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ASX / MEDIA RELEASE

MARENGO COMPLETES ACQUISITION OF 100% OF YANDERA PROJECT

- **Final approvals enable settlement of acquisition of former 50% joint venture partner, Belvedere Limited.**
- **Resource drilling continuing at Yandera with nine diamond drill holes completed to date.**

Diversified metals company Marengo Mining Limited (ASX Code: **MGO**) is pleased to announce that it has now formally completed the acquisition of its former 50% joint venture partner in the Yandera Copper-Molybdenum Project, in Papua New Guinea's Madang Province, following the receipt of final approvals for the transaction from Papua New Guinea statutory authorities.

Marengo reached agreement in February this year to acquire the privately owned PNG company Belvedere Limited, enabling it to move to 100% ownership of the Yandera Project. Belvedere's sole asset is its 50% interest in the Yandera Project.

Completion of the agreement was subject to various conditions precedent, including shareholder approval (which was obtained in May), the renewal of the Yandera Exploration Licence 1335 and approval of the Bank of Papua New Guinea.

Both the Exploration Licence renewal and formal Bank approval have now been received, enabling the transaction to be formally completed. As a result, Belvedere Limited has become a wholly-owned subsidiary of Marengo's PNG operating company, Marengo Mining (PNG) Limited.

Marengo recently announced further excellent results from the current resource drilling program at Yandera, which is targeting the Gremi, Imbruminda and Omora zones of mineralisation.

To date, a total of nine diamond drill holes have been completed as part of the program, with assay results to be reported as they become available. Marengo has already announced results from the first four diamond drill holes. Drilling operations will be ongoing between now and the commencement of the 'wet season' in the PNG Highlands.

The holes reported to date represent the first phase of the current resource drilling program, which is designed to confirm the existing mineralisation within the Gremi, Imbruminda and Omora zones to enable generation of a JORC compliant resource estimate for the Yandera Project before the end of calendar 2006.

Located in Madang Province less than 20km from the planned US\$850 million Ramu Nickel Project, the Yandera Project is believed to be one of the South Pacific's largest undeveloped porphyry copper-molybdenum projects.



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