

ASX Release

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Issued Capital:
69.18 million shares

ASX Symbol: CVY

AQUISITION OF THE ADVANCED, HIGH-GRADE CAMERON LAKE GOLD PROJECT, ONTARIO, CANADA

HIGHLIGHTS

- Agreement reached to acquire a 100% interest in the advanced high-grade Cameron Lake Gold Project in Ontario, Canada.
- Near term production opportunity.
- Project hosts measured, indicated and inferred resources (NI 43-101 compliant) of:
2,567,000 tonnes at 5.42 g/t gold for 447,421 oz gold (3.0 g/t cut-off).
- Crushed ore stockpile at surface comprises approximately 14,000 tonnes at an average grade of 4.46 g/t gold for ~2,000 oz gold.
- Acquisition includes a 700-800 tonne per day processing facility.
- Metallurgical test work indicates ore is readily amenable to conventional processing methodologies.
- Extensive underground development to 243m vertical depth.
- Database includes information from 757 surface and underground drill holes totalling 84,541 metres of drilling.
- Mining studies underway into development of an open pit mining operation.
- Many permits required for mining are in place.
- Mineralisation is open along strike and at depth.
- Considerable exploration upside within the 3,306 hectare Project area.
- Potential to consolidate ownership of additional gold assets in the Kenora District.
- Consideration to acquire a 100% interest in the Project comprises C\$6 million and 12 million CVY shares.

Coventry Resources Limited ("Coventry" or "the Company"; ASX: CVY) is very pleased to advise that it has entered into an agreement with Nuinsco Resources Limited ("Nuinsco") and its subsidiary Cameron Lake JEX Corporation to acquire a 100% interest in the advanced and high-grade Cameron Lake Gold Project in northwestern Ontario, Canada.

This acquisition provides the Company with an exceptional opportunity to develop a substantial gold-mining operation in the near term, during a period of record high gold prices. It complements the Company's Ardeen Gold Project, which is also located in the province of Ontario, and strengthens the Company's project pipeline, with most mining permits already in place at the Cameron Lake Gold Project.

CAMERON LAKE GOLD PROJECT

Location and Access

The Cameron Lake Gold Project is located approximately 90km southeast of the city of Kenora in north-western Ontario, Canada (Figure 1). The Project comprises a granted mining lease encompassing 979 hectares, together with twenty unpatented mining claims covering 1,984 hectares, and seven licences of occupation covering 72.5 hectares (see Figure 2). The total area of the project is 3,036 hectares.

Direct access to the Project is provided all year round by an all-weather gravel road, extending for 24 kilometres east from Provincial Highway 71. Logging roads provide local access to the majority of the Project area. High voltage power lines traverse within 30km of the Project along Highway 71.

Most services, skills and supplies are readily available in the nearby town of Kenora (population ~15,000). The smaller town of Nestor Falls is located about 24 kilometres to the southwest of the Project.

Project History and Previous Exploration

Gold was first discovered in the Kenora District in the 1890s. A number of small deposits produced approximately 250,000oz of gold, prior to the cessation of all operations before the Second World War. There has subsequently been no gold production from the District.

The Cameron Lake Gold Deposit was discovered by prospectors in 1960. They identified two mineralised zones at surface extending over a strike length of more than 300 metres. Between 1960 and 1973 these zones were tested by limited drilling, trenching, geophysical surveys and geological mapping.

In 1980 Nuinsco acquired the Project from local prospectors and staked additional claims over the area. Between 1981 and 1983 Nuinsco conducted prospecting and geological mapping, geophysical surveying and shallow drilling (19 holes for 1,734 metres). Follow-up work from 1983 to 1985 included drilling a further 136 diamond drill holes (31,819 metres) and 62 shallower reverse circulation drill holes (754 metres).

During 1986 Nuinsco completed a further four diamond drill holes (744 metres) prior to entering into a joint venture with Echo Bay Mines Limited. Through this joint venture Echo Bay earned a majority equity position in Nuinsco by completing 3,238 metres of underground development. This comprised a decline and three levels of lateral drifts, as well as a further 347 metres of raise development. An underground diamond drill program was subsequently completed, comprising 552 drill holes for 28,913 metres.

In 1988 Deak International purchased Echo Bay's interest in Nuinsco and extended the decline to a vertical depth of 243 metres. A further 16 surface diamond drill holes and 55 underground diamond drill holes were completed before Deak withdrew from the Project. Nuinsco regained 100% ownership.

The Project remained dormant until December 1995, when Cambior Inc. entered into a joint venture with Nuinsco. Cambior completed 13 diamond drill holes (8,012 metres) targeting the western and eastern extensions of the mineralisation, and testing the main zone at depth. Inconclusive results lead Cambior to withdraw from the Project.

In November 2003 Nuinsco completed a further 13 diamond drill holes for 1,846 metres, evaluating the area above the 243 metre level for the extension of high-grade mineralisation intersected in earlier drilling. This program was later followed up with a small, two-hole diamond drilling program (1,063m) in December 2004.

Only minimal field work has been completed subsequently.

A total of 757 surface and underground drill holes, totalling 84,541 metres, have been completed at the Project.

Geology and Mineralisation

The Cameron Lake Gold Deposit is located at the western end of the Archaean-age Superior Province in Ontario, Canada. The geology of the region is dominated by the Pipestone-Cameron Fault (PCF), a crustal-scale deformation zone which trends northwest-southeast and is traceable over more than 100km of strike (Figure 3).

The Cameron Lake Gold Project is located to the northeast of the PCF on the southeastern limb of the large-scale, east-northeast-trending Shingwak Lake Anticline, in lithologies dominated by tholeiitic basalt of the

Rowan Lake Volcanics, overlain by intermediate and mafic flows and pyroclastic rocks, and lesser felsic flows, tuff and sedimentary rocks of the Cameron Lake Volcanics (Figures 3 & 4). These units have been intruded by a series of mafic and felsic intrusive bodies.

A number of second-order structures occur as splays off the PCF, with the Cameron Lake Shear Zone (CLSZ) and Monte Cristo Shear Zone (MCSZ) being the most prominent within the Project area.

The mineralisation at the Cameron Lake Gold Deposit is hosted by mafic volcanic rocks within the northwest-trending CLSZ, which forms the contact between these lithologies and gabbro in the footwall (Figure 5). The MCSZ is located 5 km to the east of the Cameron Lake Gold Deposit and is associated with the smaller Monte Cristo and Victor prospects, also at the contact of mafic volcanic rocks and gabbro.

Mineralisation at the Cameron Lake Gold Deposit comprises quartz veins and breccia associated with intense albite-silica-sericite-carbonate-pyrite alteration in a series of zones that dip moderately-steeply to the north and plunge steeply to the northwest. Gold is associated with disseminated pyrite, with high sulphide concentrations generally corresponding with higher grades. Visible gold is present, but rare.

Exploration work undertaken to date has delineated mineralisation over a strike length of more than 400 metres and to a vertical depth of more than 850 metres. The deposit is open both at depth and along strike.

Mineral Resource

As previously announced by Nuinsco (12 June 2008), independent consultants to Nuinsco have calculated a NI 43-101 compliant (Toronto Stock Exchange equivalent to a JORC compliant resource) resource for the Cameron Lake Gold Deposit. Applying a 3.0 g/t cut-off, the measured, indicated and inferred resource comprises:

2,567,000 tonnes @ 5.42 g/t Au for 447,421 oz gold

Table 1 outlines the breakdown of this resource by classification category:

Table 1. June, 2008 NI 43-101 resource for the Cameron Lake Gold Deposit.

Category	Tonnes	Grade (g/t Au)	Oz Au
Measured	100,000	6.17	19,800
Indicated	648,000	6.51	135,700
Inferred	1,819,000	4.99	292,000
Total	2,567,000	5.42	447,421

The Company intends calculating a new resource for the Cameron Lake Gold Deposit in the first quarter of 2010, taking into consideration current substantially higher prevailing gold prices.

Ore Stockpiles

A considerable amount of ore was mined and hauled to surface when the Cameron Lake Gold Deposit was subject to underground exploration between 1986 and 1990. Some 14,000 tonnes of mineralised material at an average grade of 4.46 g/t gold, containing 2,000 ounces of gold, was crushed and stockpiled (Figure 6). This material remains at surface and would form the first ore to be processed through any milling facility erected at the Project.

Additional uncrushed mineralised material is also present at surface, however the amount and grade of this material is yet to be quantified.

Metallurgy

Lakefield Research conducted considerable metallurgical test work on ore from the Cameron Lake Gold Deposit in 1985 and later in 1987-1988. Test work was performed on ore obtained from the underground exploration.

Up to 92% recoveries were recorded during test work when utilising just conventional flotation techniques. Regrinding and cyanidation of the flotation concentrate recorded 96% average recoveries.

Gravity concentration test work undertaken in 2004 recorded recoveries of 63.5%.

This test work indicates that ore from the Cameron Lake Gold Deposit is amenable to conventional processing methodologies and that good recoveries of gold can be expected.

Processing Facility

As part of the acquisition of the Cameron Lake Gold Project, the Company will acquire a 700-800 tonne per day conventional flotation facility. This is currently located in Chibougamau, Quebec where it is under care and maintenance. Nuinsco purchased this facility in 2008 with the intention of relocating it to the Cameron Lake Gold Project. The Company is assessing its options for this mill.

Permitting

Many of the permits required to develop a mining operation at the Cameron Lake Gold Deposit are already in place. A permit for a tailings storage facility remains outstanding, and further consultation with First Nation groups are required. Environmental baseline monitoring is ongoing.

Upon settlement of the acquisition the Company will accelerate the permitting process to enable it to develop a mining operation as quickly as possible.

Exploration Potential

Considerable potential remains to discover additional mineral resources at the Cameron Lake Gold Project.

Mineralisation at the Cameron Lake Deposit itself remains open along strike in both directions and at depth. No regional exploration work has been conducted at the Project since the mid-late 1980s, with all recent work being concentrated on the deposit.

At least 11 other gold occurrences are known within the extent of the Project area. Numerous other geochemical anomalies were generated by RC drilling of glacial cover during the mid-1980s, but are yet to be followed up. These occurrences and anomalies will be systemically evaluated and tested to delineate additional resources.

Regional Potential and Consolidation Opportunity

The Kenora District remains one of the last underexplored and undeveloped gold camps within the Archaean Superior Province of Canada. Mining in the district ceased at the beginning of the Second World War, with no further gold production, despite the subsequent delineation of a number of resources, particularly during the 1980s.

Due to its geological similarities to a number of prolific gold producing regions within the Canadian Shield, it is thought that there is considerable potential to discover additional substantial gold resources in the Kenora District.

If the Company establishes the first processing facility within the well endowed Kenora District it may well be able to capitalise on this investment by consolidating ownership of some of the numerous other resources located within trucking distance of the Cameron Lake Gold Deposit (see Figure 7). The Company will further examine options to implement this growth strategy in the near future.

Forward Work Program

Mineralisation at the Cameron Lake Gold Project is thick and comes to surface. Despite this, previous operators appear to have focused on pursuing the development of the Cameron Lake Gold Deposit as an underground mining operation in preference to a lower cost open pit mining operation.

The Company believes that there is a high likelihood that an economically viable open pit mining operation could be established at the Project, particularly with prevailing high gold prices. Hence the Company intends initially focusing on further evaluation of the considerable shallow mineralisation defined to date, and potential extensions thereof.

The Company will immediately undertake open pit mine modelling. With positive outcomes the Company intends conducting a concerted 10,000 metre drilling program immediately following Settlement, concentrating on evaluation of the shallow, sparsely-drilled portion of the Cameron Lake Gold Deposit.

This work will form part of a pre-feasibility study into the development of a mining operation at Cameron Lake.

Additional geotechnical data will be acquired for incorporation into open pit mine plans. Further metallurgical test work will be undertaken so that an optimal processing stream can be established. This will include a review of the suitability of relocating the processing plant that the Company is purchasing as part of this transaction to Cameron Lake.

Permitting for the project will be accelerated, with the aim of obtaining all permits necessary to commence operations within 6 months of Settlement.

Numerous other regional targets will also be further evaluated, and opportunities to consolidate ownership of gold assets in the district will be prioritised.

Acquisition Terms

Coventry has agreed to acquire a 100% interest in the Cameron Lake Gold Project from Nuinsco for the following consideration:

- C\$100,000 on execution of a binding Heads of Agreement (completed).
- C\$5,900,000 on execution of a Definitive Sale and Purchase Agreement (to be completed by 5 March 2010).
- Issuing 12 million shares in Coventry Resources Limited on execution of the Definitive Agreement.

Nuinsco will retain a 3.0% NSR royalty, although Coventry will have the right to buy-back 2.0% (net) of this royalty at any time in the next five years by issuing Nuinsco C\$2 million worth of shares in Coventry Resources Limited at the prevailing market price.

Coventry is currently well financed with approximately \$5.65 million cash at bank. Numerous parties have expressed considerable interest in providing assistance to finance this transaction, and the Company anticipates finalising arrangements early in 2010.

On completion of this transaction the Company will be exceptionally well placed to rapidly advance the high grade Cameron Lake Gold Project in Ontario into production, while continuing to advance an exceptional pipeline of high grade gold assets elsewhere in Ontario.

Mike Haynes
Executive Chairman



Figure 1. Location of the Cameron Lake Gold Project, Ontario, Canada.

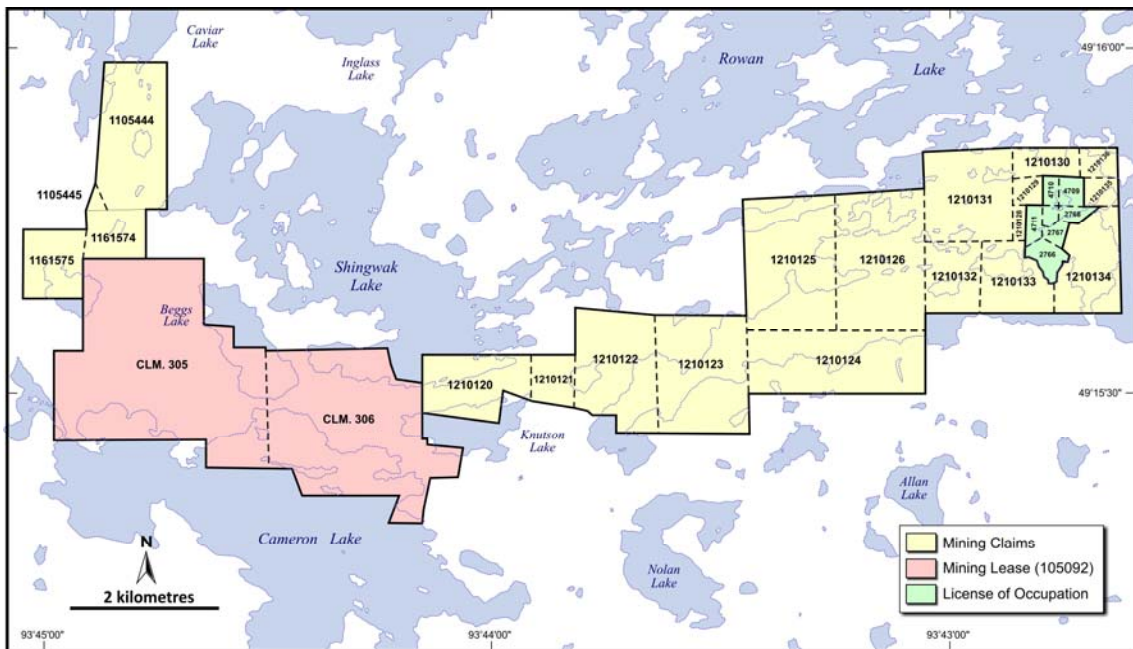


Figure 2. Tenement map of Cameron Lake Gold Project showing the central mining lease which encompasses the Cameron Lake Gold Deposit, together surrounding mineral claims.

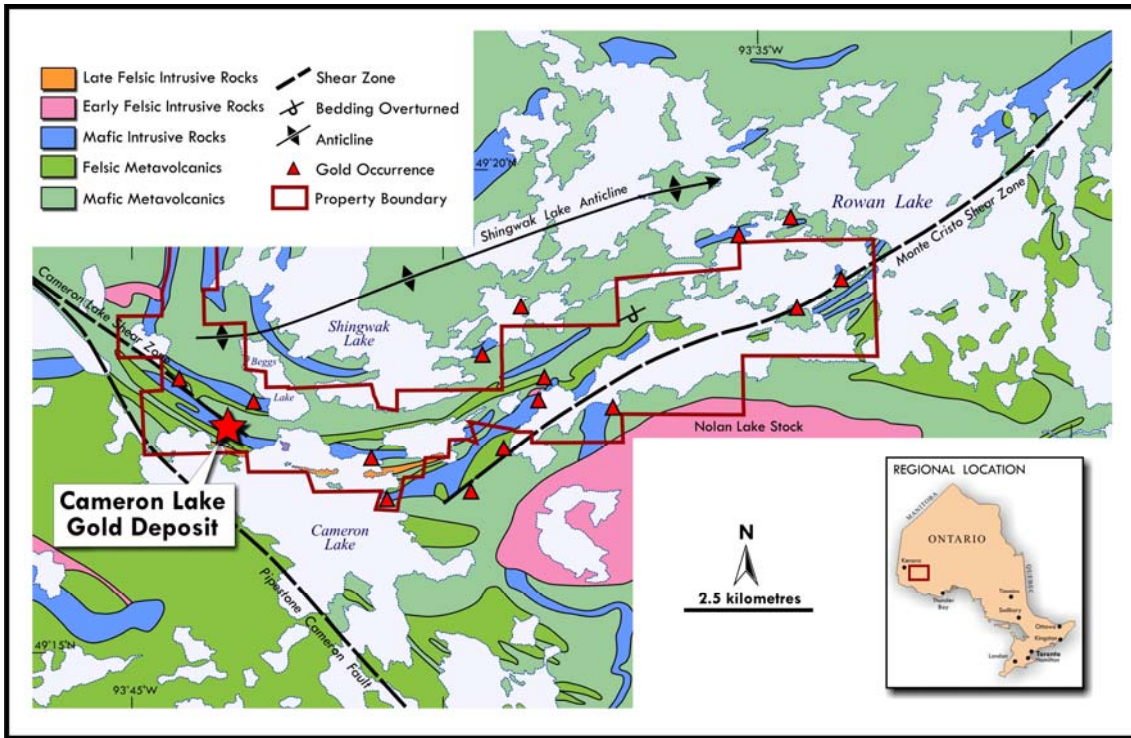


Figure 3. Regional geology of the Cameron Lake Gold Project.

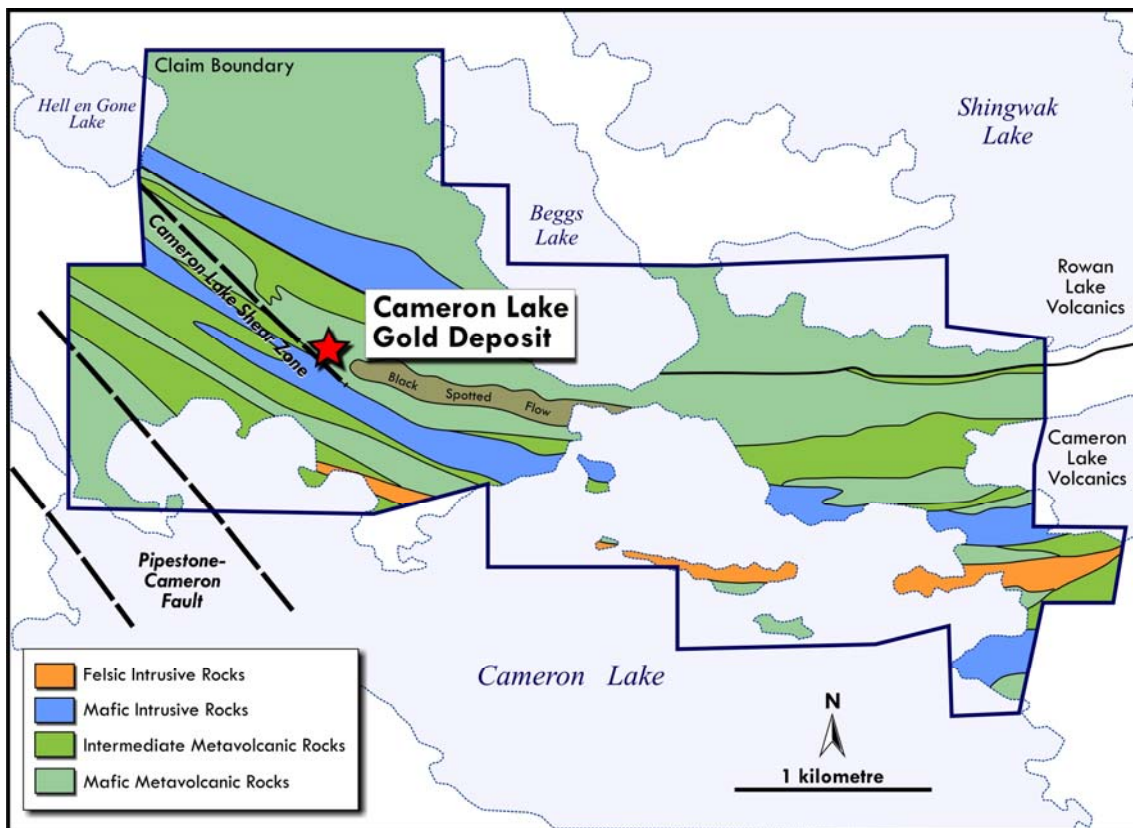


Figure 4. Local geology of the central mining lease at the Project showing the location of the Cameron Lake Gold Deposit within the Cameron Lake Shear Zone (CLSZ), which forms the contact between mafic volcanic and intrusive rocks.

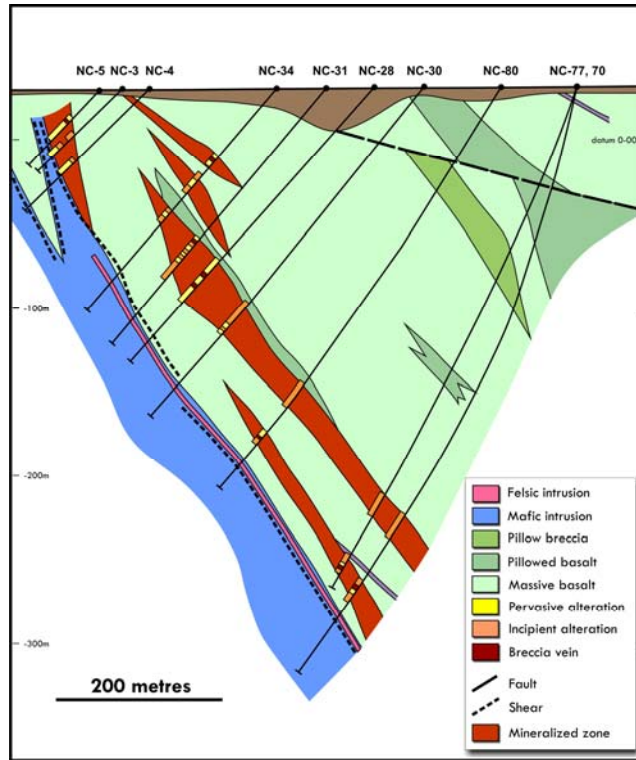


Figure 5. Cross section through the central portion of the Cameron Lake Gold Deposit showing the association between the mineralised zone with the Cameron Lake Shear Zone (CLSZ).



Figure 6. 14,000 tonne crushed ore stock pile on left, unknown quantity of un-crushed material on right.

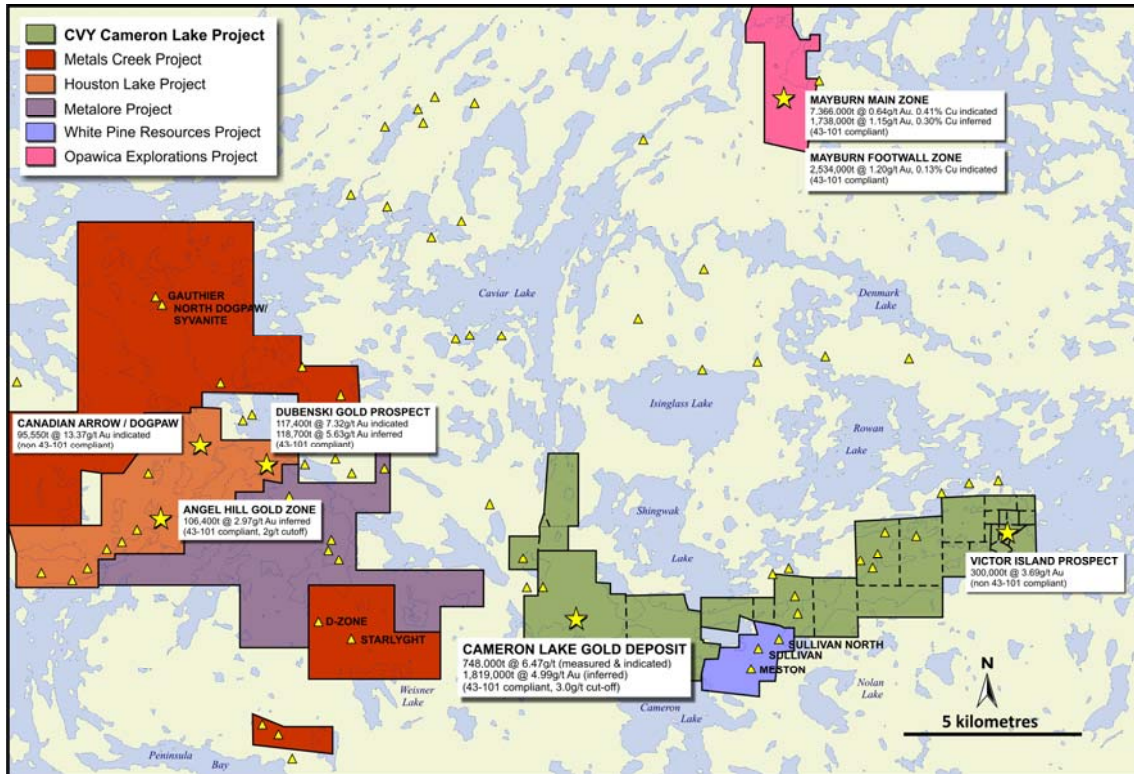


Figure 7. Resources in the immediate vicinity of the Cameron Lake Gold Project, demonstrating the potential to develop a centralised processing facility in the region.

Competent Person

The information in this announcement that relates to exploration results is based on information compiled by Anthony Brendon Goddard. Anthony Brendon Goddard is a Member of the Australian Institute of Geoscientists and a Competent Person for the purposes of the JORC Code. Mr Goddard is Technical Director of Coventry Resources Limited, and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.