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**For Immediate Distribution
7 December, 2010**

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

MEDIA RELEASE

MARENGO COMPLETES C\$63.25M (A\$64.5M) EQUITY RAISING FOR YANDERA COPPER PROJECT, PNG

***PROCEEDS TO UNDERPIN PERMITTING AND PRE-CONSTRUCTION ACTIVITIES
AND TO MAINTAIN EXPLORATION MOMENTUM***

International copper development company, Marengo Mining Limited ("Marengo" or the "Company") (**TSX: MRN, ASX/POMSoX: MGO**), is pleased to announce it has closed its previously announced best efforts offering (the "Offering") conducted by Paradigm Capital Inc. ("Paradigm").

The offering comprised 110 million units of the Company (the "Units") at an effective price of C\$0.25 per share raising gross proceeds of C\$55 million. Each unit consists of one ordinary share (an "Ordinary Share") of the Company and one subscription receipt (a "Subscription Receipt"). Each Subscription Receipt will be automatically converted into one ordinary share of the Company upon receipt of shareholder approval required pursuant to the listing rules of the Australian Securities Exchange (the "Release Condition") at a shareholder meeting called for December 21, 2010.

In addition, Paradigm exercised its over-allotment option to acquire an additional 33 million Subscription Receipts for additional gross proceeds of C\$8.25 million. Including the proceeds from the exercise of the over-allotment option, the total gross proceeds of the Offering were C\$63.25 million. Subscription Receipts issued upon exercise of the Over-Allotment Option will only be converted into the underlying Ordinary Shares upon satisfaction of the Release Condition and on the same terms and conditions of the Offering.

Pending satisfaction of the Release Condition, the portion of the proceeds received in respect of the Subscription Receipts (the "Escrowed Proceeds") will be held in escrow. In the event that the Release Condition is not satisfied by January 4, 2011, the Escrowed Proceeds, plus interest thereon, will be returned to the holders of the Subscription Receipts.



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A number of leading North American and international investment funds participated in the Offering, which was also strongly supported by several of the Company's existing major shareholders. This is the second major equity raising undertaken by Marengo this year, following the C\$20.16 million (A\$21.4 million) raising completed in August. Once finalised, the proceeds of the raising will increase Marengo's cash balance to approximately \$75 million, providing a very strong platform for the Company to proceed with development and financing of its flagship Yandera Copper-Molybdenum Project in Papua New Guinea.

Specifically, the proceeds of the raising will be used to advance the exploration of the Yandera Project, as well as for permitting and other pre-construction expenditures relating to the Yandera Project and general corporate and working capital purposes.

The current DFS will provide the foundation for financing and development of a large-scale, long-life operation to commence at Yandera, with ore production anticipated to start at approximately 25Mtpa and ramp-up subsequently to 50Mtpa, making it one of the significant new copper-molybdenum projects in the world. Yandera concentrate is expected to enter world markets from the 2013/14 financial year.

Commenting on the announcement, Marengo's Managing Director, Mr Les Emery, said he was delighted with the very strong level of support for the raising from existing and new shareholders:

"This highlights the growing recognition in the international investment community that Yandera is on track to become a cornerstone project in the global copper industry. I would like to take this opportunity to thank all of the investors who have participated in this raising, as well as our existing shareholders for their ongoing support. This raising will increase our treasury position to approximately \$75 million, ensuring that we are fully funded through to completion of the Definitive Feasibility Study and commencement of financing and construction."

"This is a milestone equity raising for Marengo and, following on from the recent MOU with China Nonferrous, puts us in a very strong position to press ahead with the development of Yandera at full speed."

"Together with our partner NFC, we are now very focused on completing the DFS and getting the Project into construction and development in order to take advantage of the very strong outlook for the global copper market."

"This raising caps a very successful year for Marengo, during which we have raised over C\$80 million, progressed the DFS to near-completion, concluded a landmark partnership MOU with China Nonferrous and completed almost 30,000 metres of diamond drilling at Yandera which has confirmed substantial depth extensions to the known mineralisation."

ENDS

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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, including assumptions regarding: (i) the accuracy of exploration results received to date; (ii) anticipated costs and expenses; (iii) the accuracy of the Company’s mineral resource estimate; (iv) the future price of copper and molybdenum; and (v) that the supply and demand for copper, molybdenum, and other metals develop as expected. 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 “*Risk Factors*” in the final prospectus and include: (i) the risk that shareholder approval for the issue of the ordinary shares upon conversion of the Subscription Receipts is not obtained; (ii) the absence of any market through which Subscription Receipts may be traded; (iii) the risk that the proceeds of the Offering are not applied effectively; (iv) structural subordination of the Ordinary Shares; and (v) dilution from the future issue or sale of Ordinary Shares. 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.

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 Mining Limited. Mr. Dendle is a “Qualified Person” as defined by Canadian National Instrument 43-101 “*Standards of Disclosure for Mineral Projects*”. Mr. Dendle qualifies 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 verified the data underlying the information in this news release and consents in writing to the issue of this release to the extent of matters based on his information, in the form and content in which it appears.