



27 July 2005

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

Dear Sir/Madam

**RE: LETTER TO SHAREHOLDERS INCLUDED WITH QUARTERLY  
REPORT MAILOUT**

We wish to advise that the attached letter together, with our Quarterly Report to 30 June 2005, was mailed out to our shareholders today.

Yours faithfully

**Les Emery  
Managing Director**

***Att***





# MARENGO

## MINING LIMITED

25 July 2005

Dear Shareholder

It gives me great pleasure to provide you with a copy of Marengo's Quarterly Report for the period ending 30 June 2005.

As you will see, our activities are now very much focused on our Papua New Guinea projects, as we believe that these projects will give Marengo an excellent opportunity to add significant value to your investment.

The first half of 2005 has seen Marengo enter into an agreement to initially earn a 50% interest in the Yandera (copper-molybdenum-gold) Project, which is one of the largest undeveloped systems of this type, in the south west Pacific.

Recent acquisition of a database detailing some US\$20 million of exploration at Yandera between 1970 and 1989 has provided Marengo with immediate access to a wealth of information on this project.

Digitisation of the Yandera exploration database has commenced and will enable Marengo to have the entire project data computer modelled for the first time. Work will initially start on the extensive diamond drilling database, which includes 102 drill holes for a total of some 32,000 metres.

As detailed in the attached report, we are confident that with further drilling a substantial zone of mineralisation, approaching 1% copper equivalent (copper-molybdenum combined) can be established.

A grant of our exploration licence application at Bolubolu, on Goodenough Island (PNG) is expected to take place shortly and this will give us access to a high quality gold project in a corridor where world class gold mines have already been discovered.

Added to our PNG projects we are also attempting to source a suitable drill rig for our Bowgan project in the Northern Territory. This project contains a well defined geophysical target, which has the potential to produce (Coronation Hill style) uranium-gold mineralisation.

The recent approval by shareholders of a placement of shares and options, to raise an additional A\$500,000 is part of the directors' strategy to maintain a suitable level of liquidity, to enable Marengo to complete designated programs. With these funds to hand Marengo commences the new financial year with cash of some A\$2 million, whilst maintaining a tight capital structure.

On behalf of your board, I would like to thank you for your continuing support and look forward to providing further updates as our work continues.

As always, should you have any questions regarding our activities, please do not hesitate to contact me.

Yours faithfully

**Les Emery**  
Managing Director

