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**For Immediate Distribution  
31 August, 2009**

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

## **MEDIA RELEASE**

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# **LEADING GLOBAL INVESTMENT FUNDS UNDERPIN MARENGO'S A\$16.3M CAPITAL RAISING**

***STRONG SUPPORT FROM MAJOR GLOBAL FUNDS; SENTIENT GROUP LIFTS STAKE TO 26.7%***

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International copper development company Marengo Mining Limited (TSX: **MRN**, ASX and POMSoX: **MGO**) has secured the backing of several leading North American global investment funds in its push to accelerate exploration and development of its 100% owned **Yandera Copper-Molybdenum-Gold** Project in Madang Province, Papua New Guinea (the "Yandera Project") through its recently completed **A\$16.3 million** (C\$14.8 million) capital raising.

The previously announced raising, comprised an offering of 172.5 million shares at a price of C\$0.086 (A\$0.095) per share, and was underpinned by a group of leading international investment funds and Marengo's largest shareholder, The Sentient Group, together with other existing institutional and retail investors.

Following allotment of the new shares, The Sentient Group will increase its stake in Marengo to 26.7%. Toronto-based Paradigm Capital Inc. acted as lead agent for the offering together with Canaccord Capital Corporation.

The Sentient Group, which has been a cornerstone investor in Marengo since 2006, manages over US\$1.3 billion in the development of quality metal, mineral and energy assets across the globe through its closed-end private equity Sentient Global Resources Funds.

Marengo is also currently completing a A\$5.4 million share placement in Australia to existing and new sophisticated investors, comprising 57.5 million shares at A\$0.095 per share, which will increase the combined capital raising to A\$21.7 million. The Australian share placement is being managed by corporate advisory group New Holland Capital Pty Limited.

Following completion of the combined capital raising, Marengo will have 498 million shares on issue, with cash reserves of approximately A\$24 million.

The funds will underpin the ongoing Definitive Feasibility Study (DFS) on the proposed development of the Yandera Project, as well as Marengo's district exploration program which will, among other things, drill test the new Kombruku copper prospect, located less than 4km from the Yandera Central Porphyry.

The Yandera DFS, which is scheduled for completion by December 2010, is based on Indicated Resources of 314 million tonnes grading 0.48% copper equivalent and Inferred Resource of 352 million tonnes grading 0.43% copper equivalent, as the foundation for an open pit mining operation initially processing at 25Mtpa with the potential to increase to a long-term rate of 50Mtpa.

As stated above, part of the proceeds of the offering and share placement will be used to finance a new district exploration program targeting further additions to this resource inventory.



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The exciting new Kombruku discovery, less than 4km south-east of the Yandera Central Porphyry, encompasses a large area containing copper mineralisation with some outcropping samples containing high concentrations of copper sulphides. The discovery of mineralisation at Kombruku represents a significant strategic development for the Yandera Project.

A program of systematic soil sampling and ground geophysical surveys is well advanced at Kombruku and has produced encouraging results and has assisted with the definition of drilling targets. Two diamond drill rigs are on site and it is planned to commence drilling at this prospect in September 2009.

Commenting on the announcement, Marengo's Managing Director, Mr Les Emery said:

*"I thank both the new and existing investors who have supported this capital raising and welcome the international investment funds to our share register.*

*"We also appreciate the ongoing support of The Sentient Group for their ongoing support of Marengo and our development strategy in the global copper industry, as well as Paradigm Capital, Canaccord Capital and New Holland Capital for their outstanding efforts in coordinating this pivotal global capital raising for Marengo.*

*"The presence of such prominent investors on our share register represents an enormous vote of confidence in the quality of our asset base at Yandera and the exceptional project development team we have assembled.*

*"As a potentially major long-term source of metals for global markets, the Yandera Project is highly leveraged to the recovery of the global economy and the long-term growth in demand for copper as one of the foundation metals of the rapidly growing economies of China and Eastern Europe.*

*"Marengo has been involved in the Yandera Project since 2005 and is proud to be concentrating all of its efforts in the resource rich and pro mining nation of Papua New Guinea".*

**ENDS**

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The scientific and technical information contained in this news release was prepared by, or under the supervision of Mr. Peter Dendle. Mr. Dendle is a member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Marengo. Mr. Dendle is a "Qualified Person" as defined by National Instrument 43-101 "Standards of Disclosure for Mineral Projects". Mr. Dendle verified the data underlying the information in this news release.

## 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, Marengo has made numerous assumptions, including assumptions regarding: (i) the accuracy of exploration results received to date; (ii) anticipated costs and expenses are as anticipated; and (iii) 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 include: (i) the need for additional financing to develop the Yandera Project; (ii) exploration and development risks; (iii) the risk that the placement to sophisticated purchasers is not completed in full, or at all; (iv) the risk that the proceeds of the offering and placement are not applied effectively; (v) the risk that Marengo will not obtain a renewal of one of the exploration licences in respect of the Yandera Project; (vi) sustained or continued decreases in the price of copper and molybdenum; and (vii) current global economic conditions. 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 undue reliance on forward-looking information

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