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**TSX: MRN
ASX & POMSoX: MGO**

NEWS RELEASE

HIGH-GRADE COPPER RESULTS INCLUDING 198 METRES @ 1.01% Cu FURTHER ENHANCE THE YANDERA PROJECT

Highlights

Further high-grade intersections returned from the Yandera Copper-Molybdenum-Gold Project;

Omora Zone:

- **198 metres @ 1.01% Cu, 742 ppm Mo**

Gremi Zone:

- **219 metres @ 0.84% Cu, 214 ppm Mo, 0.12 g/t Au**
- **141 metres @ 0.90% Cu, 154 ppm Mo, 0.26 g/t Au**
- **81 metres @ 0.81% Cu, 127 ppm Mo, 0.25 g/t Au**
- **114 metres @ 0.71% Cu, 116 ppm Mo, 0.39 g/t Au**
- **99 metres @ 0.74% Cu, 266 ppm Mo, 0.15 g/t Au**

Confirms the prospectivity of high-grade "starter zones", which have the potential to enhance revenues in the early stages of mining.

Marengo Mining Limited (TSX: **MRN**, ASX and POMSoX: **MGO**) ("Marengo" or the "Company") is pleased to report that it has received further results of broad, high-grade copper intersections from ongoing in-fill and resource delineation diamond drilling at its flagship **Yandera Copper-Molybdenum-Gold Project** in Papua New Guinea.

The new results, which come from the Omora and Gremi zones, form part of an ongoing program of resource in-fill drilling being undertaken at Yandera. These results follow the release of results of similar levels reported from drilling of the Omora and Imbruminda zones on 15 August 2012.

The results include some of the highest grade intersections recorded at Yandera where over 145,000m of diamond drilling has been completed, as part of resource development activities.



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The new results fall within the resource envelope for the recently updated JORC/NI 43-101 compliant resource estimate for Yandera (see *Marengo News Release – 30 May 2012*), which at a 0.25% copper cut-off grade comprises 248Mt grading 0.43% Cu Measured and 114Mt grading 0.42% Cu Indicated for a total Measured and Indicated Resource of 362Mt grading 0.43% Cu (3,422Mlbs of contained copper). Inferred Resources currently total 218Mt grading 0.37% Cu (1,778Mlbs of contained copper).

The results provide further strong evidence of the presence of high-grade zones, which are expected to enhance revenues and cash flows from mining in the early years of the targeted 20 year operations at Yandera.

The upgraded May 2012 Mineral Resource estimate included a significant increase in the Measured Resource grade, as well as areas of higher grade (+0.5% Cu) which has been identified for the initial years of possible production.

Drilling is continuing at Yandera with three diamond drill rigs currently operating on site:

YD480 (Omora) Collar 293327E 9363956N Azimuth (AMG) 215@ -70;EOH 386 m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
90	288	198	1.01	742	0.03	3.35
The following broad intersection contains the following:						
90	177	87	1.18	470	0.02	2.13
243	288	45	1.15	1095	0.07	6.47

YD502 (Gremi) Collar 292986E 9364966N Azimuth (AMG) 227@ -62;EOH 237 m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
3	237	234	0.50	84	0.10	1.86
The following broad intersection contains the following:						
3	66	63	0.77	161	0.22	3.07
144	186	42	0.60	55	0.08	1.79
210	237	27	0.62	76	0.06	1.23

YD505 (Gremi) Collar 292989E 9364969N Azimuth (AMG) 052@ -64;EOH 225 m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
3	225	222	0.50	277	0.17	1.92
The following broad intersection contains the following:						
3	84	81	0.81	127	0.25	3.48
117	222	105	0.38	447	0.15	1.18

YD506 (Gremi) Collar 293092E 9364897N Azimuth (AMG) 047@ -60;EOH 189 m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
3	189	186	0.53	299	0.12	1.92
The following broad intersection contains the following:						
36	135	99	0.74	266	0.15	2.14

YD507 (Gremi) Collar 293028E 9364946N Azimuth (AMG) 222@ -58;EOH 220 m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
3	220	197	0.57	74	0.23	1.71
The following broad intersection contains the following:						
3	117	114	0.71	116	0.38	2.37
171	189	28	1.05	51	0.08	1.5

YD508 (Gremi) Collar 293140E 9364951N Azimuth (AMG) 222@ -55;EOH 312 m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
3	312	309	0.61	84	0.14	3.28
The following broad intersection contains the following:						
12	153	141	0.90	154	0.26	4.26
180	198	15	1.29	103	0.09	6.22
249	267	18	0.65	16	0.04	4.98

YD509 (Gremi) Collar 293168E 936486N Azimuth (AMG) 222@ -70;EOH 312 m

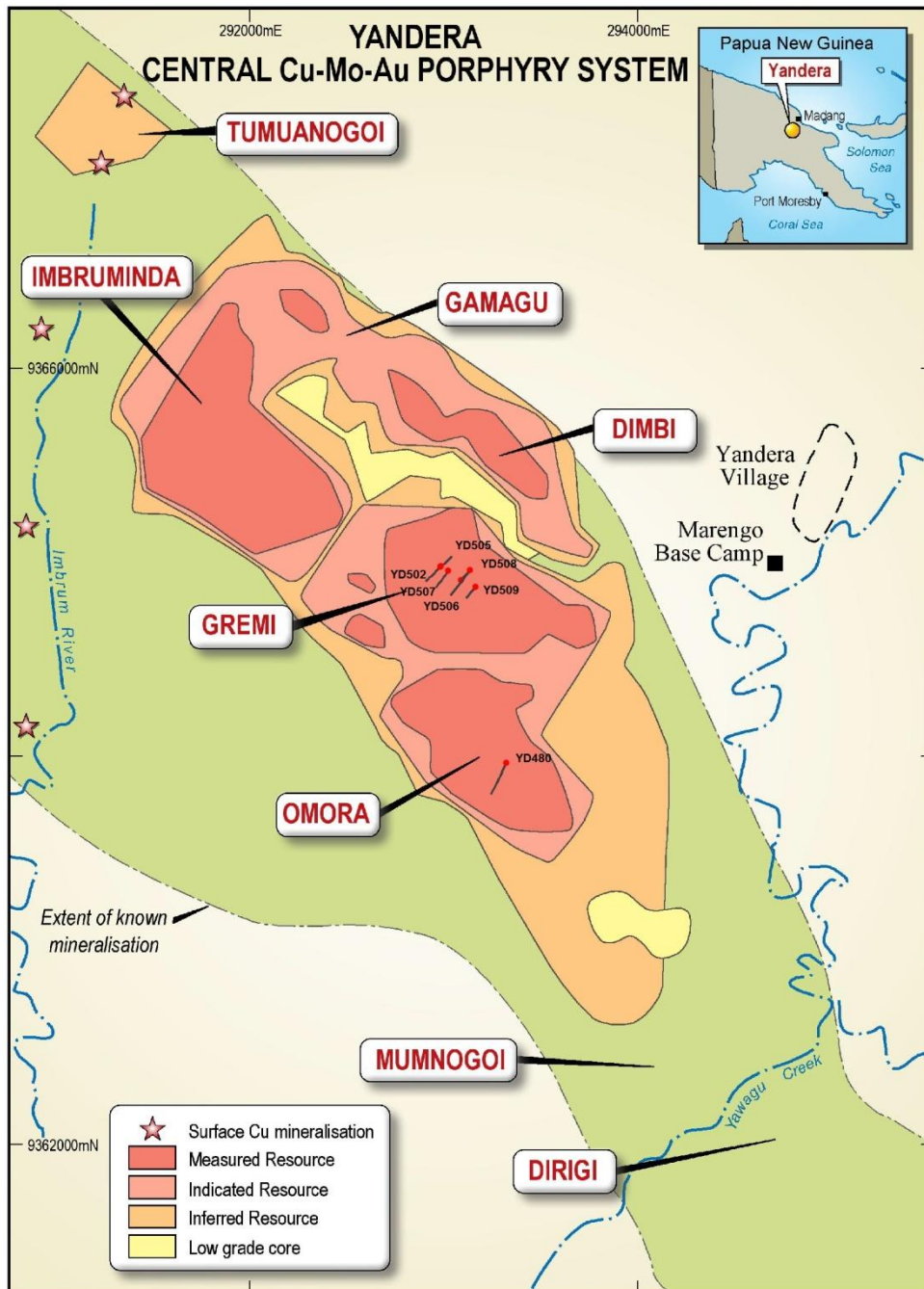
From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
87	306	219	0.84	214	0.12	3.77

Commenting on the results, Marengo's Chief Operating Officer, Mr Paul Korpi, said:

"We continue to be excited by the results coming from our drilling program as it is confirming our belief of developing opportunities to mine higher grade zones early. Even more importantly, as we include this new information into our resource model, our understanding of these higher grade zones is improving. As we complete the Feasibility in October, we will be utilizing this data in our mine planning efforts."

"China Non Ferrous Foreign Engineering (NFC) continues to work on developing a lump sum pricing for development of the Yandera Project, which will be presented to Marengo towards the end of the December 2012", he added.

Figure 1- Yandera Central Porphyry System – Drill Location Plan



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NOTES:

The contents of this release have been approved by Mr. Karl Smith and Mr. Stephen Hyland, "qualified persons" as set out in Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") by reason of education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience.

Scientific and technical information in this report including that relating to drilling intercepts and mineralization but excluding the Yandera resource estimate were prepared by Mr Peter Dendle. Mr Dendle is a member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Marengo Mining Limited. Mr Dendle has sufficient experience which is relevant to the style of mineralization 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 (The JORC Code, 2004 Edition). Mr Dendle consents in writing to the issue of this report, to the extent of matters based on his information in the form and context in which it appears.

Drill samples were analysed by Intertek Group Laboratories, Jakarta, Indonesia.

For further information on the Yandera Project, including a description of Marengo's standard data verification processes, quality assurance and quality control measures, and details of the key assumptions, parameters and methods used to estimate the mineral resources set out in this report and the extent to which the estimate of previously declared mineral resources set out herein may be materially affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or relevant issues, readers are directed to the technical report entitled "Technical Report on the Yandera Copper-Molybdenum-Gold Project Madang Province, Papua New Guinea", dated May 14, 2012.

The resources disclosed herein are preliminary in nature and include inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them to be categorized as mineral reserves. There is no certainty that the mineral resources disclosed herein will be realized or converted to mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Cautionary Statement Regarding Forward-Looking Information

This news release contains forward looking information. Such forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or to be achieved and any other similar expressions. In providing the forward-looking information in this news release, the Company has made numerous assumptions regarding: (i) the accuracy of exploration results received to date; (ii) anticipated costs and expenses; (iii) that the results of the FS continue to be positive; and (iv) that future exploration results are as anticipated. Management believes that these assumptions are reasonable. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those contained in the forward-looking information. Some of these risks, uncertainties and other factors are described under the heading "Risks Factors" in the Company's annual information form available on the *SEDAR* website. Forward-looking information is based on estimates and opinions of management at the date the statements are made. Except as required by law, Marengo does not undertake any obligation to update forward-looking information even if circumstances or management's estimates or opinions should change. Readers should not place under reliance on forward-looking information.

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