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ASX Release

**MARENGO MINING LIMITED (MGO) ARRANGES A\$6M FUNDRAISING
DRILLING COMMENCES AT BOWGAN (NORTHERN TERRITORY) URANIUM-
GOLD PROJECT**

A\$6 Million Placement

Marengo Mining Limited ("Marengo") is pleased to announce that it has arranged a placement to raise A\$6 Million, principally for the substantial diamond drilling program, scheduled to be undertaken at its Yandera Copper-Molybdenum Project in Papua New Guinea, during the 2006 field season.

The placement will comprise the issue of a total of 24 million fully paid ordinary shares at an issue price of 25 cents, together with one free attaching option to acquire a further share at a price of 20 cents (MGOO) on or prior to 28 February 2008.

The placement will be to Australian, British and Papua New Guinea institutions, and to sophisticated, and professional investors introduced by The Venture Group Limited of Sydney, and DJ Carmichael Pty Limited of Perth.

The placement will be subject to shareholder approval, for which a notice of meeting will be issued shortly.

Upon completion of the placement, Marengo will have available funds of over A\$7M and 61 million shares on issue.

The funds raised will principally be directed towards diamond drilling of the extensive Yandera copper-molybdenum porphyry system, during the 2006 field season (commencing March 2006) and will comprise of up to 10,000 metres of diamond drilling over the existing (and outcropping) Gremi and Omora prospects. This drilling should enable a JORC compliant resource statement to be prepared by late 2006 and allow for a scoping study for future project development to be undertaken.

Diamond drilling of the Yandera copper-molybdenum porphyry will follow the completion of digitisation and 3D modelling of the extensive diamond drilling database (some 32,000 metres), which is underway and will be completed later this year.

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The epithermal gold potential of the Yandera Project will also be assessed, due to the numerous old and new alluvial workings located within the area. Most of these workings have had little exploration on them to identify their source rocks.

In addition, funds will be directed to the Bolubolu Gold Project (PNG) and follow-up work on Marengo's Australian projects (including the Bowgan Project – see below), as warranted.

This placement will enable Marengo to set in place the necessary contracts to enable it to achieve its timetable for the Yandera Project.

Drilling Commences at the Bowgan Uranium – Gold Project (Northern Territory).

Reverse circulation drilling has commenced at Marengo's 100% owned Bowgan Project in north eastern Northern Territory.

A program of approximately 2,000 metres is planned on a well defined, coincident magnetic and electromagnetic target, located along the Fish River Fault, and considered very prospective for unconformity hosted uranium – gold mineralisation (Coronation Hill style).

Geophysical modelling of the existing data indicates that the target is estimated to be relatively shallow, at a depth of 50 metres.

Results are expected to be available by mid-November.

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