, 0.02%Cu</b>	9.11
					<b>incl 65-66m; 1m @ 42.1g/tAu, 4g/tAg, 0.03%Cu</b>	42.2
					<b>76-90m; 14m @ 6.96g/tAu, 9g/tAg, 0.19%Cu</b>	7.52
					<b>incl 78-79m; 1m @ 85.3g/tAu, 42g/tAg, 0.69%Cu</b>	87.5
HC08RCD399	7758000	559290	-75/180T	162.7	71-86m; 15m @ 1.19g/tAu, 3g/tAg, 0.04%Cu	1.33
					94-103m; 9m @ 2.00g/tAu, 3g/tAg, 0.01%Cu	2.08
					129-130m; 1m @ 0.85g/tAu, 13g/tAg, 1.14%Cu	3.39
HC08RCD400	7758044	559287	-75/180T	159.7	116-117m; 1m @ 4.43g/tAu, 11g/tAg, 0.19%Cu	5.03
					125-134m; 9m @ 0.63g/tAu, 14g/tAg, 0.83%Cu	2.57
HC08RCD209	7758155	558881	-60/180T	234.6	<b>90-95m; 5m @ 0.48g/tAu, 164g/tAg, 1.33%Cu</b>	6.42
HC08RCD401	7758138	558880	-60/180T	204.4	<b>12-24m; 12m @ 0.67g/tAu, 167g/tAg, 0.01%Cu</b>	4.03
					63-87m; 24m @ 1.20g/tAu, 34g/tAg, 0.19%Cu	2.26
					112-116m; 4m @ 0.17g/tAu, 77g/tAg, 0.65%Cu	3.01
HC08RCD402	7758098	558860	-60/180T	183.5	<b>53-95m; 42m @ 1.30g/tAu, 52g/tAg, 0.45%Cu</b>	3.24
					<b>incl 59-60m; 1m @ 15.2g/tAu, 257g/tAg, 3.18%Cu</b>	26.7
HC08RCD406	7757645	558260	-75/181T	243.7	159-188m; 29m @ 0.01g/tAu, 60g/tAg, 0.01%Cu	1.23
HC08DD016	7758100	558860	-60/000T	252.6	14-60m; 46m @ 0.20g/tAu, 51g/tAg, 0.11%Cu	1.44
HC08DD017	7758295	559063	-75/180T	435.6	70-73m; 3m @ 1.43g/tAu, 3g/tAg, 0.06%Cu	1.61
					169-174m; 5m @ 0.81g/tAu, 64g/tAg, 0.71%Cu	3.51
					312-322m; 10m @ 0.63g/tAu, 27g/tAg, 0.36%Cu	1.89
HC08RC432	7757699	559007	-60/180T	120	72-112m; 40m @ 0.24g/tAu, 42g/tAg, 0.06%Cu	1.20
Calculated Gold Equivalent grade is based on 1 gram gold = 50 grams silver = 0.5% copper						
+ denotes holes with 4m composite results awaiting 1m ore grade assays.						
* denotes hole that ended in mineralisation.						

**Figure 1**



**About Conquest Mining**

Conquest Mining is a Perth-based mining exploration company focused on discovering low cost gold and silver resources. Exploration at Mt Carlton 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.

The combined exploration expenditure of Conquest and GoldFields is currently estimated to be \$2 million per month.

Conquest Mining has \$31 million cash reserves, and has a cash backing of 11.4 cents per share.

John Terpu  
Managing Director

*This report is based on and accurately reflects information compiled by Mr Peter Rea, BSc., MSc, MAIG, who is a full time employee of the Company. Mr Rea 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 Peter Rea consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*