



29 March 2006

Company Announcements Office
Australian Stock Exchange Limited
10th Floor
20 Bond Street
SYDNEY NSW 2000

Dear Sir/Madam

RE: NOTICE OF MEETING MAILOUT TO SHAREHOLDERS

We wish to advise that the attached Notice of General Meeting, Proxy Form and Explanatory Memorandum to be held on Friday 28 April 2006, was mailed out to our shareholders yesterday.

Yours faithfully

A handwritten signature in black ink that reads 'Dennis Wilkins'.

Dennis Wilkins
Finance Director

Atts



MARENKO MINING LIMITED

ACN 099 496 474

NOTICE OF GENERAL MEETING

PROXY FORM

AND

EXPLANATORY MEMORANDUM

Date of Meeting

28 April 2006

Time of Meeting

10.00 am

Place of Meeting

Level 2,
9 Havelock Street
WEST PERTH WA 6005

MARENGO MINING LIMITED

ACN 099 496 474

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that the General Meeting of shareholders of Marengo Mining Limited ACN 099 496 474 ("**Company**") will be held at Level 2, 9 Havelock Street, West Perth, Western Australia on 28 April 2006 at 10.00 am Western Standard Time, for the purpose of transacting the following business referred to in this Notice of General Meeting.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of General Meeting.

AGENDA

Resolution 1 – Approval of Acquisition of Belvedere Limited

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, pursuant to and in accordance with Listing Rule 7.1 of the Listing Rules of the Australian Stock Exchange Limited, the Company approves and authorises the Company to allot and issue 12,000,000 fully paid ordinary shares in the capital of the Company and 6,000,000 free attaching listed options each, each option exercisable at \$0.20 each on or before 28 February 2008 and otherwise on the terms and conditions set out in Annexure A accompanying this Notice of Meeting, to the persons noted in the Explanatory Memorandum accompanying this Notice of Meeting, as part consideration for the acquisition of the entire issued capital of Belvedere Limited.”

<p>The Company will in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 1 by persons who will participate in the 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 associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a 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.</p>

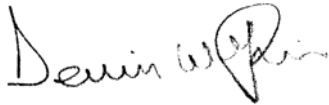
Resolution 2 – Ratification of Placement – Sempra Metals & Concentrates Corp.

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, pursuant to and in accordance with Listing Rule 7.4 of the Listing Rules of the Australian Stock Exchange Limited, the Company ratifies the allotment and issue to Sempra Metals & Concentrates Corp. of 4,000,000 fully paid ordinary shares in the capital of the Company at an issue price of \$0.30 each and 4,000,000 free attaching unlisted options, each option exercisable at \$0.40 each on or before 30 November 2008 and otherwise on the terms and conditions set out in Annexure B accompanying this Notice of Meeting.”

The Company will in accordance with the Listing Rules of the ASX, disregard any votes cast on Resolution 2 by Sempra Metals & Concentrates Corp. who participated in the issue and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a 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 of
Marengo Mining Limited



Dennis Wilkins
Company Secretary

Dated: 27 March 2006

PROXIES

Votes at the general meeting may be given personally or by proxy, attorney or representative.

A shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies to attend and vote at this meeting. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights.

A proxy may but need not be a shareholder of the Company.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer of his attorney duly authorised.

The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the Registered Office of the Company at least 48 hours prior to the meeting. For the convenience of shareholders a Proxy Form is enclosed.

For the purposes of section 1074E(2) of the Corporations Act 2001 and regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding ordinary shares at the close of business on 8 April 2006 will be entitled to attend and vote at the General Meeting.

Corporations

A corporation may elect to appoint a representative in accordance with the Act in which case the Company will require written proof of the representative's appointment which must be lodged with, or presented to the Company before the meeting.

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 under either the common seal of the corporation or under the hand of an officer of the company or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by at least one 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, by post, facsimile or e-mail to the respective addresses stipulated in this proxy form.
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;
 - (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;
 - (c) if the proxy is 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.

7. The Chairman intends to vote in favour of all resolutions in relation to undirected proxies.

MARENGO MINING LIMITED

ACN 099 496 474

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of Marengo Mining Limited ("**Company**" or "**Marengo**") in connection with the business to be transacted at the General Meeting of shareholders of the Company to be held at Level 2, 9 Havelock Street, West Perth, Western Australia, on 28 April 2006 at 10.00am Western Standard Time.

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

Resolution 1 – Approval of Acquisition of Belvedere Limited

On 20 February 2006, Marengo announced it had reached agreement in principle to acquire its joint venture partner, thus moving to a 100% interest in the Yandera Copper-Molybdenum Project in the Madang Province of Papua New Guinea.

Marengo, through its wholly owned subsidiary Marengo Mining (PNG) Limited, will acquire all of the issued capital of Belvedere Limited ("**Belvedere**"), a private PNG company, with its sole assets comprising its interest in the Yandera Project.

The consideration for this transaction, payable to Belvedere shareholders, will be:

- a) cash payment of A\$3 million,
- b) the issue of 12,000,000 Shares, and
- c) the issue of 6,000,000 listed options to acquire Shares, exercisable at 20 cents on or before 28 February 2008.

A formal share sale and purchase agreement will be executed between the parties, containing the following conditions precedent:

- a) approval of the PNG Investment Promotion Authority for the re-certification of Belvedere as a foreign owned enterprise;
- b) the renewal of Exploration Licence 1335 (Yandera);
- c) the approval of the shareholders of Marengo; and
- d) any other required statutory approvals.

The move to 100% ownership of Yandera is very positive for the project and reflects the view that the best way for the project to move forward is under the control of a single entity. The directors and shareholders of Belvedere have confirmed their complete support for the project and will continue to provide advice and assistance to Marengo, wherever required, as well as maintain an active involvement in the project through Marengo.

Currently Marengo has the right to earn a 50% interest in the Yandera Project by spending \$0.5 million by April 2007, with the right to increase that interest to 90% by sole funding a Bankable Feasibility Study should Belvedere elect not to contribute.

Work at Yandera has continued in preparation for an aggressive program of infill diamond drilling, scheduled to commence in April 2006. This work will add to the existing database of some 33,000 metres of drilling and will be used in the calculation of a JORC resource later this year.

Marengo is well positioned to undertake this work, with some A\$7.4m in cash reserves and 62,000,000 fully paid shares on issue.

Marengo is pleased to join many existing Australian and international companies who successfully operate both exploration and mining projects in PNG, a trend which is seen gaining momentum over recent months.

Listing Rule 7.1

Listing Rule 7.1 provides that a listed company may not issue securities in any 12 month period where the total number of securities to be issued exceeds 15% of the number of fully paid ordinary securities on issue 12 months before the date of issue, except with the prior approval of members of the company in general meeting of the terms and conditions of the proposed issue or where the issue is pro rata to all shareholders in accordance with their existing shareholdings.

Resolution 1 has been included so that shareholders may approve pursuant to Listing Rule 7.1 the issue of 12,000,000 Shares and 6,000,000 Listed Options as part consideration for the acquisition of all the issued capital of Belvedere Limited.

For the purposes of Listing Rule 7.3, the following information is provided:

the maximum number of securities to be issued is 12,000,000 Shares and 6,000,000 Listed Options;

the securities the subject of Resolution 1 will be issued on a date and no later than (3) months after the date of this General Meeting unless otherwise extended by way of ASX granting a waiver to Listing Rule 7.3.2;

the Shares will be issued at a deemed issue price of \$0.25 per Share as part consideration for the acquisition of Belvedere. The Listed Options are free attaching and have no deemed issue price;

the allottees (who are not related parties of the Company) will be:

Allottee	No. of Shares	No. of Listed Options
Thomas Charleton	300,000	Nil
Maureen Kiali	3,900,000	2,000,000
Sinton Spence	2,600,000	1,333,334
Neil McIntyre	2,600,000	1,333,333
Ida Smedley	2,600,000	1,333,333
Total	12,000,000	6,000,000

the terms of the fully paid ordinary shares to be issued are the same as the existing ordinary shares on issue and, accordingly, rank equally in all respects with the existing ordinary shares on issue. The terms of the Listed Options are set out in Annexure A.

Resolution 2 - Placement to Sempra Metals & Concentrates Corp.

On 2 March 2006, the Company announced that Sempra Metals & Concentrates Corp., a global, US-based commodities group, had agreed to take up a strategic \$1.2m placement in Marengo. On 13 March 2006, the placement of 4,000,000 Shares at 30 cents per Shares and 4,000,000 free attaching unlisted options with an exercise price of piece of 40 cents each, expiring 30 November 2008, was completed.

Sempra Metals & Concentrates Corp is part of the Sempra Metals Group, which is a significant global investor, specialising in non-ferrous metals, precious metals and plastics. It is owned by the US-based energy services company Sempra Energy, a Fortune 500 company.

The total funds raised of \$1.2m added to Marengo's working capital giving a current balance of approximately \$7.4m and provided additional funding to pursue its aggressive diamond drilling program at the Company's Yandera copper-molybdenum project in Papua New Guinea during 2006. No funds raised have been expended to date.

Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such a ratification is to restore a company's maximum discretionary power to issue further shares up to 15% of the issued capital of the company without requiring shareholder approval.

Resolution 2 has been included so that shareholders may approve and ratify pursuant to Listing Rule 7.4 the allotment and issue of 4,000,000 Shares and 4,000,000 free attaching unlisted options to Sempra Metals & Concentrates Corp at \$0.30 per Share. The terms of the options are set out in Annexure B to this Explanatory Memorandum and are also contained within an option agreement made between the parties. The option agreement provides that:

- if at any time before an Option is exercised, Marengo makes a bonus issue and allots to shareholders any bonus Shares, then Marengo must in addition to any Shares to be allotted to the holders pursuant to the exercise of an Option, issue and allot to the holders on any subsequent exercise of an Option the number of additional bonus Shares that the holder would have been entitled to receive by way of participation in the bonus issue if it had exercised the Options fully (and assuming there is no restriction on that exercise):
 - immediately before the bonus issue; or
 - if before the exercise of the option there has been more than one bonus issue, immediately before the first bonus issue, and on the basis the holder had retained all the Shares issued on exercise of the Option together with all the bonus Shares which would have been allotted to it under this clause following the first bonus issue;
- 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; and

- If before the exercise of the Options there is a pro-rata issue to shareholders (except a bonus issue), the exercise price of the Options shall be reduced according to the formula in Listing Rule 6.22.2.

The allottee is not a related party of the Company.

GLOSSARY

"**ASIC**" means the Australian Securities and Investments Commission;

"**ASX**" means the Australian Stock Exchange Limited;

"**Company**" means Marengo Mining Limited ACN 099 496 474;

"**Corporations Act**" means Corporations Act 2001 (Cth);

"**Director**" means a director of the Company;

"**Listed Option**" means an option to acquire a Share, each option exercisable at \$0.20 each on or before 28 February 2008 and otherwise on the terms and conditions set out in Annexure A accompanying this Notice of Meeting;

"**Listing Rules**" means the Listing Rules of the ASX;

"**Notice**" means the notice of meeting accompanying this Explanatory Memorandum;

"**Shares**" means fully paid ordinary shares in the Company; and

"**Unlisted Option**" means an option to acquire a Share, each option exercisable at \$0.40 each on or before 30 November 2008 and otherwise on the terms and conditions set out in Annexure B accompanying this Notice of Meeting.

ANNEXURE A
OPTIONS ISSUED TO VENDORS OF BELVEDERE LIMITED

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 Marengo Mining Limited ("**Company**"), credited as fully paid, at an exercise price of \$0.20 per share ("**Exercise Price**").
- (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.

ANNEXURE B

OPTIONS ISSUED TO SEMPRA METALS & CONCENTRATES CORP.

1. The Options are issued under an option agreement dated 1 March 2006 between the Company and the Option Holder (**Option Agreement**).
2. This Option Certificate and the Options are subject to the provisions of the Option Agreement.
3. No consideration is payable for the issue of the Options other than as set out in the Option Agreement.
4. Subject to adjustment under the provisions of the Option Agreement, the exercise price payable by the Option Holder on the Exercise of the Options is A\$0.40 per Option (**Exercise Price**).
5. The Options will be Exercised in lots of the lesser in number of 500,000 Options and the balance of all Options held by the Option Holder.
6. The Option Holder may only Exercise the Options during the period commencing on the Issue Date (as defined in the Option Agreement) and ending at 5.00 pm (AEST) on 30 November 2008 (**Exercise Period**).
7. Options that have not been Exercised in accordance with these terms will lapse at midnight on the last day of the Exercise Period (**Expiry Date**).
8. The Options are Exercisable by lodging with the Company on or before the Expiry Date:
 - (a) a written notice of Exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and
 - (b) this Option Certificate for cancellation by the Company.
9. Payment of the Exercise Price shall be made in Dollars by deposit in the bank account in Perth nominated by the Company.
10. Within 7 days of receipt of an Exercise Notice accompanied by this Option Certificate, and full payment of the Exercise Price, the directors of the Company will:
 - (a) subject to the provisions of the Option Agreement, allot to the Option Holder the number of Ordinary Shares specified in the Exercise Notice;
 - (b) cancel this Option Certificate; and
 - (c) if applicable, issue a new Option Certificate for any unExercised Options.
11. All Ordinary Shares allotted on the Exercise of Options will rank pari passu in all respects with other Ordinary Shares.
12. The Company will apply for official quotation by ASX of all the Ordinary Shares allotted under the Exercise of the Options within 3 Business Days after the allotment of those Ordinary Shares.
13. The Company will not apply for official quotation by the ASX of the Options.
14. A Holder may only participate in a new issue of Ordinary Shares (**New Offer**) if an Option has been Exercised and an Ordinary Share has been issued in respect of the Option before the record date for determining entitlements to the New Offer.
15. Terms used in this Option Certificate, unless defined in this Option Certificate, have the same meaning as in the Option Agreement.

The interpretive provisions set out in clause 1.2 of the Option Agreement will apply equally to the provisions of this Option Certificate.