



ASX RELEASE

26 March 2009

Confidence in Silver Hill Resource Improves

HIGHLIGHTS

Revision of Silver Hill Resource estimate – improved confidence for the Pre Feasibility study

- Measured plus Indicated tonnes increase by 7% from 19.0 Mt to 20.4 Mt
- Measured plus Indicated gold ounces reduce marginally by 1% from 1,096,000 to 1,092,000 oz

Pre Feasibility nearing completion – Indications are positive

- Mineable resource, pit design options and mine optimisation schedules completed
- Preferred process method (Bacterial Leaching) leads to:
 1. high grade precious metals (gold/silver) concentrate available for sale to onshore or offshore refineries, plus
 2. a lower grade gold/silver/copper/zinc concentrate for on-site beneficiation, and
 3. able to deliver an environmentally acceptable arsenic outcome.
- Pre feasibility Study is well advanced to financial modelling stage and is expected to be complete for reporting mid April 2009.
- Additional important work such as cultural heritage discussions with the Birri people, landowner compensation negotiations, geo-hydrological work and the environmental impact study are all underway.

Resource Estimate

Based on the drilling completed to November 2008, the resource estimate at the Silver Hill deposit has been recalculated by independent experts Hellman and Schofield (Table 1). This recalculation increases confidence over the previous estimate completed in November 2008. The previous resource estimate was based on drilling completed to April 2008.

At a \$20/t value¹ cut-off grade, the tonnage in the Measured and Indicated categories has increased to 20.4 million tonnes while the Inferred category has reduced to 2.4 million tonnes.

Measured plus Indicated resource tonnage has increased by 7% whilst the overall tonnage has reduced by only 1%.

Equivalent Metal prices used to calculate the Resource were:

Gold – US\$677.80/ounce
Silver – US\$10.12/Ounce
Copper – US\$4,162/tonne

Exchange Rate – US\$0.72 – A\$1.00

Table 1 Recoverable Resource Estimates at \$20/t cut-off

Nov 2008	M tonnes	Au (g/t)	Ag (g/t)	Cu (%)	Au K oz	Ag K oz	Cu Tonnes
Measured	9.2	2.0	72	0.34	592	21,297	31,280
Indicated	9.8	1.6	47	0.27	504	14,809	26,460
Meas. + Ind	19.0	1.8	59	0.30	1,096	36,105	57,740
Inferred	4.1	1.4	68	0.24	185	8,964	9,840
Total	23.1	1.7	61	0.29	1,263	45,304	66,990

Mar 2009	M tonnes	Au (g/t)	Ag (g/t)	Cu (%)	Au K oz	Ag K oz	Cu Tonnes
Measured	5.6	2.1	98	0.37	378	17,644	20,720
Indicated	14.8	1.5	35	0.29	714	16,654	42,920
Meas. + Ind	20.4	1.7	52	0.31	1,092	34,298	63,640
Inferred	2.4	1.2	40	0.21	93	3,086	5,040
Total	22.8	1.6	51	0.30	1,173	37,385	68,400

This updated estimate is used in the Pre Feasibility study which is nearing completion. Details at different value¹ cut-offs are shown in Table 2.

Table 2 Recoverable Resource Estimates, Silver Hill as at March 2009

MEASURED RESOURCES				
Cut-off \$/tonne	Million Tonnes	Gold g/t	Silver g/t	Copper %
10	8.7	1.5	71	0.27
20	5.6	2.1	98	0.37
25	4.8	2.5	110	0.42
30	4.2	2.8	121	0.46
35	3.7	3.0	132	0.50
40	3.3	3.3	143	0.53
50	2.7	3.9	162	0.60

INDICATED RESOURCES				
Cut-off \$/tonne	Million Tonnes	Gold g/t	Silver g/t	Copper %
10	26.5	0.9	26	0.20
20	14.8	1.5	35	0.29
25	11.9	1.7	38	0.33
30	9.8	2.0	41	0.37
35	8.2	2.3	44	0.41
40	7.0	2.5	48	0.43
50	5.2	3.0	54	0.50

INFERRED RESOURCES				
Cut-off \$/tonne	Million Tonnes	Gold g/t	Silver g/t	Copper %
10	6.2	0.6	27	0.12
20	2.4	1.2	40	0.21
25	1.7	1.5	44	0.25
30	1.3	1.8	48	0.29
35	1.0	2.2	51	0.34
40	0.8	2.5	55	0.36
50	0.6	3.3	60	0.43

TOTAL RESOURCES: Measured + Indicated + Inferred				
Cut-off \$/tonne	Million Tonnes	Gold g/t	Silver g/t	Copper %
10	41.4	1.0	36	0.20
20	22.8	1.6	51	0.30
25	18.3	1.9	58	0.35
30	15.2	2.2	64	0.39
35	12.9	2.5	70	0.43
40	11.0	2.8	77	0.46
50	8.5	3.3	89	0.53

¹ Value A\$ = 24.213 x gold g/t + 0.2711 x silver g/t + 52.0 x copper %
Figures are rounded. Value A\$ does not include the value of zinc.

Pre Feasibility Study - Preferred process method

Following detailed comparison of a number of possible processes for on-site gold metal recovery from flotation concentrate, i.e. BIOX, Albion, Pressure Oxidation (POX) and Bacterial Leach, as well as an extensive program of metallurgical test work, the Bacterial Leach process has been selected as the most feasible for low grade concentrates. The high grade concentrates will be separately available for sale to refineries. These processes considered to be able to deliver an environmentally acceptable arsenic outcome.

The onsite process includes bacterial oxidation, then leach of base metals by conventional SXEW and CIL processes.

The amenability of the Silver Hill concentrate to Bacterial Leach processing is the subject of ongoing test work but, for the purposes of the Company's plans going forward, all results to date are positive.

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. Conquest Mining has \$28 million cash reserves, and a backing of 10 cents per share.

John Terpu
Managing Director

Estimation details

Metal grades and value have been estimated into horizontal panels with dimensions 25m by 25m (east, west) by 5m (elevation). The resource model, estimated using GS3m multi-metal Multiple Indicator Kriging software of H&S, and is a "mine-recoverable" model. It assumes that a grade control pattern of 5m x 5m x 2.5m elevation will be used during mining with a notional Selective Mining Unit (SMU) of 5x5x2.5m. The main portion of the resource dips shallowly to the north, begins at approximately 20 m below surface and extends to a depth of approximately 200m. Similar models to that completed for Silver Hills have been shown to adequately incorporate mining dilution.

Search distances for Measured, categories are 30m East 30 North and 7m RL, minimum and maximum data points 16 and 32 respectively. Indicated Resources and Inferred Resources have search radii of 45 East 45 North and 10.5 RL. Measured and Indicated Resources require data in to be in 4 octants, Inferred requires 2.

Increased drilling density has increased the tonnage of Measured in parts of the mineralization. However, changes in cut-off and diminished search distances from 35m East 35 North 10mRL used previously for Measured resources have resulted in a net decrease in Measured tonnages. These changes are as a result of an improved understanding from drilling that the main V2 mineralisation is less continuous in grade than previously considered. A check estimate by H&S achieved a similar outcome to the results reported here. Data has been assessed for quality and is acceptable for resource estimation.

This report is based on and accurately reflects information compiled by Mr Martin Male, BSc (Hons), MAIG who is a full time employee of the Company. Mr Male 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 Martin Male consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.