

# CONQUEST MINING LIMITED

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The Company Announcements Platform  
Australian Stock Exchange Limited  
Level 5  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir

## **Chairman's Letter**

Attached please find Chairman's letter, which will be included in the Company's mail out to shareholders together with our Notice of Annual General Meeting 2009.



Bruno Firriolo  
**Company Secretary**



Dear Shareholder

**Notice of Shareholder Meeting: Capital Raising Strategy to Progress Silver Hill Project**

Conquest Mining is rapidly progressing the development of high grade gold and silver concentrate at the 100% owned Silver Hill project in northern Queensland, the first phase in the development of the broader Mt Carlton project.

The project Definitive Feasibility Study (DFS), being undertaken by Arcon Mining Services including long lead time procurement, engineering and design, is on track for completion by November 2009.

Completion of the DFS will enable the expedited construction of the mine and processing plant, scheduled to commence in February 2010, with nameplate production by early 2011.

In light of the positive results of the project Pre-Feasibility Study, strong interest in offtake arrangements and the receipt of indicative debt funding terms, your Board remains confident of the timely development of this significant new gold project.

Importantly for shareholders, the economics of high grade concentrate production at Silver Hill project are robust, with the project's potential boosted by recent drilling results and the identification of a potential discrete silver pit at the project.

The broader Mt Carlton project – which incorporates regional tenements 20 times the area of Silver Hill – also offers exceptional potential upside to the first phase development.

On 14 October 2009, Conquest Mining announced a capital raising strategy to fund the construction of the Silver Hill project and expedite regional exploration.

The strategy, which would raise a maximum of \$65 million, includes:

- Placement of up to 80.6m shares (in two tranches) at \$0.62 each to sophisticated and institutional investors raising \$50 million; and
- A Share Purchase Plan open to all existing shareholders at \$0.62 per share, capped at \$15,000 per shareholder, to raise a maximum of \$15 million.

The raising will introduce new institutional investors into the Company, while adding value to the interests of existing shareholders. Combined with debt alternatives that will be finalised following completion of the DFS, the raising will carry Conquest Mining through to production from Silver Hill within 18 months.

Enclosed is a Notice for the Company's Annual General Meeting, which includes resolutions to endorse this strategy and allow the timely development of Silver Hill and the broader Mt Carlton project.

This necessary capital raising delivers a strong and financially secure future for the Company and the Silver Hill project as we move from explorer to become Australia's newest, low cost gold producer.

Yours sincerely

Richard Krasnoff  
Chairman