



## **ASX RELEASE**

**15 September 2009**

### **CONQUEST ACTS TO PROTECT SHAREHOLDER VALUE**

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- **Conquest Mining intends to commence new 15,500m reverse circulation (RC) drilling exploration program on regional tenements following rejection of Gold Fields Australasia's proposed work program**
- **Conquest requests appointment of Expert to make determination on the status of the JV agreement**

Conquest Mining (ASX:CQT) intends to commence a drilling program on its regional tenement area while its dispute with Gold Fields Australasia (GFA) over the Regional Joint Venture Agreement (JVA) is resolved.

Conquest activated the dispute resolution process in August 2009 following efforts by the Company to clarify GFA's commitment to progress exploration of the regional tenement area in a timely manner. It also followed a decision by Conquest's Board to reject a proposal by GFA to amend the terms of the JVA to increase GFA's interests in both the regional tenements and Conquest's 100% owned Silver Hill project.

Conquest Managing Director John Terpu said the Company would commence its own RC drilling activities on the tenements following its decision this week to reject GFA's new proposed work program for the area.

"The point of the JVA with Gold Fields was to have them drill a total of 150,000 metres so as to facilitate the estimation of JORC compliant reserves" he said.

"After having completed just 10% of its Drilling Requirement over half way through the Earning Period under the Agreement, Gold Fields is now proposing to revert to a first pass drilling method that in our view does not achieve the aims of the JVA."

GFA has proposed using a rotary air blast (RAB) method to complete its Drilling Requirement. In Conquest's view, this form of drilling does not support the establishment of a resource estimate, contrary to the intention of the agreement.

"We want to get on with quantifying the significant potential value of these regional tenements as soon as possible," Mr Terpu said.

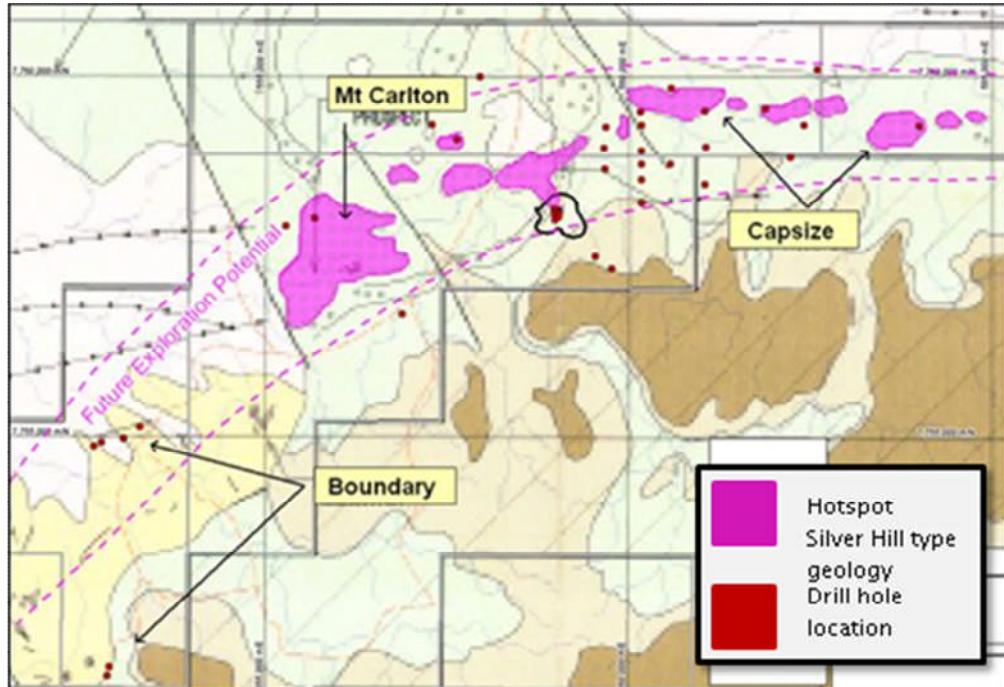
"Given our view that GFA's proposal will not satisfy the requirements of the JVA and the need to move on with exploration, we've now given notice that we intend to commence a program on the regional tenements ourselves.

"While obviously we'll work around any meaningful exploration work Gold Fields is undertaking, we owe it to our shareholders to expedite the drilling on these tenements so we can realise their full potential in a timely manner."

Mr Terpu said this would include a focus on known hotspots with similar geology to Silver Hill (Figure 1), which will be targeted through a 15,500m RC drill program through to November 2009.

“In the interim, we’ll be exercising our right to have an Expert appointed to make a determination on the status of the agreement as soon as possible,” he said.

Figure 1:



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### 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.

John Terpu  
Managing Director

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