



26 November 2009

## 2009 Conquest Mining Annual General Meeting Chairman's Address

It is a genuine pleasure to be here today as Conquest Mining moves ever closer to the goal of its Board and shareholders alike, of moving from its exploration success to the next phase of the Company's evolution: Project development, production and sales. Conquest's Board and management continue to believe that the only solid way to build sustainable shareholder value is to build a sustainably profitable mining business, and that has been our overwhelming priority since the exciting discovery of the Silver Hill resource in 2006.

I cannot think of any year since I joined the Conquest Board 5 years ago to rival the last 12 months in terms of concrete progress towards our shared goal. While there is much still to do before we reach the business *nirvana* of **positive cash flow**, some key milestones have been achieved and announced since the last AGM,:

- A *Preliminary Feasibility Study*, announced in April 2009, showed robust economics for the Silver Hill Project, and gave the Board confidence to commit immediately the expenditure required for a *Definitive Feasibility Study*, the results of which are imminent. An overall philosophy of reducing project risk has been adopted by your board as guidelines for the study,
- Continued drilling has progressively derisked the project: increased the Mt Carlton defined Resource, increased confidence in the Project economics and approach, defined a discrete silver pit in Area 39 that should provide early cash flow, and provided groundwork for Silver Hill's development program and search for additional upside through further exploration
- Advanced negotiations have produced an indicative EOI for off-take and an indicative '*terms sheet*' for debt financing, which we are actively working to firm up in the foreseeable future
- Over \$50 million of equity raised, subject to approval of several Resolutions at today's AGM, Supplemented by debt, this should fund the Silver Hill Project to the point of producing and selling a high-grade precious metals concentrate
- Positioned the company to pass Queensland Government environmental assessment by way of an Environmental Management Plan, of which development will be a top priority for 2010.
- Conquest became part of the ASX 300 index. Our recent placement, while well below CQT's all-time high share price of May 2007, was nonetheless at a price **4 times** the share price that prevailed at the date of our last AGM.

Looking at where we've been, what we've been through transiting the *Global Financial Crisis*, where we stand against the context of the junior gold sector overall, and what we perceive as the '*light on the hill*' – **Silver Hill** – we look forward to an outstanding and very busy next 12 months for Conquest Mining.

On behalf of the Board and all of Conquest's shareholders, let me reiterate our thanks to Conquest's management, staff, contractors and consultants who have worked so hard to get us where we are.