



ASX RELEASE

12 October 2009

ENVIRONMENTAL ASSESSMENT LEVEL SET FOR HIGH GRADE CONCENTRATE PRODUCTION AT SILVER HILL

- **Level of environmental assessment for concentrate production will include developing an Environmental Management Plan supporting the proposed timeline set by the Company**
- **Project on schedule for nameplate high grade concentrate production by early 2011**
- **Additional recovery processes beyond sulphide flotation to be subject to voluntary Environmental Impact Statement should the Company choose to proceed.**

Conquest Mining Limited (ASX: CQT) has received an Assessment Level decision from the Queensland Department of Environment and Resource Management (DERM) in relation to its Silver Hill project.

In relation to the production of high grade gold and silver concentrate from Silver Hill, the Company will be required to develop an Environmental Management Plan (EMP) under the *Environmental Protection Act 1994*.

Managing Director John Terpu said he welcomed the EMP process decision which would align with the current Definitive Feasibility Study (DFS) and allow for timely production of high value concentrate from Silver Hill.

"Our efforts are firmly focused on the completion of the DFS by November 2009 and we will now build the EMP into our planning processes.

"This level of environmental assessment will ensure the appropriate management of any environmental issues while allowing us to progress our plans for sustainable production of high grade sulphide concentrate by early 2011," Mr Terpu said.

In line with the Company's announcement of 8 October 2009, any additional processing stages beyond sulphide flotation would be subject to a separate assessment, both in terms of work undertaken by Conquest and environmental approvals.

Mr Terpu said initial testwork on secondary processing options was underway but was only at an evaluation stage and a decision to proceed with any recovery methods would only be made following consideration of economic and operational factors, most likely in early-mid 2010.

The secondary processing testwork is being undertaken outside the scope of the current Silver Hill DFS.

“Should we decide to proceed with recovery activities beyond sulphide flotation, we have given DERM a commitment to undertake a voluntary Environmental Impact Statement (EIS) on that additional process route,” Mr Terpu said.

The commitment reflects Conquest’s recognition of the need to fully understand the potential environmental impact of additional processing on site, which would tie in with the Company’s consideration of economic and operational factors.

“However, our focus now is the timely production of high grade gold and silver concentrate from the Silver Hill project and we’re on track to deliver on that objective. With recent drilling results and the identification of a potential discrete silver pit at the project, the economics of high grade sulphide-only production remain extremely attractive.” he said.

About Conquest Mining

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

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.

For more information

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