

**MARENGO MINING LIMITED**  
**ABN 57 099 496 474**

**NOTICE OF GENERAL MEETING**  
**PROXY FORM**  
**AND**  
**EXPLANATORY MEMORANDUM**

**Date of Meeting**  
**Wednesday**  
**9 November 2005**

**Time of Meeting**  
**11:00 am**

**Place of Meeting**  
**Level 2, 9 Havelock Street**  
**WEST PERTH WA**

**MARENGO MINING LIMITED**  
**ABN 57 099 496 474**  
**NOTICE OF GENERAL MEETING**

Notice is hereby given that a General Meeting of shareholders of Marengo Mining Limited ("**Company**") will be held at the registered office of the Company, Level 2, 9 Havelock Street Street, West Perth WA on Wednesday 9 November 2005 at 11:00 am for the purpose of transacting the following Business.

**ORDINARY BUSINESS**

**Resolution 1 - Share placement facility to parties introduced by The Venture Group Ltd and DJ Carmichael Pty Limited.**

To consider and if thought fit to pass the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 7.1 of Australian Stock Exchange Limited and for all other purposes, the directors be authorised to allot and issue up to 24,000,000 ordinary fully paid shares at an issue price of 25 cents per share, each share to be issued with an attaching option to acquire a further share on the terms and conditions outlined in Annexure A, with such shares and free attaching options to be issued to sophisticated investors and professional investors as defined by the Corporations Act.”*

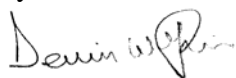
Notes:

The shares and options to be issued pursuant to this resolution will not be issued to related parties.

All the shares and options will be issued on the same day.

In accordance with ASX Listing Rules, the Company will disregard any votes cast on this resolution by any person who will participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any of their associates. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

By order of the Board



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**Dennis Wilkins**  
Director and Company Secretary  
Date: 7 October 2005

## EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders in Marengo Mining Limited ABN 57 099 496 474 (“**Company**”) with sufficient information to assess the merits of Resolutions 1 contained in the Notice of General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Memorandum in full before making any decision in relation to Resolutions.

### **RESOLUTION 1 - SHARE PLACEMENT FACILITY.**

Resolution 1 seeks the approval of shareholders for a share placement facility of up to 24 million ordinary fully paid shares with a free attaching option, which the directors may utilise to raise additional working capital for the Company.

The Company has received firm letters of commitment for a placement shares and options to various sophisticated and professional investors. The placement will provide additional working capital of \$6 million (less costs).

ASX Listing Rule 7.1 prohibits a company from issuing shares representing more than 15% of its issued capital in any 12 month period, without the prior approval of its shareholders (subject to certain exceptions). Accordingly, shareholder approval is being sought under Listing Rule 7.1 for the issue of up to 24 million shares in the Company and 24 million options on the terms and conditions detailed on annexure A included with this Notice of General Meeting. In accordance with ASX Listing Rule 7.3 the following information is provided to shareholders:

- a) the maximum number of securities that may be issued under Resolution 1 is 24 million fully paid shares and 24 million options.
- b) any shares and options issued in accordance with Resolution 1 will be issued and allotted on a single date within 3 months from the date of the general meeting (or such later date as approved by ASX).
- c) the shares will be issued at a price of 25 cents.
- d) The allottees or proposed allottees are parties introduced by The Venture Group Ltd and DJ Carmichael Pty Limited.
- e) No proposed allottees are considered to be related parties.
- f) any shares issued pursuant to Resolution 1 will rank equally in all respects with existing ordinary fully paid shares on issue in the Company.
- g) The company is currently planning to undertake a diamond drilling program on the Yandera copper – molybdenum porphyry system in Papua New Guinea.

It is anticipated that a program, of up to 10,000 metres of diamond drilling, will commence on 1 March 2006, and will systematically drill the known, outcropping, Gremi and Omora Prospects. The Company anticipates spending \$4m on diamond drilling. This work is designed to enable a JORC compliant resource statement to be completed by late 2006 and to enable a scoping study for future project development to be undertaken.

Funds will also be directed towards further exploration of gold targets within the Yandera project area of approximately \$1m, and a further \$1m has been allocated to the company's other projects, as warranted.

## Appendix A

### Terms and Conditions applicable to the Options to be issued pursuant to Resolution 1.

#### 1. Entitlement

- (a) Subject to option terms 6, 7 and 8, each option entitles the registered option holder to subscribe for and be allotted one ordinary share in the capital of Marengo Mining Limited ("**Company**"), credited as fully paid, at an exercise price of \$0.20 per share ("**Exercise Price**") as the case may be.
- (b) The Company must, as soon as it is reasonably practicable to do so, allot shares on exercise of the option in accordance with the listing rules ("**Listing Rules**") of ASX and register the option holder or its nominee as a shareholder in the register of members in respect of the shares so allotted. No option may be exercised if to do so would contravene the Corporations Act or the Listing Rules.
- (c) Shares issued on the exercise of options will rank pari passu with all existing ordinary shares in the capital of the Company from the date of issue.

#### 2. Exercise of Options

- (a) An option is exercisable by the registered option holder lodging the notice of exercise of option in the form set out below together with, subject to option terms 7, 8 and 9, the Exercise Price for each share to be issued on exercise and the relevant option holding statement, at any office of the Company's share registrar. The exercise of some options only does not affect the registered option holder's right to exercise other options at a later time.
- (b) Remittances must be made payable to the Company and cheques should be crossed "not negotiable".
- (c) Options may be exercised at any time on or before 5.00pm on 28 February 2008.
- (d) An option not exercised by 5.00pm on 28 February 2008 lapses.

#### 3. Transfer

- (a) Subject to this option term 3 and any restrictions imposed by ASX, options may be transferred at any time before lapsing.
- (b) Subject to this option term 3, options are transferable by any standard form of transfer. Executed and stamped transfers will be recorded in the Company's option register on lodgement of the transfer at any office of the Company's share registrar. The Company will issue a new holding statement in the name of the transferee for the number of options so transferred.

#### 4. Quotation

The Company must apply to the ASX for official quotation of the shares issued on any exercise of an option.

#### 5. Dividends

Shares issued on any exercise of an option will rank pari passu with all existing ordinary shares in the capital of the Company from the date of issue and will be entitled to each dividend for which the books closing date for determining entitlements falls after the date of issue.

#### 6. Bonus issue

If the Company makes a bonus issue of shares or other securities pro rata to holders of ordinary shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) at a time when:

- (a) an option has not been exercised in full; or
- (b) an option has been exercised, but shares the subject of the exercise have not been issued in fulfilment of the Company's obligation in that regard, before the record date for determining entitlements to the bonus issue,

then the number of shares over which the option is exercisable or has been exercised (as the case may be) will be increased by the number of securities which the holder of the option would have received if the option had been exercised before the record date for the bonus issue.

#### 7. Rights issue

If the Company makes an offer of ordinary shares pro rata to all or substantially all holders of ordinary shares (other than a bonus issue or an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) where  $(S + D)$  (as defined below) exceeds  $P$  (as defined below) at a time when:

- (a) an option has not been exercised in full; or
- (b) the option has been exercised, but shares the subject of the exercise have not been issued in fulfilment of the Company's obligation in that regard, before the record date for determining entitlements to the rights issue.

then the Exercise Price per share will be reduced according to the following formula:

$$O^1 = \frac{O - E(P - S + D)}{N + 1}$$

Where:

$O^1$  = the new Exercise Price per share

$O$  = the old Exercise Price per share

$E$  = the number of shares into which one option is exercisable

- P = the average market price of fully paid ordinary shares (weighted by reference to volume) sold in the ordinary course of trading on the ASX during the 5 trading days before the ex rights date or ex entitlements date
- S = the subscription price (application money plus calls) for new shares issued under the rights issue
- D = if the ordinary shares are trading on the ASX on a ex dividend basis, the (if any) dividends (on a per share basis) which have been declared but not yet paid is existing shares (except those to be issued under the rights issue)
- N = number of shares required to be held to receive a right on one new share.

The number of shares which the option holder is entitled to subscribe for on exercise of the option is to remain unchanged.

## **8. Reconstruction**

The rights of an option holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

## **9. Advice**

The Company must give notice to the option holder of any adjustment to the number of shares which the option holder is entitled to subscribe for or be issued on exercise of the option or the exercise price per share in accordance with the Listing Rules.

## **10. Right to participate in future issues**

The option holder may only participate in new issues of securities to holders of shares to the extent the option has been exercised, if that is permitted by its terms, and the shares allotted in respect of the option before the record date for determining entitlements to the issue. The Company must give notice to the option holder of any new issue before the books closing date for determining entitlements to the issue in accordance with the Listing Rules.

**MARENGO MINING LIMITED**  
**ABN 57 099 496 474**  
**PROXY FORM**

The Company Secretary  
Marengo Mining Limited  
PO Box 289  
WEST PERTH WA 6872  
Facsimile: (08) 9429 0099

I/We (name of shareholder) .....  
of (address) .....  
being a member/members of Marengo Mining Limited HEREBY APPOINT  
(name) .....  
of (address) .....  
and/or failing him (name) .....  
of (address) .....  
or failing that person then the Chairman of the meeting as my/our proxy to vote for me/us and on my/our  
behalf at the General Meeting of the Company to be held on **Wednesday 9 November 2005** and at any  
adjournment of the meeting.

**PROXY INSTRUCTIONS**

If you wish to instruct your proxy how to vote, insert "X" in the appropriate box against the item of business set out below. If you do not wish to direct your proxy how to vote please place a mark in this box.	<input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/>
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By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an  
interest in the outcome of the resolution and, votes cast by him other than as proxy holder, will be  
disregarded because of that interest.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

*Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box(es)  
below:*

I/We direct my/our Proxy to vote in the following manner:

RESOLUTION	FOR	AGAINST	ABSTAIN
1 Issue of Shares and Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

<p><b><i>This Proxy is appointed to represent ____% of my voting right, or if 2 proxies are appointed Proxy 1  represents ____% and Proxy 2 represents ____% of my total votes  My total voting right is _____ shares</i></b></p>
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Dated

If the shareholder is an individual:

Signature: \_\_\_\_\_

If the shareholder is a company:

Affix common seal (if required by Constitution)

\_\_\_\_\_  
Director/Sole Director and Secretary

\_\_\_\_\_  
Director/Secretary

\_\_\_\_\_  
Print name

\_\_\_\_\_  
Print name

## INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by each of the joint shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this General Meeting **that is by 11:00am (WST) on 7 November 2005** by post to PO Box 289, West Perth WA 6872 or facsimile (61 8) 9429 0099.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
  - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
  - (c) if the proxy is the Chairperson, the proxy must vote on a poll and must vote that way, and
  - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.

4 October 2005

**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.

#### **For further information please contact:**

Les Emery

Managing Director

Marengo Mining Limited

Ph: +61 8 9429 0000

Mobile: 0407 190 860

Email: [lese@marengominig.com](mailto:lese@marengominig.com)

**WWW.MARENGOMINING.COM**

## **MARENGO DRAWS STRONG SUPPORT FOR A\$6M PLACEMENT TO UNDERPIN PNG DRILLING**

***PNG PROGRAM NOW FULLY FUNDED AS BOWGAN URANIUM DRILLING COMMENCES IN NT***

Diversified metals company, Marengo Mining Limited (**ASX Code: MGO**), has secured the backing of a group of Australian, British and PNG-based institutions in a **A\$6 million share placement** to underpin an intensive resource drilling program at its Yandera Copper-Molybdenum Project in Papua New Guinea, as well as other exploration activities.

On completion of the placement – comprising the issue of a total of 24 million fully-paid ordinary shares at a price of 25 cents, together with one free attaching option – Marengo will have over A\$7 million in cash reserves, ensuring that it is fully-funded to progress an active exploration program throughout 2006. The placement was made to parties introduced by The Venture Group Limited of Sydney and DJ Carmichael Pty Limited of Perth.

Marengo's Managing Director, Les Emery, said that he was delighted with the overwhelmingly positive response to the placement, which attracted support from a wide range of institutions and sophisticated investors.

“The strong interest in our project reflects both the quality of the underlying assets and the considerable revival of interest in mining and resource activity in PNG, particularly following the recent announcements regarding the Ramu nickel-cobalt project, which is located in the same region as our Yandera Project,” Mr Emery said.

“We are pleased to welcome a number of new investors to our register, all of whom are very supportive of our planned exploration programs in PNG,” he added.

The funds raised will principally be directed towards an intensive diamond drilling program of the extensive Yandera copper-molybdenum porphyry system, and will comprise up to 10,000 metres over the existing (and outcropping) Gremi and Omora prospects, to enable a JORC compliant resource statement to be prepared by the end of 2006.

Marengo reached agreement earlier this year to earn an initial 50% interest in the Yandera Project, located in the Madang Province of PNG, by spending \$0.5 million, with the right to increase its interest further up to 90%, subject to the election of its joint venture partner, PNG-registered company Belvedere Limited.

First discovered by Australian Government geologists in the 1950s, Yandera was explored by Kennecott Exploration Ltd and BHP Minerals Limited in the 1960s and 1970s, with over US\$20 million spent on exploration (principally diamond drilling).

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Marengo announced to the ASX earlier this year (12 July 2005) that, following a review of the historical data, it was targeting a JORC compliant resource for the project. The Company said that it was confident that the quantity and grade of the earlier (non-JORC) estimates was of the right order and that with further drilling, a target size greater than **300 million tonnes** with grades approaching **1% copper** equivalent was achievable. Digitisation and 3D modeling of the extensive diamond drilling database (some 32,000 metres) is ongoing and scheduled to be completed later this year.

Mr Emery said the diamond drilling program would build on the substantial database of information on the Yandera Project generated by previous explorers, including Kennecott and BHP Minerals, and now held by Marengo.

“Once a JORC compliant resource statement is produced, we will aim to complete an initial scoping study for future project development,” Mr Emery said.

“While the copper-molybdenum system will clearly be our primary focus, we will also allocate funds towards assessment of the epithermal gold potential of the Yandera Project, due to the numerous old and new alluvial workings located within the area,” he added. “In addition, funds will be directed towards the Bolubolu Project and any follow-up on our Australian projects (including Bowgan), as warranted.”

Mr Emery said the placement would enable Marengo to place the necessary contracts to enable it to achieve its timetable for drilling the Yandera Project.

Following completion of the placement, which will be subject to Shareholder approval, Marengo will have 61 million shares on issue, retaining strong leverage to exploration success and the delineation of a substantial copper-molybdenum resource in PNG.

### **BOWGAN URANIUM DRILLING COMMENCES**

Marengo also announced today that reverse circulation drilling had commenced at its 100%-owned **Bowgan uranium-gold project** in the 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, approximately 300km north-east of Tennant Creek, which is considered to be highly prospective for unconformity hosted (Coronation Hill-style) uranium-gold mineralization. Regionally, this province contains several significant deposits, including the Westmoreland uranium deposit and the Eva uranium-gold deposit.

The Bowgan target was first discovered by a major Australian mining company, but was never drill tested. From geophysical modelling, the target depth has been estimated to be relatively shallow at a depth of 50 metres.

- ENDS -

**Released by:**  
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**On behalf of:**  
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