

Talbot Olivier

L A W Y E R S

Our ref: JPS:24515
Contact: Jonathan Sadleir
Direct Line: 9223 1428
Direct email: jsadleir@talbotolivier.com.au
Partner: Stephen Skinner

Facsimile

To ASX Company Announcements Platform
Attention: Vikram

Fax No 1900 999 279

From Stephen Skinner

Date 14 March 2006

Pages (including this page): 21

If this facsimile transmission is a communication between solicitor and client it is privileged. If you have received this communication in error you are requested immediately to notify us (we will accept reverse charges) and return the original message to us at the postal address shown below.

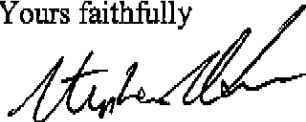
Dear Vikram

Notice of initial substantial holder (Form 603)

We act for Sempra Metals and Concentrates Corp.

Attached is a Notice of initial substantial holder (Form 603) dated 13 March 2006.

Yours faithfully



Stephen Skinner
Partner



A member firm of ALFA INTERNATIONAL™
120 Member Firms Worldwide

10th Floor, 55 St George's Terrace, Perth
Western Australia
Postal Address: GPO Box R1287 Perth WA 6844
Telephone: (08) 9325 8977 Facsimile: (08) 9221 1886
Email: talbots@talbotolivier.com.au
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ABN 29 608 373 200

Talbot Olivier

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Direct email: jsadleir@talbotolivier.com.au
Partner: Stephen Skinner

Facsimile

To Mr Dennis Wilkins
Company Secretary
Marengo Mining Limited

Fax No 9429 0099

From Stephen Skinner

Date 14 March 2006

Pages (including this page): 21

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Dear Dennis

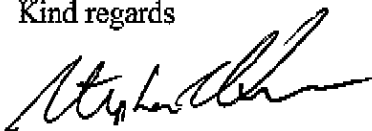
Notice of initial substantial holder (Form 603)

We act for Sempra Metal and Concentrates Corp.

Attached is a Notice of initial substantial holder (Form 603) dated 13 March 2006. A copy has been lodged with ASX.

We will post the originals to you and to ASX.

Kind regards



Stephen Skinner
Partner



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10th Floor, 55 St George's Terrace, Perth
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Email: talbots@talbotolivier.com.au

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ABN 29 608 373 600

Form 603 Corporations Act 2001 Section 671B											
Notice of initial substantial holder											
To	Company Name/Scheme	Marengo Mining Limited									
	ACN/ARSN	099 496 474									
1. Details of substantial holder (1)											
	Name	Sempra Energy and its subsidiaries listed in Annexure 'A' to this notice (Sempra Group)									
	ACN/ARSN (if applicable)										
	The holder became a substantial holder on	10/3/2006									
2. Details of voting power											
The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Class of securities (4)</th> <th style="width: 25%;">Number of securities</th> <th style="width: 25%;">Person's votes (5)</th> <th style="width: 25%;">Voting power (6)</th> </tr> </thead> <tbody> <tr> <td>Ordinary shares</td> <td style="text-align: center;">4,000,000</td> <td style="text-align: center;">4,000,000</td> <td style="text-align: center;">6.09%</td> </tr> </tbody> </table>				Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)	Ordinary shares	4,000,000	4,000,000	6.09%
Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)								
Ordinary shares	4,000,000	4,000,000	6.09%								
3. Details of relevant interests											
The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Holder of relevant interest</th> <th style="width: 50%;">Nature of relevant interest (7)</th> <th style="width: 30%;">Class and number of securities</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Sempra Group</td> <td>The relevant interests arise pursuant to section 608(1) and section 806(3) of the Corporations Act. The shares were acquired by way of issue by the company under the terms of the subscription agreement attached as Annexure 'C'.</td> <td style="text-align: center;">4,000,000 ordinary</td> </tr> </tbody> </table>				Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities	Sempra Group	The relevant interests arise pursuant to section 608(1) and section 806(3) of the Corporations Act. The shares were acquired by way of issue by the company under the terms of the subscription agreement attached as Annexure 'C'.	4,000,000 ordinary		
Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities									
Sempra Group	The relevant interests arise pursuant to section 608(1) and section 806(3) of the Corporations Act. The shares were acquired by way of issue by the company under the terms of the subscription agreement attached as Annexure 'C'.	4,000,000 ordinary									
4. Details of present registered holders											
The persons registered as holders of the securities referred to in paragraph 3 above are as follows:											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Holder of relevant interest</th> <th style="width: 20%;">Registered holder of securities</th> <th style="width: 25%;">Person entitled to be registered as holder (8)</th> <th style="width: 40%;">Class and number of securities</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Sempra Group</td> <td style="text-align: center;">Sempra Metals and Concentrates Corp</td> <td style="text-align: center;">Sempra Metals and Concentrates Corp</td> <td style="text-align: center;">4,000,000 ordinary</td> </tr> </tbody> </table>				Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities	Sempra Group	Sempra Metals and Concentrates Corp	Sempra Metals and Concentrates Corp	4,000,000 ordinary
Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities								
Sempra Group	Sempra Metals and Concentrates Corp	Sempra Metals and Concentrates Corp	4,000,000 ordinary								

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Sempra Group	13/3/06	\$1,230,000		4,000,000 ordinary

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
See Annexure "B"	

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
See Annexure "A"	

Signature

print name Limor Nissan Capacity Vice President

sign here



date 13/3/06

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
 - (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
 - (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
 - (4) The voting shares of a company constitute one class unless divided into separate classes.
 - (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
 - (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 - (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
 - (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A -- Form 603, Notice of initial substantial holder

This is annexure marked "A" of 1 page referred to in the Notice of initial substantial holder (Form 603) signed by me and dated 13 March 2006.

Signed on 13 March 2006


 Limbik Nissara
 Vice President,
 Sempra Metals and Concentrates Corp.

Entity Name	Registered Office Address
Sempra Metals and Concentrates Corp.	58 Commerce Road, Stamford, Connecticut 06902, United States of America
Sempra Energy Trading Corp	58 Commerce Road, Stamford, Connecticut 06902, United States of America
Sempra Energy Solutions	101 Ash Street, San Diego, California 92101, United States of America
Sempra Energy Global Enterprises	101 Ash Street, San Diego, California 92101, United States of America
Sempra Energy	101 Ash Street, San Diego, California 92101, United States of America

Annexure B – Form 603, Notice of initial substantial holder

This is annexure marked "B" of 1 page referred to in the Notice of initial substantial holder (Form 603) signed by me and dated 13 March 2006.

Signed on 13 March 2006



Limor Nissan
Vice President,
Sempra Metals and Concentrates Corp.

Name of Associate	Nature of Association
Sempra Energy Trading Corp	Holds 100% of Sempra Metals and Concentrates Corp
Sempra Energy Solutions	Holds 100% of Sempra Energy Trading Corp
Sempra Energy Global Enterprises	Holds 100% of Sempra Energy Solutions
Sempra Energy	Holds 100% of Sempra Energy Global Enterprises

Annexure C – Form 603, Notice of initial substantial holder

This is annexure marked 'C' of 1 page referred to in the Notice of initial substantial holder (Form 603) signed by me and dated 13 March 2006.

Attached is a true copy of the subscription agreement dated 1 March 2006 between Marengo Mining Limited ACN 098 496 474 and Sempra Metals & Concentrates Corp.

Signed on 13 March 2006



Limor Nissan
Vice President,
Sempra Metals and Concentrates Corp.

Marengo Mining Limited
ACN 099 496 474
and
Sempra Metals & Concentrates Corp.

Subscription agreement

Talbot Olivier
10th Floor
55 St George's Terrace
Perth WA 6000
Tel: (08) 9325 8977
Fax: (08) 9221 1886
Ref: SPS:24515

Subscription agreement**Talbot Olivier****Table of contents**

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Annexure A - Yandera Mining Tenements - Map**Annexure B - Yandera Mining Tenements - List**

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Talbot Olivier

This subscription agreement is made on *1st March* 2006 between:

1. **Marango Mining Limited**
ACN 099 496 474
of Level 2, 9 Havelock Street, West Perth, WA 6005, Australia
(Marango); and
2. **Sempra Metals & Concentrates Corp.**
of 58 Commerce Road, Stamford, CT, 06902, USA
(Sempra)

Recitals

- A. Marango is a company listed on the ASX.
- B. Sempra wishes to subscribe for the Securities and Marango has agreed to allot and issue the Securities to Sempra upon and subject to the terms of this agreement.

The parties agree in consideration of, among other things, the mutual promises contained in this agreement:

1. Definitions and Interpretation

1.1 Definitions

In this agreement, unless the context otherwise requires:

Affiliate means, with respect to a person (the "first person") any other person (the "second person") which is Controls or is Controlled by the first person or is under common Control with such first person.

ASX means Australian Stock Exchange Ltd ACN 98 008 624 691 or any successor body.

Business Day means a day on which banks are open for business in Perth and New York excluding a Saturday, Sunday or public holiday.

Control has the meaning given to that term in the Corporations Act and Controlled has the corresponding meaning.

Government Agency means any governmental or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal agency or entity.

Listing Rules means the official listing rules of the ASX.

Marango Bank Account means a bank account in the name of Marango Mining Limited with BSB 086-492 and being Account No. 54-352-2972 at National Australia Bank Limited at West Perth branch.

Marango Group means Marango and each of its Subsidiaries and Affiliates, including Marango Mining (PNG) Limited (a private company of Papua New Guinea) and, subject to completion under a proposed share acquisition agreement, Belvedere Limited (a private company of Papua New Guinea).

Marango Group Member means any member of the Marango Group.

Mining Right means any exploration or mining title, lease, licence, water or other entitlement, right or authorisation granted under any mining law of Papua New Guinea.

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Subscription agreement

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Negotiation Period means the period of time from the date of this agreement up to and including 31 July 2007.

Nominated Options means the options to be subscribed for by, and issued to, Sempra under the Option Agreement.

Nominated Shares means 4,000,000 Ordinary Shares at an issue price of \$0.30 per Ordinary Share.

Officer means:

- (a) in relation to Marengo, a director or secretary, or a person notified to be an authorised officer, of Marengo, respectively; or
- (b) in relation to Sempra, means any officer of Sempra that Sempra notifies Marengo is an authorised officer of Sempra.

Offtake Agreement one or more agreements which collectively are for the purchase and sale of 100% of the base metal and/or concentrates production (including molybdenum) owned or controlled by any Marengo Group Member by or through any mine commissioned by or through the Yandera Mining Project, for the life of any such mine.

Option Agreement means the option agreement dated the same date as this agreement and made between Marengo and Sempra.

Ordinary Share means any fully paid ordinary share in the issued capital of Marengo.

ROFR Period means the period of time commencing on 1 August 2007 and ending on 31 January 2008.

Securities means all or any of the Nominated Shares and the Nominated Options.

Subscription Amount means the amount of \$1,200,000.

Subscription Date means the date of this agreement or other date the parties agree to complete the allotment and issue of the Nominated Shares and the Nominated Options in accordance with clause 2.5.

Subsidiary of an entity means another entity which is a subsidiary of the first within the meaning of Part 1.2, Division 6 of the Corporations Act or is a subsidiary of or otherwise Controlled by the first within the meaning of any approved accounting standard.

Transaction Document means:

- (a) this agreement;
- (a) the Option Agreement; and
- (b) any other document or agreement entered into or given under or incidental to any of the above.

Yandera Mining Project means the base metals mining project comprising the exploration and mining of the Yandera Mining Tenements.

Yandera Mining Tenements means all Mining Rights held now or in the future by any Marengo Group Member over any part of the area the subject of the map set out in annexure A, including without limitation the Mining Rights listed in annexure B and any other mining rights acquired by or through Marengo or any Marengo Group Member which are located in any part of the area set out in annexure A.

Subscription agreement

Talbot Olivier

1.2 Interpretation

In this agreement, headings are for convenience only and do not affect the interpretation of this agreement and:

- (a) words importing the singular include the plural and the converse;
- (b) words importing a gender include all genders;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) an expression importing a natural person includes an individual, a firm, a body corporate, an unincorporated association and any Government Agency;
- (e) a reference to any thing (including any right) includes a part of that thing but nothing in this clause 1.1(e) implies that performance of part of an obligation constitutes performance of the obligation;
- (f) a reference to a clause, party, annexure, exhibit or schedule is a reference to a clause of, and a party, annexure, exhibit and schedule to, this agreement and a reference to this agreement includes any annexure, exhibit and schedule;
- (g) a reference to legislation or to a provision of legislation includes any modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
- (h) a reference to a document includes all amendments or supplements to, or replacements or novations of, that document;
- (i) a reference to a party to a document includes that party's successors and permitted substitutes (including persons taking by novation) and assigns;
- (j) a reference to a document includes any agreement in writing, or any certificate, notice, deed, instrument or other document of any kind;
- (k) nothing in this agreement is to be interpreted against a party on the ground that the party put it forward;
- (l) the meaning of terms is not limited by specific examples introduced by expressions "including" or "for example", or similar expressions;
- (m) a reference to AUD, Dollars, A\$ and \$ is a reference to the lawful currency of Australia; and
- (n) the Corporations Act is a reference to the Corporations Act, 2001 (Cth).

1.3 Business Day

Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the preceding Business Day.

2. Subscription and right of first refusal**2.1 Subscription for the Nominated Shares**

On the Subscription Date, Semptra agrees to subscribe for the allotment and issue to it of the Nominated Shares at a price of \$0.30 per Nominated Share upon the terms set out in this agreement.

Subscription agreement

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2.2 Subscription for Nominated Options

- (a) Subject to clause 2.3, on the Subscription Date, Marengo agrees allot and issue to Sempra 4,000,000 options to subscribe for Ordinary Shares at an exercise price of \$0.40 per Option.
- (b) The Nominated Options are to be issued upon the terms set out in this agreement and the Option Agreement.

2.3 Allotment of Securities

Upon receipt into the Marengo Bank Account in immediately available funds of the Subscription Amount, Marengo will immediately thereupon allot and issue to Sempra:

- (a) the Nominated Shares; and
- (b) the Nominated Options;

2.4 Application of subscription moneys

Marengo must use the proceeds of issue of the Nominated Shares to enable Marengo to conduct pre-feasibility study work in relation to the Yandera Project.

2.5 Completion of subscription

Completion of the subscription by Sempra for the Nominated Shares and the Nominated Options is to take place at Marengo's office in Perth on the Subscription Date at which place and date:

- (a) Sempra will deliver to Marengo a duly executed application for the Nominated Shares and the Nominated Options;
- (b) Marengo will convene a meeting of its directors at which it is to be resolved to allot and issue the Nominated Shares and the Nominated Options in accordance with Sempra's application and the terms of the Transaction Documents; subject to the receipt of the Subscription Amount in immediately available funds
- (c) upon completion of the meeting referred to in clause 2.5(b), Sempra will thereupon deposit the Subscription Amount into the Marengo Bank Account; and

Marengo will deliver to Sempra evidence of the issue of the Nominated Shares and an option certificate for the Nominated Options and make appropriate entries in its registers.

2.6 Right of first refusal

- (a) On the terms and conditions set out in this clause 2.6, Marengo hereby grants to Sempra a right:
 - (i) to exclusively negotiate with Marengo during the Negotiation Period; and
 - (ii) of first refusal during the ROFR Period,to enter into one or more Offtake Agreements with Sempra on commercial terms.
- (b) Within 7 days of Marengo receiving any drilling or metallurgical results and any other material information relevant to the decision to mine the Yandera Mining Project (Cu-Mo-Au porphyry), Marengo must, subject to Sempra entering into a deed of confidentiality in a form acceptable to Marengo (acting reasonably), notify Sempra of the results or information and provide it with a copy thereof.

Subscription agreement

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- (c) Marengo shall make available to Sempra (and its consultants) Marengo Group employees, senior officers, consultants and advisers to permit the completion by Sempra of its due diligence with respect to the Yandera Mining Project. Following its completion of due diligence and at any time during the Negotiation Period, Sempra may notify Marengo that it wishes to exercise its right to enter into exclusive negotiations with Marengo. In the event that Sempra exercises its right, the parties shall thereupon enter into good faith negotiations to enter into the Offtake Agreement(s) on commercial terms. Unless Sempra gives its prior consent, during the Negotiation Period, Marengo agrees not to enter into any negotiation to enter into any Offtake Agreement(s) or entertain offers or discussion with respect to the possible sale of commodity produced by or through the Yandera Mining Project with any third party.
- (d) Subject to clause 2.6(e), in the event that Sempra and Marengo fail to enter into a definitive Offtake Agreement(s) within the Negotiation Period, Marengo shall be free to negotiate an Offtake Agreement or any other sale agreement in relation to the purchase and sale of 100% of the base metal and/or concentrates production (including molybdenum) owned or controlled by any Marengo Group Member by or through any mine commissioned by or through the Yandera Mining Project, for the life of any such mine (a Sale Agreement) with other prospective purchasers.
- (e) However, if during the ROFR Period Marengo receives one or more bona fide offers (each an Offer) from any prospective purchaser considered by Marengo (acting reasonably) to be financially sound and capable of performing a Sale Agreement, Marengo shall notify Sempra of the pricing and delivery terms thereof, and the amount of commodity covered thereby (Notice). Sempra shall be entitled to match the pricing and delivery terms of any Offer by notice to Marengo within 5 New York Business Days of its receipt of any Notice. In the event that Sempra shall notify Marengo that it shall match any Offer, Sempra and Marengo shall thereupon enter into a Sale Agreement for such amount of commodity on such pricing and delivery terms. In the event that Sempra shall notify Marengo that it will not exercise its right, Marengo shall be free to enter into such agreement with that third party for the amount of commodity and on the pricing and delivery terms specified in the Notice.

3. Corporations Act issues**3.1 Notices under section 708A(6)**

- (a) Marengo covenants to give to ASX a notice in relation to the Nominated Shares that complies with section 708A(6) of the Corporations Act within 5 business days after issue of the Nominated Shares to Sempra.
- (b) Marengo agrees to send a copy of the notice referred to in clause 3.1(a) to Sempra at the same time it is sent to ASX.
- (c) Subject to clause 3.1(d), in the case of the Nominated Options, upon exercise of any of the Nominated Options by Sempra, Marengo will, if required by Sempra, issue a notice with respect to the ordinary shares in Marengo issued upon exercise of those Nominated Options that complies with section 708A(6) of the Corporations Act.
- (d) Marengo will not be required to issue a section 708A(6) notice in relation to the Nominated Options if at the time of exercise of the Nominated Options:

Subscription agreement

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- (i) a determination referred to in section 708A(2) of the Corporations Act is in force with respect to Marengo; or
 - (ii) one of the conditions to non-disclosure described in sections 708A(a) to 708A(d) inclusive of the Corporations Act is not satisfied by Marengo.
- (c) If a notice is given by Marengo to ASX pursuant to clause 3.1(c), Marengo agrees to send a copy of the notice to Sempra at the same time it is sent to ASX.

3.2 Lock-up of Nominated Shares

Sempra agrees not to offer the Nominated Shares for sale within 6 months of the Issue Date.

4. Representations and warranties**4.1 Marengo - Securities**

Marengo also represents and warrants that:

- (a) the Nominated Shares will not be issued by Marengo with the purpose set out in section 707(3)(b)(i) of the Corporations Act;
- (b) a determination under section 708A(2) of the Corporations Act is not in force in relation to Marengo; and
- (c) each of the requirements of section 708A(5) of the Corporations Act (other than that set out in section 708A(5)(e) of the Corporations Act) is satisfied with respect to the proposed issue of the Nominated Shares.

4.2 Marengo - compliance

(a) Marengo represents and warrants that:

- (i) the proposed allotment and issue of the Nominated Shares and Nominated Options to Sempra in accordance with the provisions of this agreement and the other Transaction Documents, and
- (ii) the performance of its respective obligations under the Transaction Documents,

will not breach any of the Listing Rules (including Listing Rule 7.1), any requirements of Australian law or any contract binding upon it.

- (b) Marengo also represents and warrants that all corporate approvals have been obtained to the allotment and issue of the Nominated Shares and Nominated Options and the performance of its obligations under the Transaction Documents.

4.3 Survival and reliance

- (a) The representations and warranties in, or given under, this agreement survive the execution of this agreement.
- (b) Sempra has entered into this agreement in reliance on the representations and warranties in, or given under, this agreement and the other Transaction Documents by Marengo.

Subscription agreement

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5. General**5.1 Notices**

(a) Any notice or other communication given under any Transaction Document to or by a party to any Transaction Document:

(i) must be in legible writing and in English addressed as shown below:

(A) if to Sempra:

Address: 58 Commerce Road, Stamford, CT 06902, USA;

Attention: Vice President, Business Development;

Telephone: (1)(203) 355 5200;

Facsimile: (1)(203) 355 6400;

(B) if to Marengo:

Address: Level 2, 9 Havelock Street, West Perth, WA 6005
Australia;

Attention: Les Emery;

Telephone (618) 9429 0000;

Facsimile (618) 9429 0099,

(ii) where the sender is a company, must be signed by an Officer or, in the case of Marengo by an Officer or in accordance with the provisions of section 127 of the Corporations Act;

(iii) is to be regarded as being given by the sender and received by the addressee:

(A) if by delivery in person, when delivered to the addressee;

(B) if by post, on delivery to the addressee; or

(C) if by facsimile transmission, whether or not legibly received, when received by the addressee,

but if the delivery or receipt is on a day which is not a Business Day or is after 4.00pm (addressee's time) it is regarded as received at 9.00am on the following Business Day; and

(iv) can be relied upon by the addressee and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.

(b) A facsimile transmission is regarded as legible unless the addressee telephones the sender within 2 hours after the transmission is received or regarded as received under clause 5.1(a)(iii) and informs the sender that it is not legible.

(c) In this clause 5.1, a reference to an addressee includes a reference to an addressee's Officers, agents or employees or any person reasonably believed by the sender to be an Officer, agent or employee of the addressee.

5.2 Governing law and jurisdiction

(a) This agreement is governed by the laws of Western Australia.

(b) Each party to this agreement hereby each irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia.

Subscription agreement**Talbot Olivier****5.3 Stamp duty**

Marengo must pay any stamp duty payable on this agreement each other Transaction Document.

5.4 Prohibition and enforceability

- (a) Any provision of, or the application of any provision of, any Transaction Document which is prohibited in any jurisdiction is, in that jurisdiction, ineffective only to the extent of that prohibition.
- (b) Any provision of, or the application of any provision of, any Transaction Document which is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions in that or any other jurisdiction.

5.5 Variation

A variation of any term of this agreement must be in writing and signed by the parties.

5.6 Further assurances

Each party must do all things necessary to give full effect to this agreement and the transactions contemplated by this agreement.

5.7 Counterparts

- (a) This agreement may be executed in any number of counterparts.
- (b) All counterparts, taken together, constitute one instrument.
- (c) A party may execute this agreement by signing any counterpart.

5.8 Entire agreement

This agreement supersedes all previous agreements, in respect to the subject matter.

Subscription agreement

Talbot Olivier

Executed as an agreement:

**Signed by
Marengo Mining Limited
by:**

Secretary/Director

Director

Name (please print)

Name (please print)

**Signed on behalf of
Sempra Metals & Concentrates Corp
in the presence of:**

Witness

Eric T. Allison

Vice President

Eric T. Allison

Name (please print)

Name (please print)

01-03-06:17:14

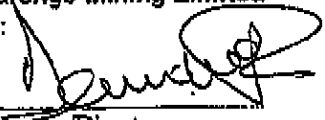
61297005699

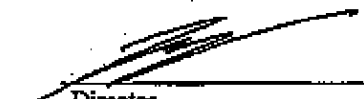
61297005699

Talbot Olivier

Executed as an agreement:

Signed by
Marengo Mining Limited
by:


Secretary/Director
DENNIS WILKINS
Name (please print)


Director
H.S.G. EMEAY
Name (please print)

Signed on behalf of
Semptra Metals & Concentrates Corp
in the presence of:

Witness

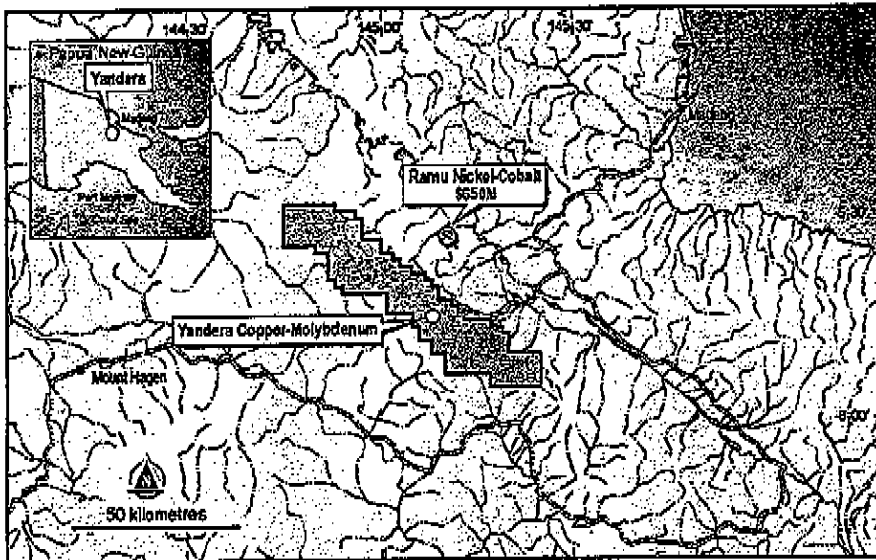
Name (please print)

Vice President

Name (please print)

Annexure A - Yandera Mining Tenements – Map

The area marked in pink in the map below:



Subscription agreement

Talbot Olivier

Annexure B - Yandera Mining Tenements - List

Exploration Licence 1335 held by Belvedere Limited.

Application for Exploration Licence ¹⁴¹⁶1414 held by Marengo Mining (PNG) Limited as to 50%
and Belvedere Limited as to 50%.

