



ABN: 57 099 496 474

YANDERA MINING COMPANY LIMITED (COMPANY NO. 1-53202)

MARENGO MINING (PNG) LIMITED (COMPANY NO. 1-76844)

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

**NEWS RELEASE**

**AUSTRALIAN STOCK EXCHANGE RELEASE  
MARENGO RESTRUCTURE TO REDOMICILE TO CANADA**

Marengo Mining Limited (ASX Code: "MGO", TSX Code: "MRN", POMSoX Code: "MGO") is pleased to announce that, subject to shareholder and regulatory approvals, it proposes to restructure Marengo Mining Limited ("Marengo") to redomicile to Canada by way of a Scheme of Arrangement. The redomicile will not result in any changes in Marengo's management, operations or strategy and its shares will trade under the same symbols (ASX and POMSoX: MGO, TSX: MRN) as the Marengo shares trade at present.

In April, 2008, Marengo listed on the TSX and concurrently raised \$10.4m. Subsequently Marengo has undertaken a number of successful capital raisings and raised \$127.6m, primarily through supportive North American Institutions.

This decision was made after careful consideration of the alternatives, including remaining a purely Australian company, dual listing on TSX, or listing on the Alternative Investment Market ("AIM") in London. Ultimately, the Company believes that access to the much deeper capital markets of North America will assist facilitation of financing for the Yandera Project.

**Reasons for the Redomicile**

Marengo is currently domiciled in Australia. In the context of the Marengo Group's current operations and plans for expansion, the Marengo board of directors (the "Board") has determined that the redomicile is in the best interests of shareholders and the Board believes that the redomicile will better position the Group to realise its strategic goals. Potential advantages of the redomicile are:

- a greater ability to raise debt and equity;
- improved market sentiment and profile;
- access to a market more receptive to mining projects in Papua New Guinea;
- exposure to larger and more diverse investment markets;
- it is consistent with Marengo's growing international shareholder base and improves the potential for further international investor interest; and



**Perth Office**  
Level 1, 9 Havelock Street, West Perth Western Australia 6005  
PO Box 289, West Perth Western Australia 6872  
Telephone: +61 8 9429 0000  
Facsimile: +61 8 9429 0099  
Email: marengo@marengomining.com  
Website: www.marengomining.com



**Port Moresby Office**  
Level 2, Suite 2, Ela Beach Tower  
Bramell Street, Port Moresby  
PO Box 344  
Telephone: +675 343 4956 or 321 1544  
Fax: +675 321 6636  
Email: carolinep@marengomining.com



**Madang Office**  
Guard Dog Complex  
Komoklon Crescent, Newtown, Madang  
PO Box 12, Diwai, Madang 511  
Phone: +675 422 3768  
Fax: +675 422 1723  
Email: bettyk@marengomining.com

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- retention of ASX and POMSoX listings for investors based in Australia and Papua New Guinea respectively;

To effect the redomicile, a Scheme of Arrangement ("Scheme") is proposed, under which shareholders will be offered pro-rata equity in a new Canadian incorporated company, specifically incorporated to which will ultimately be named Marengo Mining Limited (Marengo Mining). There will be no effect on the assets and liabilities of Marengo upon completion of the restructure.

### **Key features of the Redomicile**

- Marengo Mining will become the new parent company of the Marengo Group by way of a court approved Scheme of Arrangement conducted in accordance with Australian law (the "Scheme").
- If the Scheme is implemented, Marengo shareholders (who are classified as eligible shareholders) will receive either shares in Marengo Mining for shareholders whose shares are listed on TSX or one CHESS Depository Interest (CDI) (required because of the method of registration of shares on TSX) for shareholders whose shares are listed on either ASX or POMSoX in exchange for each Marengo share held by them in accordance with the terms of the Scheme as set out in the scheme documentation which is currently being prepared.
- Marengo will become a wholly-owned subsidiary of Marengo Mining.
- Application will be made for the Marengo Mining Shares to be admitted to the TSX and the CDI's to be listed on ASX and POMSoX.
- The redomicile will not have a material adverse impact on Marengo Group's existing corporate governance regime and existing shareholder protection measures.
- The implementation of the redomicile is not expected to have any adverse tax implications for Marengo or Marengo shareholders.
- In conjunction with the redomicile, Marengo's existing employee share option plan and performance rights plan will be continued.
- The redomicile is expected to be completed by late 2012.

The redomicile will only proceed if the restructure is approved by Marengo shareholders and the Supreme Court of Western Australia.

Marengo is strongly focused on the Yandera Project, but has also continued to maintain its exploration activities in adjacent areas in Papua New Guinea. The Marengo Group has an objective of becoming a significant copper producer through development of the Yandera Project, while maintaining its status as a respected explorer. The restructure will provide the platform for the further financing of the Marengo Group's activities in the global equity markets. Marengo will continue to operate from its corporate office in Perth and has had a Canadian representative office in Toronto since April 2008.

The Marengo Board believes that in the present economic climate the opportunity exists to bring the Yandera Project into production, transforming the Company from an explorer into a significant copper producer. This proposed restructure will ensure that the Marengo Group is suitably positioned to manage its future capital requirements and to provide continued growth of shareholders wealth.

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Shareholders will receive detailed information about the restructure and the listings shortly. It is expected that the required shareholders' meetings will be held in late November, 2012.

For further information:

**Marengo:**

Les Emery, Managing Director/CEO  
Marengo Mining Limited  
Telephone: +61 8 9429 0000  
Email: [marengo@marengomining.com](mailto:marengo@marengomining.com)

Please note that the Head Office of Marengo is located in Western Australia and is 12 hours ahead of Toronto time.

**Investor Relations:**

**Australia:**

Dean Richardson  
VP-Investor Relations  
Tel: +61 8 9429 0000  
Email: [deanr@marengomining.com](mailto:deanr@marengomining.com)

**North America:**

Victoria Russell  
Investor Relations  
Tel: +1 416 644 8680  
Email: [investor@marengomining.com](mailto:investor@marengomining.com)

**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.

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.