

MARENGO MINING LIMITED

INTERNAL EMPLOYEE ALERT POLICY

OBJECTIVE AND SCOPE

Marengo Mining Limited (“Marengo”) is committed to the highest standards of openness, honesty and accountability that its various stakeholders are entitled to expect.

As a result, Marengo and its subsidiaries and affiliates (collectively, the “Company”) need to know about any and all dishonest, fraudulent or unacceptable behaviour, conduct or practices committed by the Company's employees, consultants or contractors regarding accounting matters generally, internal accounting and/or controls, the conduct of the audit of its financial accounts and statements or related matters or, other "non-financial" matters, which, if disclosed, could reasonably be expected to raise concerns regarding the integrity, ethics or bona fides of the Company (a “Questionable Event”). The Company expects its employees, consultants and contractors to feel confident about disclosing and reporting on any concerns they may have about any Questionable Event they become aware of.

In accordance with the Company's commitment set out above, this Internal Employee Alert Policy is meant to provide a formal yet simple procedure to facilitate the receipt, retention, review and resolution of complaints, denunciations, warnings, given in any form by any employee of, or consultant or contractor to the Company, regarding a Questionable Event.

BACKGROUND AND EMPLOYEE ALERT PROCEDURE

Employees, consultants and contractors, who are often the first to realize that there may be something seriously wrong within a company, may not express or report their concerns because they feel that speaking up would be disloyal to their colleagues or the Company, or may even, jeopardize their position in, employment by or contractual relationship with the Company. Even when an employee, consultant or contractor does raise or report any suspicions, colleagues or superiors of such employee, consultant or contractor may decide to ignore his or her concerns so raised rather than address same or report through higher channels what might ultimately turn out to be just a suspicion of fraudulent or wrongful practices.

The Company expects employees, consultants and contractors who have reasonable grounds for believing that there is occurring, or has occurred, a Questionable Event within the Company to come forward and voice those concerns responsibly.

This Policy is intended to encourage and enable employees, consultants and contractors to voice their concerns regarding any Questionable Event within the Company rather than ignoring them or, ultimately, feeling compelled to deal with the Questionable Event outside the Company due to a lack of the availability of the mechanism provided hereunder.

Any employee, consultant or contractor who finds his or her concerns about a Questionable Event not satisfactorily addressed by his or her immediate supervisor (or higher-ranking persons) or who feels that the seriousness and sensitivity of the issues or people involved require that the reporting of such Questionable Event should neither be addressed to the attention of his or her immediate supervisor, nor follow the normal corporate reporting channels, should contact the Chairman of the Audit Committee of the Board of Directors of the Company (the "Employee Alert Officer") by any of the following methods:

Telephone: +61 412 228 355
E-mail: chine@iinet.net.au
Mail: Douglas Dunnet,
Chairman of the Audit Committee of Marengo Mining Limited.
32 Renwick Street
TORONTO, NEW SOUTH WALES, 2283, AUSTRALIA

SAFEGUARDS AGAINST RETALIATION, HARASSMENT OR VICTIMIZATION

The Company understands and acknowledges that one's decision to report a Questionable Event can be a difficult one to make. Employees, consultants or contractors who raise serious concerns should have nothing to fear. Therefore, the Company shall not tolerate any retaliation, harassment or victimization (including informal pressures) and shall take appropriate action to protect employees, consultants and contractors who raise any concerns under this Policy in good faith (a "Concerned Employee").

CONFIDENTIALITY

All expressions of concerns or reports on Questionable Events within the Company, filed with the Employee Alert Officer pursuant to this Policy, will proceed internally on a confidential basis.

ANONYMOUS ALLEGATIONS

Expressions of serious concerns or reports on Questionable Events within the Company filed with the Employee Alert Officer on an anonymous basis will also be treated appropriately.

UNTRUE ALLEGATIONS

In the event that, in good faith, a Concerned Employee reports a Questionable Event that is not confirmed by subsequent investigation or otherwise, no action shall be taken against such Concerned Employee. Conversely, in the event a Concerned Employee reports a Questionable

Event for frivolous or malicious purposes or for his or her personal gain, the appropriate disciplinary or legal action will be taken against such Concerned Employee, including possible dismissal for cause in the case of an employee or termination of contract in the case of a consultant or contractor.

HOW TO RAISE A CONCERN

Concerns may be raised with the Employee Alert Officer verbally or in writing (including by e-mail). Concerned Employees who wish to make a written report are asked to provide:

- the background and history of the Questionable Event (giving relevant dates);
- the reasons prompting the particular concern about the situation;
- the extent to which the Concerned Employee has personally witnessed or experienced; and
- the Questionable Event (providing documented evidence where possible).

RECORDS AND REPORTING

The Employee Alert Officer will maintain a record of concerns raised and the outcomes (but in a form which does not endanger the confidentiality of a Concerned Employee's identity where necessary) and will report to the Audit Committee, and, as necessary, to management and/or the independent directors of the Board of Directors of the Company, having regard to the nature of the Questionable Event raised and whether or not it relates to the financial position and/or financial statements and/or disclosures of the Company or to other "non-financial" matters related to the Company.

INVESTIGATION

The Chairman of the Audit Committee or, in the event that the Questionable Event is of a "non-financial" nature, the independent members of the Board of Directors (or a Committee of independent directors so designated by the Board of Directors), shall determine the steps and procedures to be taken to address the concern appropriately and whether an investigation is appropriate and, if so, what form such investigation should take as well as other parameters (for example whether external investigators should be employed, the timing of such investigation and other such matters as are deemed appropriate in the circumstances).

Except, of course in the case of anonymous allegations, the Concerned Employee will be informed of the outcome of any investigation and/or any treatment of his or her claim or notice.

This Policy was approved by the Company's Board of Directors and its Audit Committee on 8 April, 2009 and has been in full force since then.