

ASX RELEASE

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Indicative Termsheets Received for Mt Carlton Financing

- Indicative term-sheets received for amounts of up to \$110 million for the development of Mt Carlton.
- Four banks shortlisted to provide final indicative term sheets prior to formal mandate.
- AMC Consultants appointed as the Independent Technical Engineer to conduct a technical and environmental review of Mt Carlton on behalf of the project financier.

Conquest Mining (ASX: CQT) is pleased to provide an update on financing initiatives for the development of its Mt Carlton gold-silver-copper project in north Queensland. Discussions with potential debt providers have advanced significantly. Indicative term sheets have been received from a number of Australian and international banks for debt amounts of \$100-\$110 million. Four banks have been shortlisted, on the strength of the indicative term sheets submitted and their experience in resource lending.

In developing their submissions the banks have had full access to the Mt Carlton Optimisation study and all associated technical and financial reports. The terms and conditions provided in the indicative term sheets remain subject to further due diligence, site visits and formal credit approval. Conquest expects to mandate one of the shortlisted banks in due course and commence the credit approval process.

Commenting on the expressions of interest, Conquest Executive Chairman, Jake Klein said:

“The indicative term sheets that we have received are very encouraging and we will now move to select our preferred financier and finalise the term sheet. This allows us to maintain our schedule to commence construction activity in the second half of the year and importantly we now do not anticipate that we will need to raise additional equity capital for the construction of Mt Carlton.”

The Mt Carlton Optimisation Study, completed in December 2010, estimated an integrated project capital cost estimate of \$126.9 million of which \$6.95 million has already been spent following the purchase in August 2010 of a new SAG mill, the longest lead-time component of the processing facility. As at 31 March 2011 Conquest had available cash of \$36.3 million.

For more information

Jake Klein
Executive Chairman
Conquest Mining Limited
(02) 8383 2100

Michael Vaughan
FD – Media Relations
0422 602 720
(02) 8298 6100

Sarah Browne
FD – Media Relations
0439 841 395
(08) 9386 1233

About Conquest

Conquest is an Australian based and listed mining company with a focus on activities in north Queensland. The company has a 100% interest in the Pajingo gold mine near Charters Towers and a 100% interest in the Mt Carlton gold-silver-copper project, near Townsville.

Conquest is a growth-oriented company that has the focus and ability to deliver a growth plan to achieve mid-tier market status and to take advantage of the benefits available to a company of this status. Conquest will seek to deliver this growth through successful development of its Mt Carlton project and by acting on consolidation opportunities in the relatively fragmented and poorly funded junior market sector.

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