



**MARENGO**  
MINING LIMITED

TSX: MRN / ASX: MGO

# THE COPPER TRIANGLE

MINING THE METAL OF THE MOMENT

AUSTRALIAN INVESTOR PRESENTATION

MAY 16 - 20, 2011



# DISCLAIMER

- The information contained herein, while obtained from sources believed to be reliable, is not guaranteed as to its accuracy or completeness. A preliminary prospectus containing important information relating to the ordinary shares of Marengo has been filed with securities commissions or similar authorities in certain jurisdictions of Canada. The preliminary prospectus is still subject to completion or amendment. Copies of the preliminary prospectus may be obtained from Paradigm Capital Inc. There will not be any sale or any acceptance until a receipt has been issued for the final prospectus. The securities referred to herein have not and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).
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- U.S. Investors are cautioned that the terms "mineral resource", "indicated mineral resources" and "inferred mineral resources" are Canadian mining terms and are not defined in the SEC Industry Guide 7 under the United States Securities Act and are not normally permitted to be used in reports and registration statements filed with the SEC. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into reserves. "Inferred mineral resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Accordingly, information contained in this presentation containing descriptions of the Company's mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of United States federal securities laws and the rules and regulations thereunder.
- JORC refers to the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).
- Copper equivalent grades for reported drill hole intercepts were calculated using a molybdenum /copper metal price ratio of 10:1.
- In the company's opinion both elements included in the metal equivalents calculation have a reasonable potential to be recovered.
- Scientific and technical information in this presentation other than the Yandera Resource Estimate were prepared by, or under the supervision of, Mr Peter Dendle. Mr Dendle is a member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Marengo Mining Limited. Mr Dendle has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr Dendle also has sufficient experience to qualify as a Qualified Person under NI 43-101. Mr Dendle consents in writing to the issue of this report, to the extent of matters based on his information in the form and context in which it appears.
- The information in this report that relates to Exploration Results, Mineral Resource estimates and the resource estimate for the by-product metals and all other scientific and technical information or Ore Reserves contained in this presentation is based on information compiled by Stephen Godfrey, Associate, Principal Resource Geologist, Golder Associates Pty Ltd., who is a Member of The Australasian Institute of Mining and Metallurgy as well as a Member of the Australian Institute of Geoscientists. Mr Godfrey has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. Mr Godfrey is also a "Qualified Person" as defined by National Instrument 43-101 "Standards of Disclosure for Mineral Projects" ("NI 43-101"). Mr Godfrey is independent of Marengo, as such terms defined in NI 43-101. Mr. Godfrey has read and approved the contents of this presentation (insofar as it relates to information prepared by or under the supervision of Mr Godfrey). Mr Godfrey verified the data disclosed and underlying the information contained in this presentation. The effective date of the updated mineral resource estimate and the resource estimate for the by-product metals is February 25, 2011. The method used to verify the data was similar to that described in Marengo's technical report filed on SEDAR originally dated December 2008 and revised and restated January 2009. The estimate of mineral resources are not materially affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. Mr Godfrey consents in writing to the issue of this report, to the extent of matters based on his information in the form and context in which it appears.

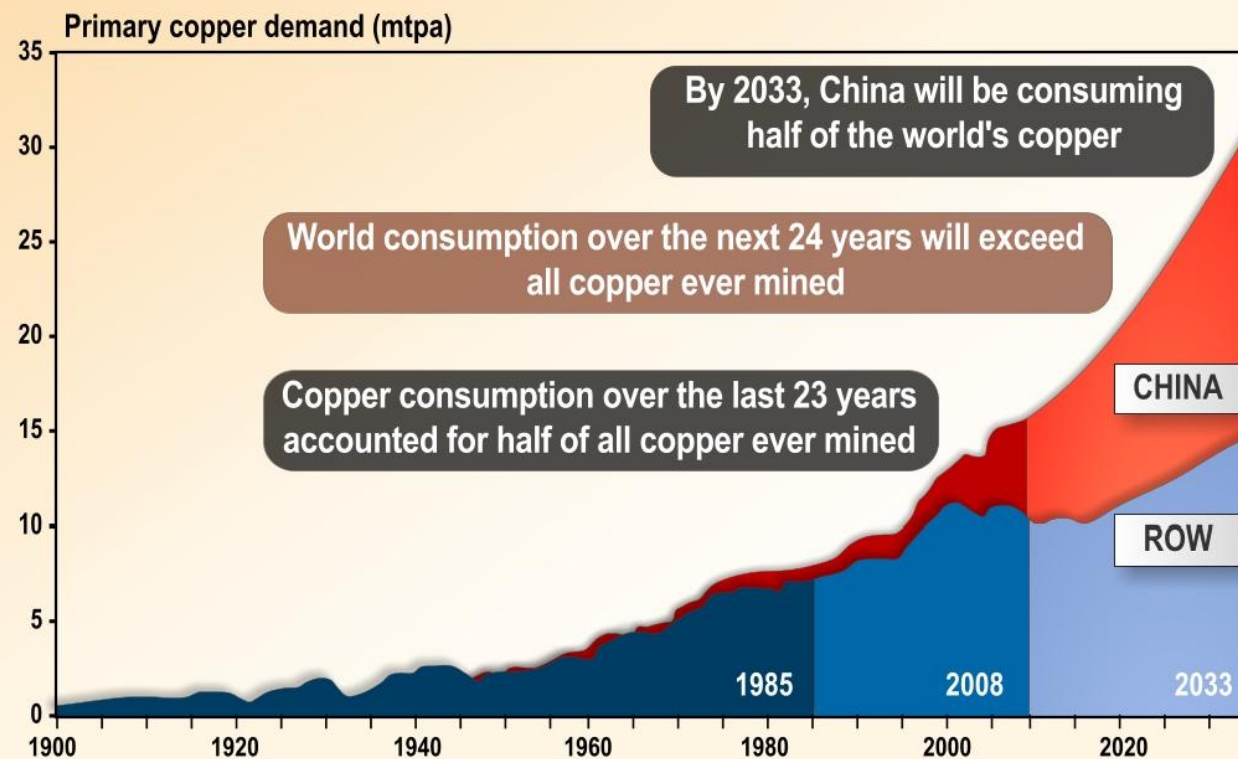




# THE METAL OF THE MOMENT



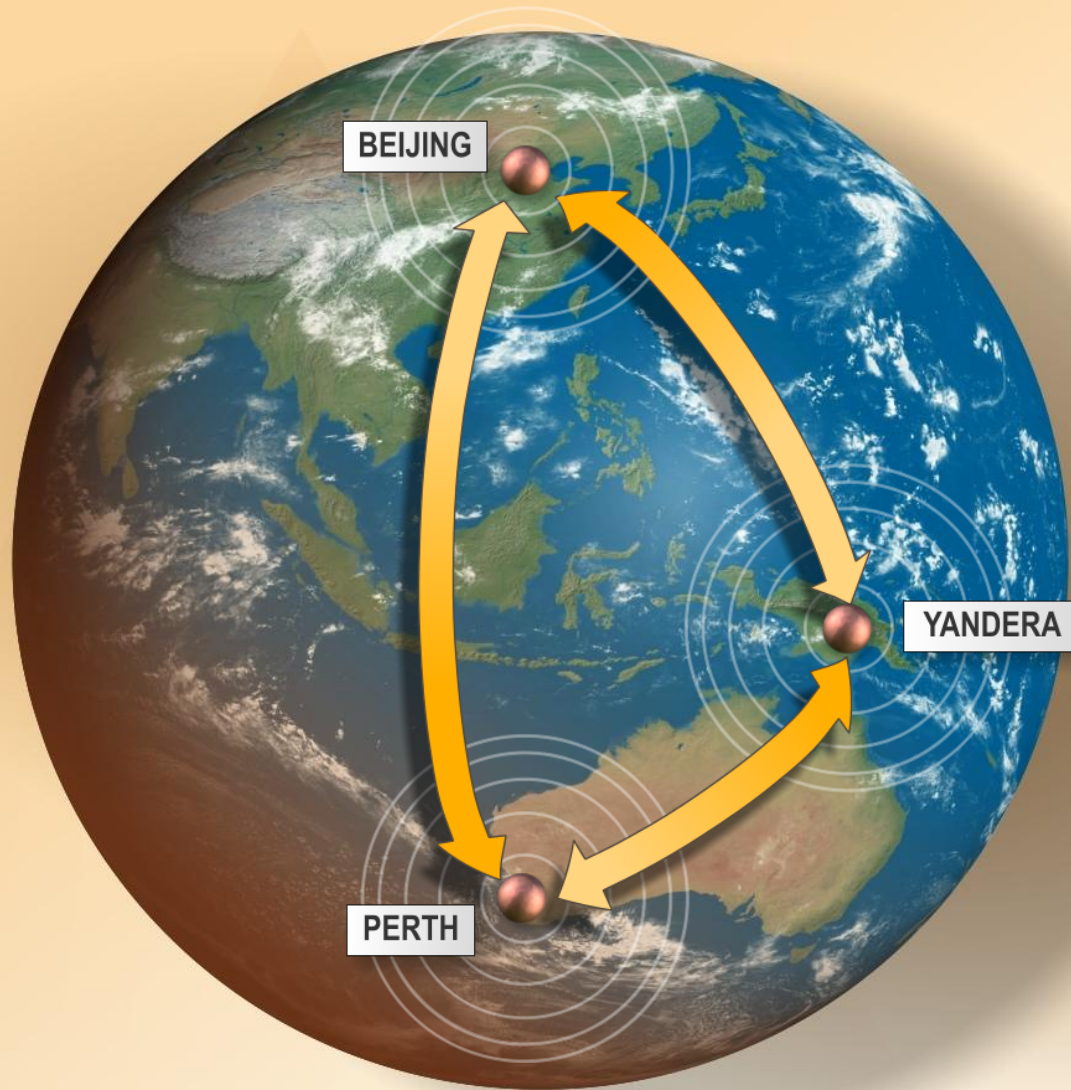
## Copper demand driving China's need to secure copper mine supply



Source: United States Geological Survey ("USGS"), Indophil Resources  
Forecast assumes 8% pa growth rate for China to 2015 and 4% pa thereafter



# THE YANDERA COPPER TRIANGLE....



- Developing a global copper business:
  - *World-scale Yandera Copper-Molybdenum Project, PNG*
  - *Ground-breaking strategic alliance, funding and off-take with leading Chinese construction group*
  - *Australian resource and mining expertise*





# AUSTRALIAN MINING EXPERTISE



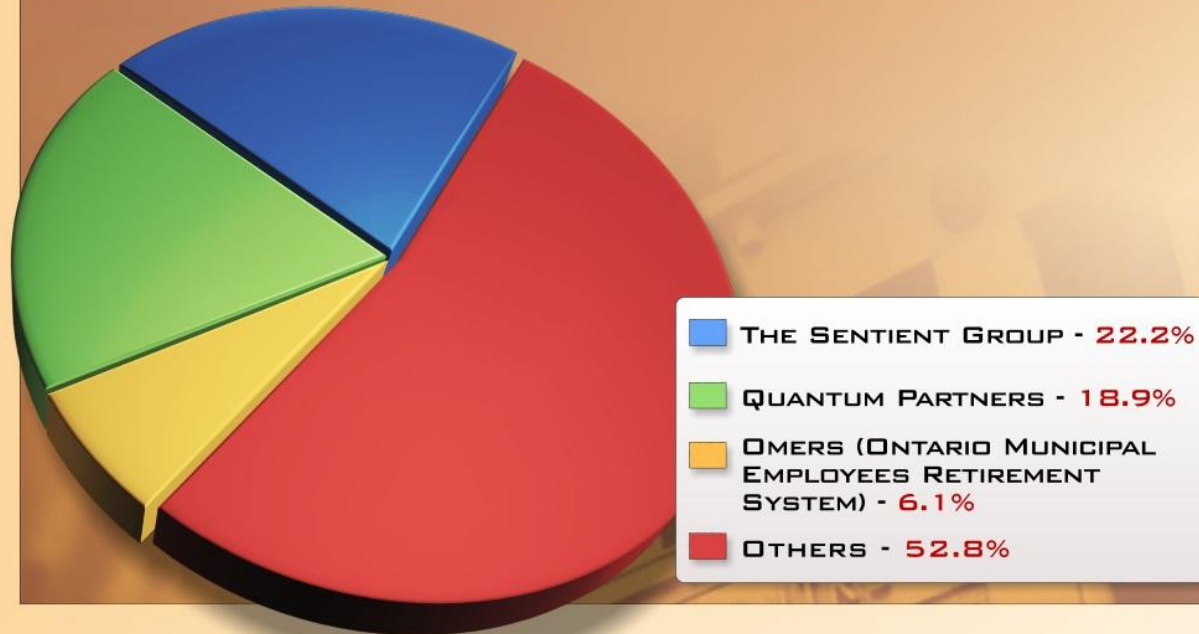
- Australian-based metals company established in 2003
- Focused on developing world-scale Yandera Copper-Molybdenum Project, PNG
- Raised +\$133M since 2007
- Development strategy based on maximising ownership of the Yandera asset for shareholders
- Access to world-class pool of mining and exploration expertise





# CORPORATE OVERVIEW

## MAJOR SHAREHOLDERS:



## SHAREPRICE - 11 MAY:



Global listings:	ASX (MGO), TSX (MRN), POMSoX (MGO)
Issued shares:	995M
Issued options / warrants:	83M
Market capitalisation:	\$300m (as at 11 May 2011 @ 30c)
Cash:	\$65.8M (as at 31 March 2011)



# MARENGO – BOARD



**John Horan – Chairman:** *Many years of mining industry experience; Former Finance Director – Homestake Gold and former director – TSX/ASX listed Golden China Resources Corporation, currently a director of Adelaide Resources Limited (ASX).*



**Les Emery – Managing Director:** *Well experienced in exploration, mining and corporate administration, former MD of Lynas Corporation (ASX -Gold and Rare Earths) and Herald Resources (ASX - Gold).*



**Douglas Dunnet – Non-Executive Director:** *Over 30 years of experience including 14 years with Anaconda (USA) group of companies; previously Managing Director of Orion Resources (ASX – Gold).*



**Sir Rabbie Namaliu– Non Executive Director:** *Former Prime Minister of PNG (1988-1992) and long serving member of successive governments with roles including Foreign Minister.*



**Susanne Sesselmann – Non-Executive Director:** *More than 20 years experience in investment banking and project financing throughout the world. A director of international private equity resource fund, The Sentient Group.*



**Elizabeth Martin – Non-Executive Director:** *Comes from an accounting background and has extensive corporate experience within the resource industry. Elizabeth is Toronto based.*

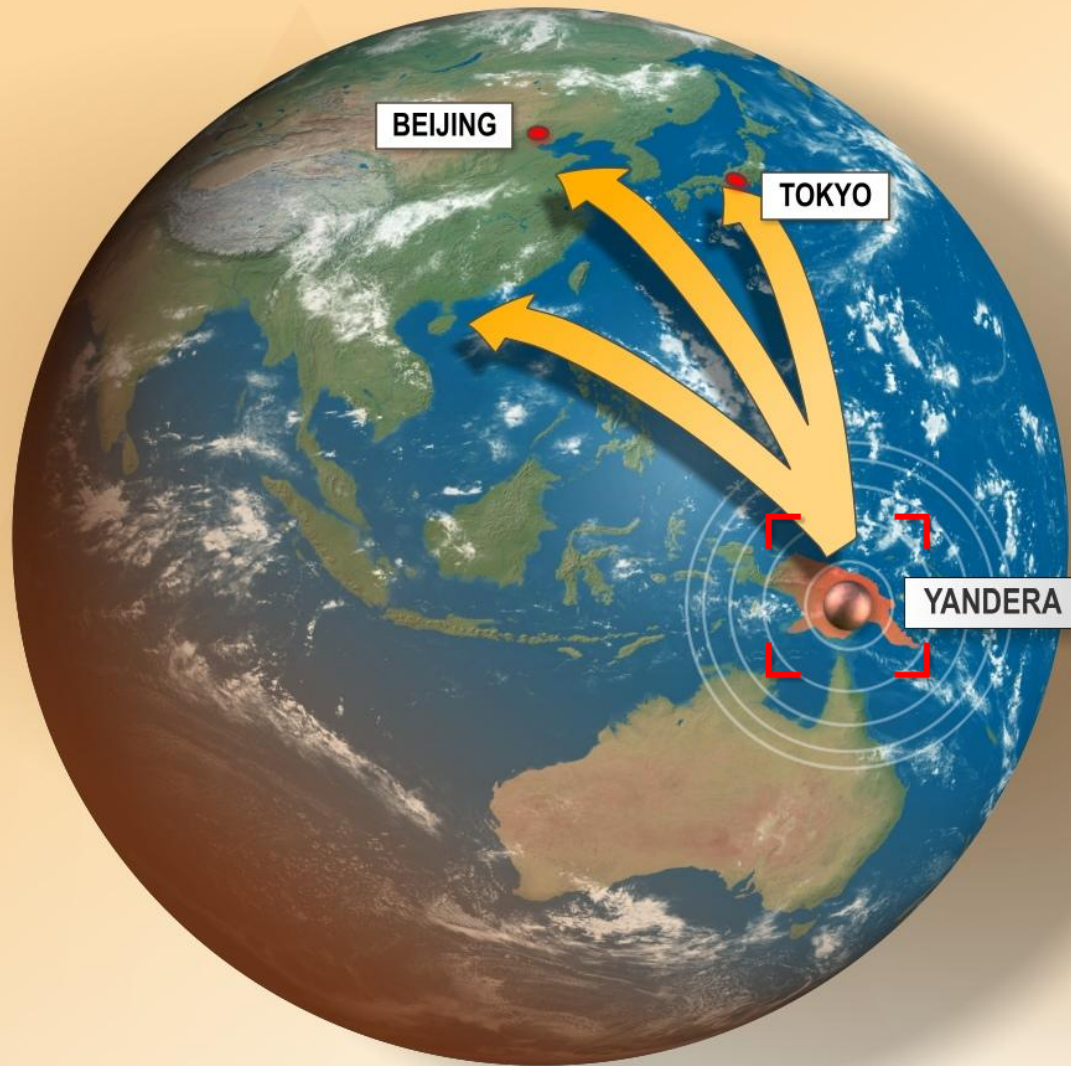


**John Hick – Non-Executive Director:** *Comes from a legal background and has extensive corporate experience within the resource industry. John is Toronto based.*





# PNG – A STRONG MINING DESTINATION



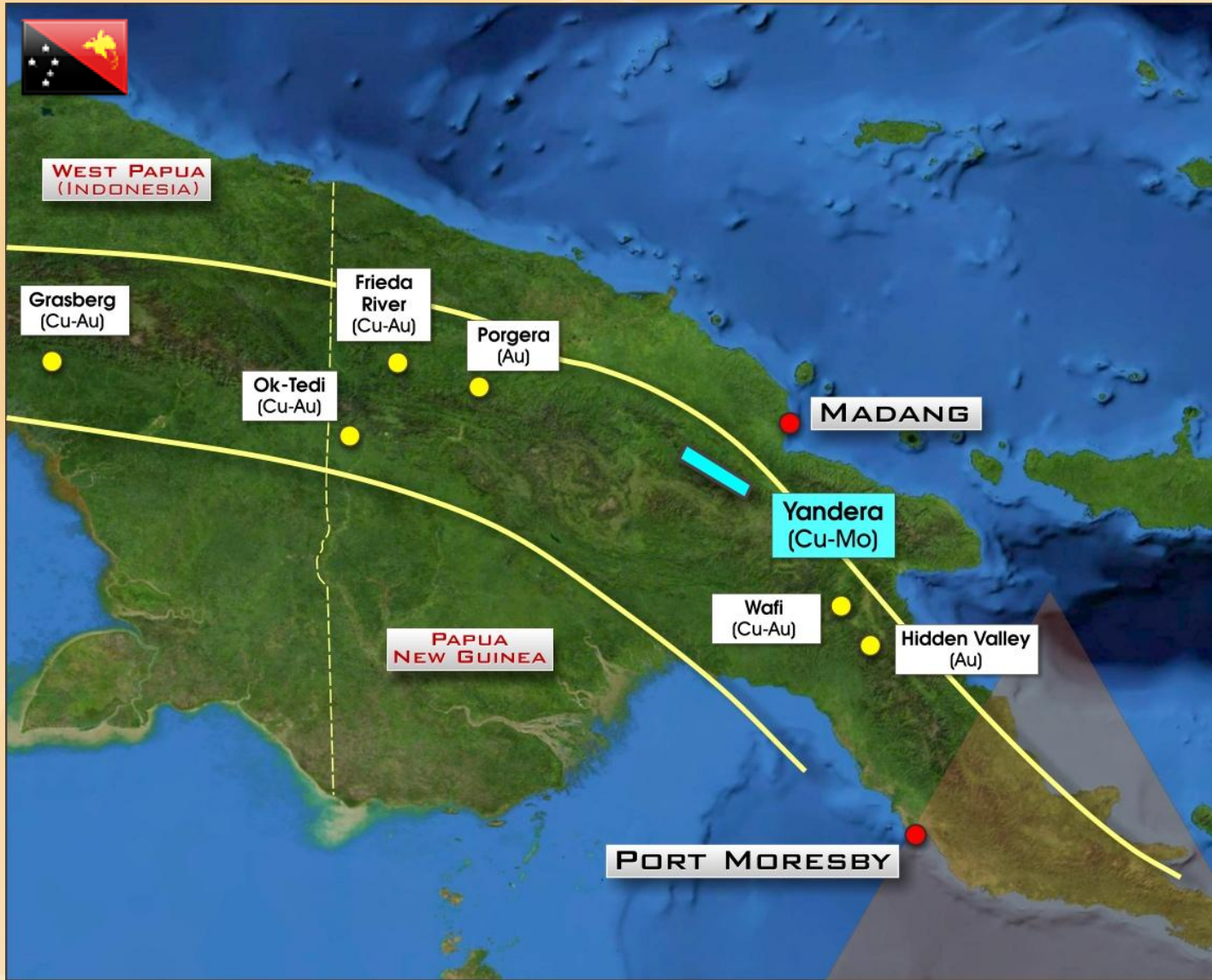
- Commonwealth country with a thriving mining & exploration industry
- Centrally located for shipping to Asian markets
- Stable Government under Sir Michael Somare
- Major companies include Barrick Gold, Xstrata, China Metallurgical Group, Newmont, Billiton, Rio Tinto, Newcrest Mining, Harmony Gold Mining and Exxon Mobil
- Long established mining legislation<sup>1</sup>

(1) PNG Dept. of Mining - <http://www.mineral.gov.pg> (2) Source: International Monetary Fund, (3) Austrade (Australian Government)





# A WORLD-SCALE COPPER PROJECT

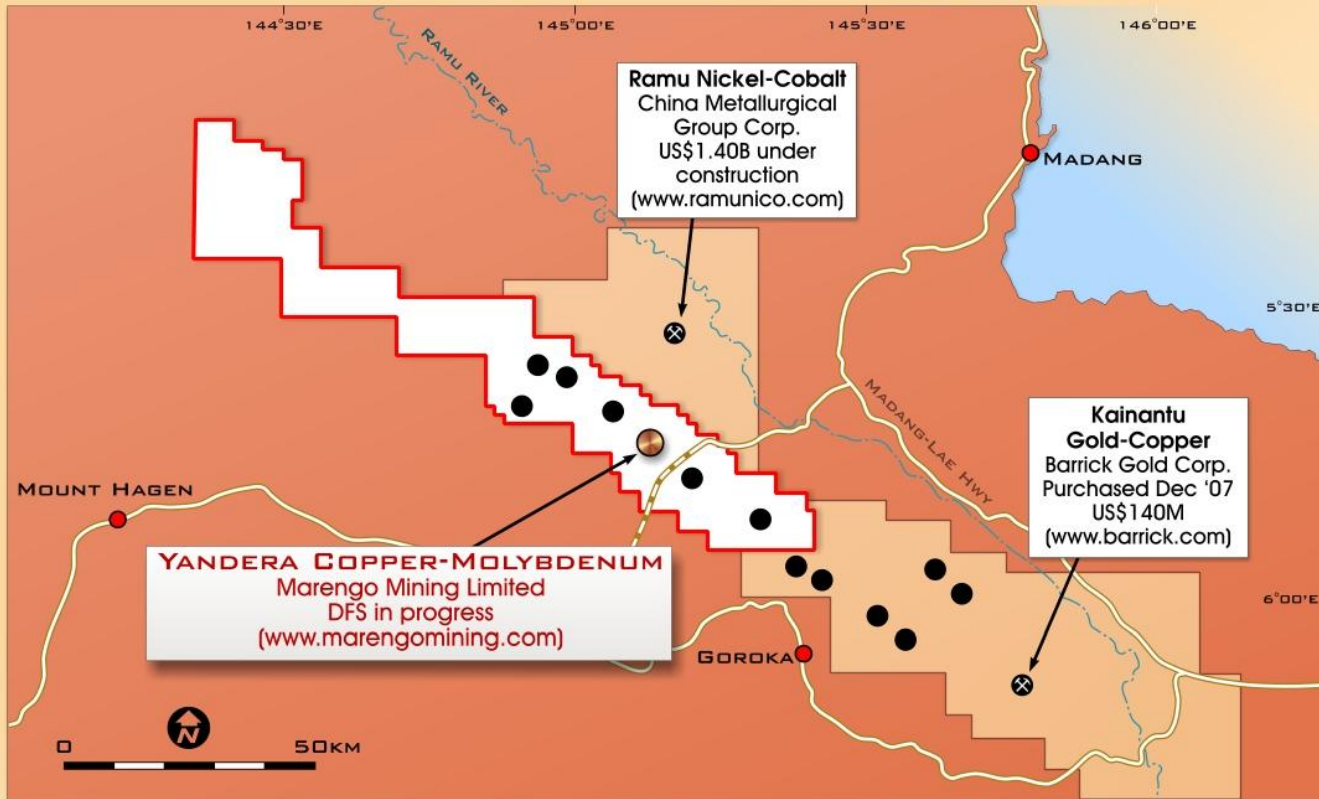


- One of the largest undeveloped copper resources in the Asia-Pacific, recently increased to:
  - *6.5 billion lbs of copper, 204 million lbs of molybdenum plus gold, silver and rhenium*
- Targeting commencement of construction 1H 2012, first production 2014
- Feasibility Study well advanced, leading to fixed price Engineering Procurement Construction (EPC) contract later this year





# YANDERA – REGIONAL SETTING



- Located 95 km south-west of the provincial capital and northern seaport of Madang
- 100% owned Exploration Licences covering 1,900km<sup>2</sup>
- Project covers +100 km of the highly prospective Bundi Fault Zone
- Less than 5% of structural corridor drilled to date

(1) Highlands Pacific Limited News Release, 9 June 2009, (2) Highlands Pacific Limited News Release, 12 December 2007







# YANDERA PROJECT – KEY PARAMETERS

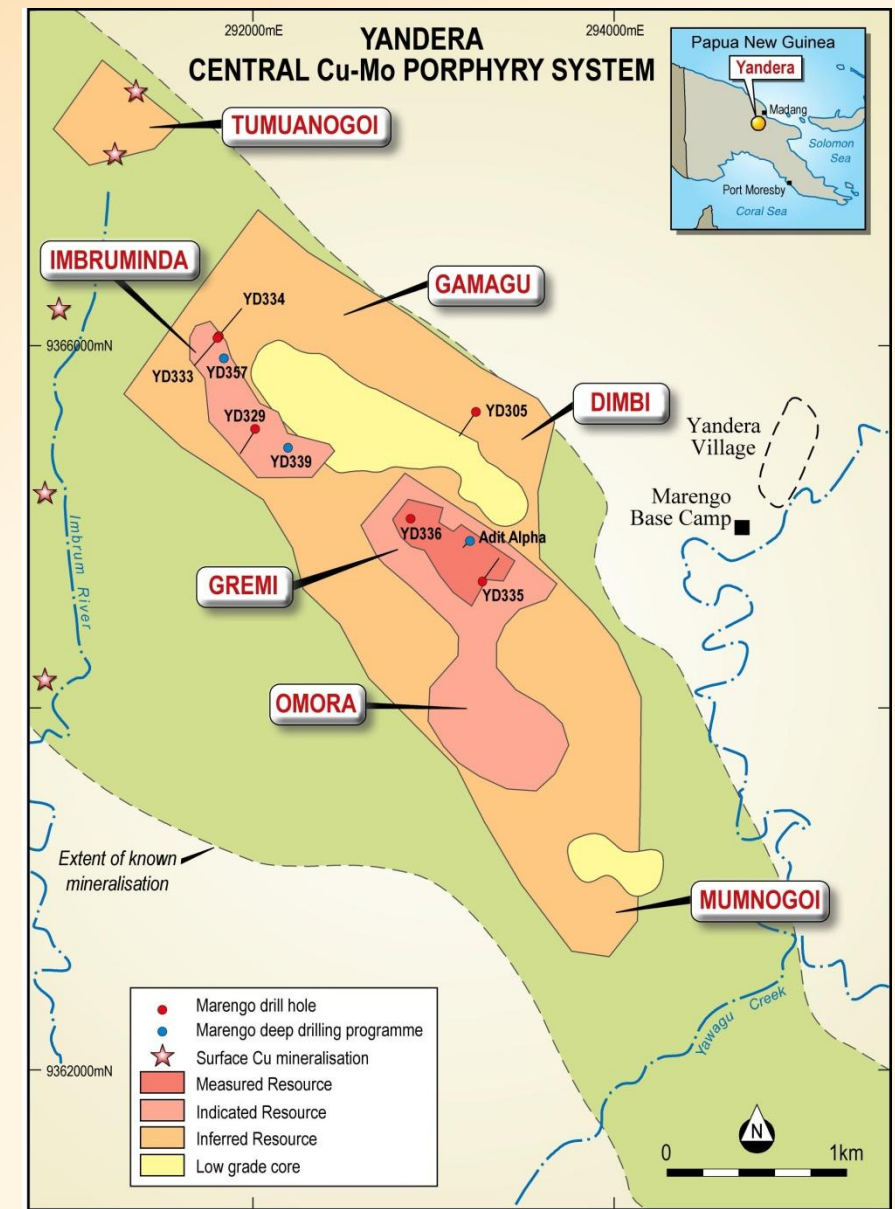
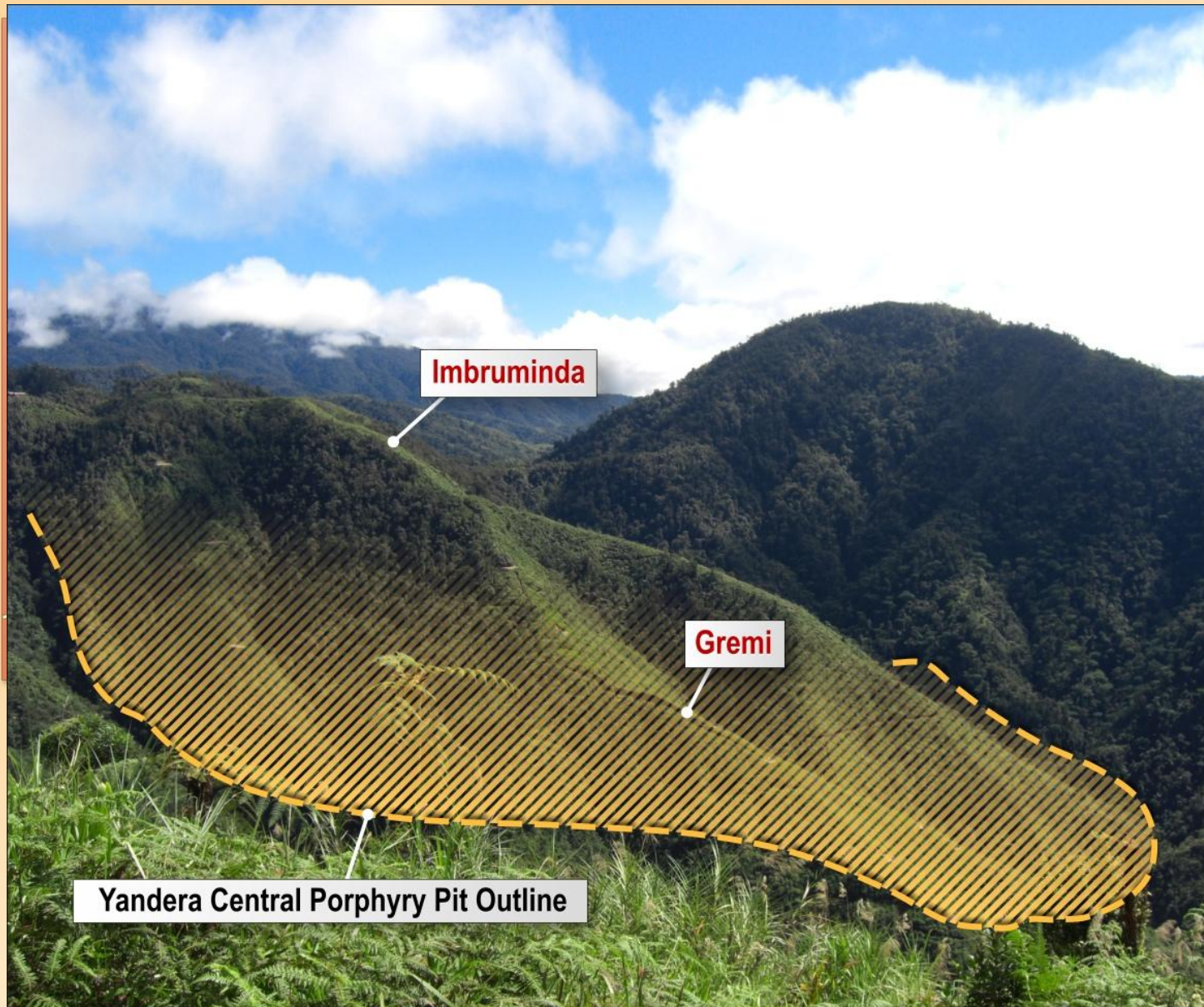
- Open-cut mining operation with initial 20-year mine life
- Initial focus on higher grade “starter” zones to maximise cash flow and rapid payback
- Ore processing commencing at 25Mtpa (70,000tpd), increasing to 50Mtpa
- Crush and grind near mine with ore slurry line to coastal concentrator producing separate copper and molybdenum sulphide concentrates
- Full development CAPEX of \$1.6 billion
- High-grade, low-impurity copper concentrate produced from test work







# YANDERA CENTRAL PORPHYRY







## YANDERA PROJECT RESOURCE ESTIMATE

(as at 28 February 2011)

**Table 1 – Copper-Molybdenum**

		Grades			Contained Metals	
Category	Tonnes (M)	CuEq (%)	Copper (%)	Moly (ppm)	Copper (M lbs)	Moly (M lbs)
Measured	113	0.57	0.39	181	1,000	45
Indicated	245	0.46	0.35	124	1,900	68
Inferred	417	0.45	0.38	96	3,600	91

**Table 2 – By-Product Metals: Gold, Silver and Rhenium\*\***

		Grades			Contained Metals		
Category	Tonnes (M)	Gold (g/t)	Silver (g/t)	Rhenium (ppm)	Gold (Moz)	Silver (Moz)	Rhenium (Moz)
Inferred	776	0.09	1.68	0.06	2.2	42.0	1.5

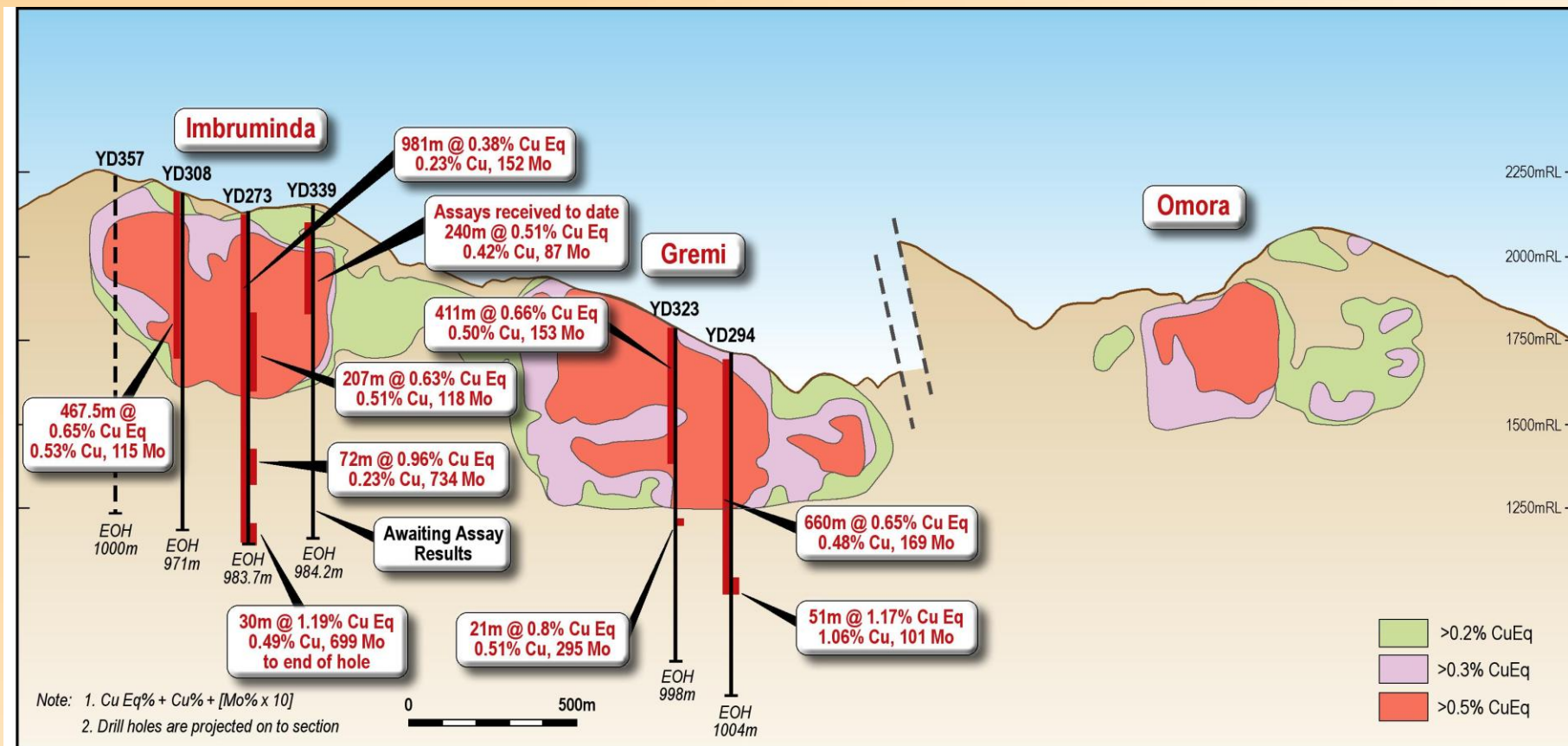
\*\*Not included in CuEq

*Note: Resources estimated at a lower cut-off grade of 0.3% CuEq*

*Note: The by-product resource is contained within the Inferred resource in Table 2. Au and Ag grades have been estimated from a smaller set of data than the Cu and Mo grades. Re has been calculated by regression against Mo based on a limited amount of sampling. Uncertainty in the characterisation of the Au, Ag and Re metal content of the resource has resulted in no part of the by-product resource being classified as Indicated or Measured.*



# YANDERA CENTRAL PORPHYRY

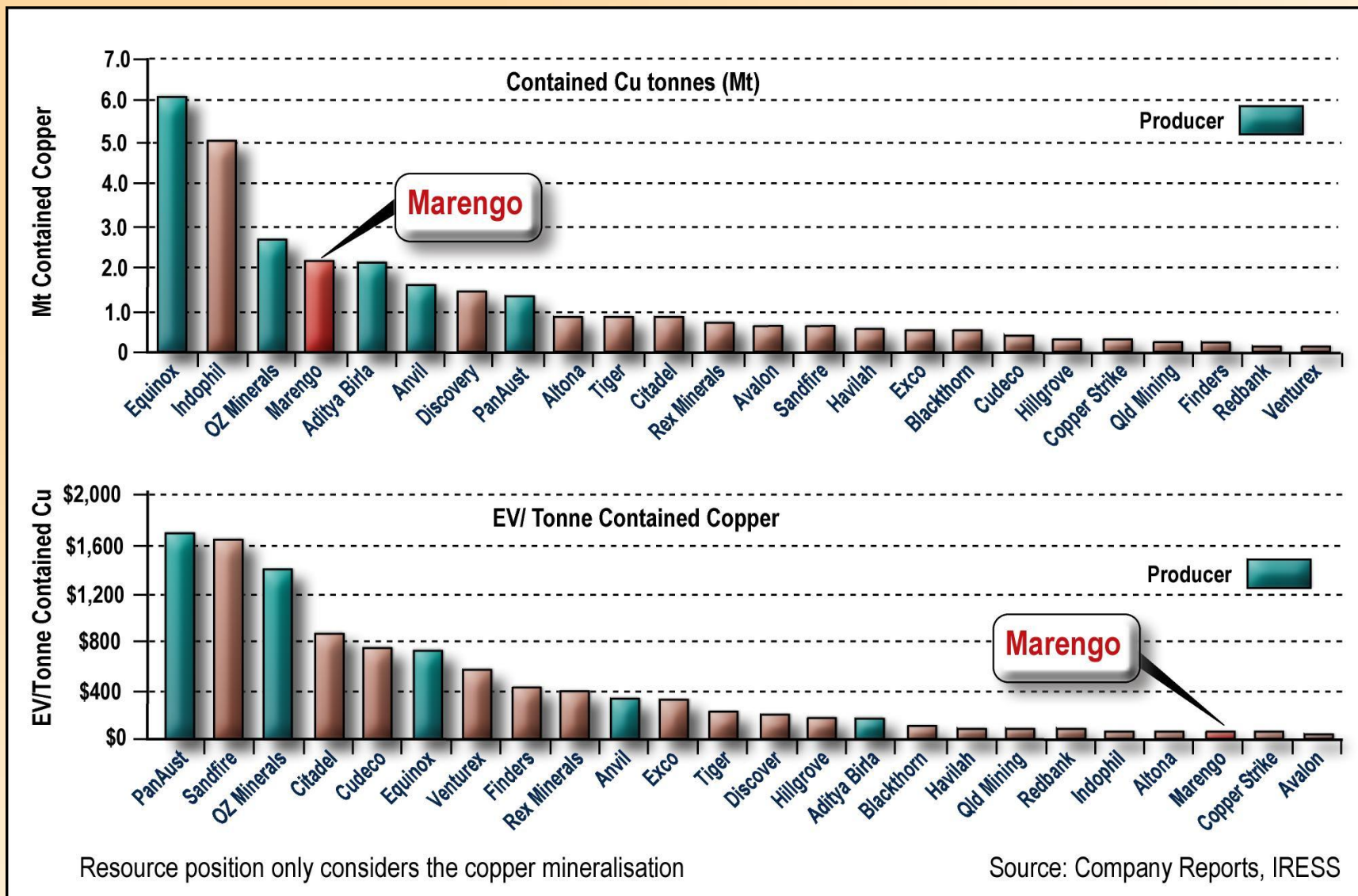


- 110,815m of drilling (352 diamond drill holes) completed to date
- Holes drilled since December 2010 not included in the current resource estimate
- Five drilling rigs currently active on site
- Depth extensions of major mineralised systems confirmed – not included in current resource estimate





# COMPARATIVE TABLES





# COMMUNITY RELATIONSHIPS & ENVIRONMENT

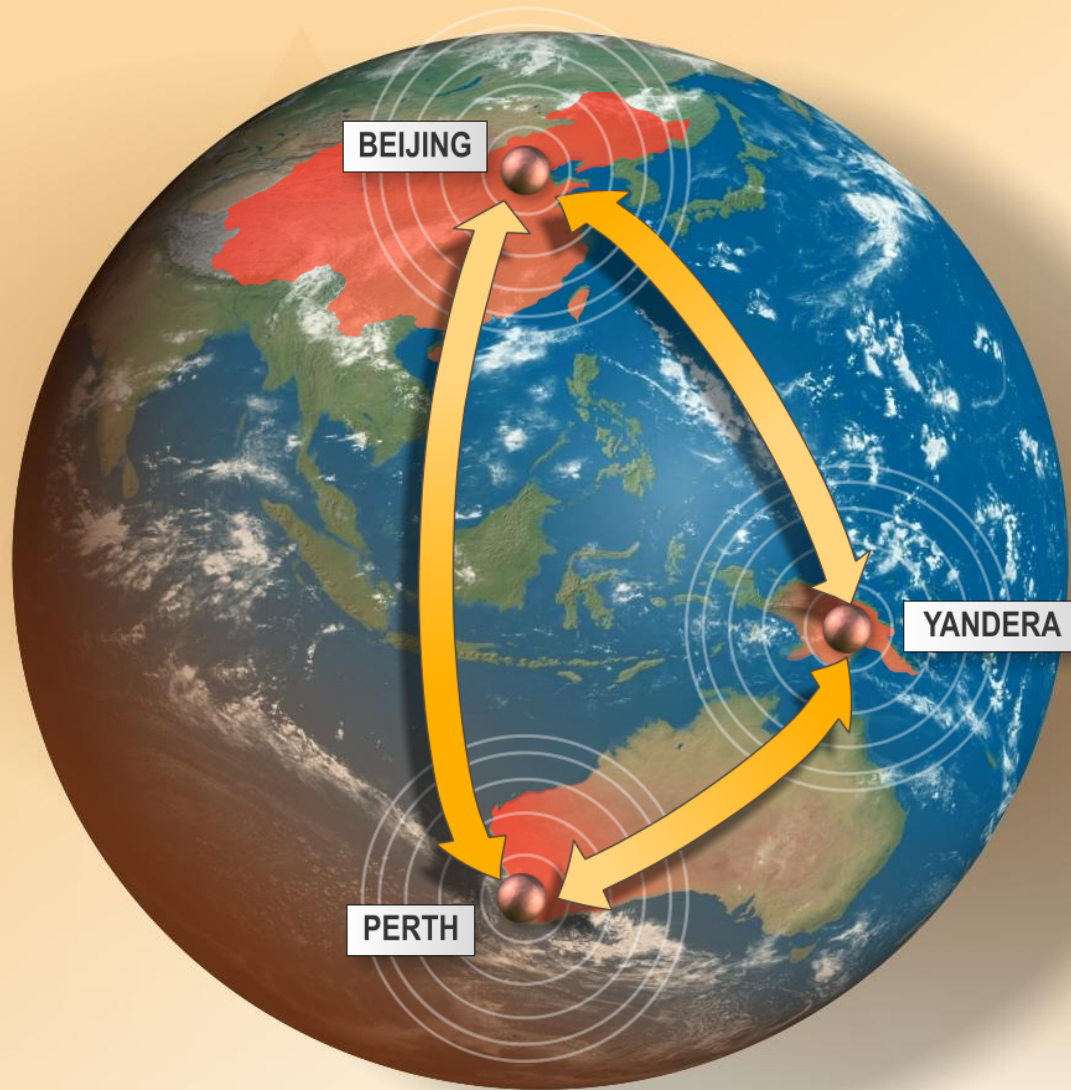
- Excellent relationships with all communities and authorities – over 400 people currently employed in PNG
- Community programs include ongoing assistance to local primary school and establishment of local medical facility with trained staff
- Strong commitment to providing a safe and healthy work environment for all employees, contractors and visitors with the development of run of river hydroelectricity
- Effective environmental solutions for project development, including hydro-electric power generation
- Strong commitment to reduce Yandera's carbon footprint with hydroelectric power







# COMPLETING THE COPPER TRIANGLE



- MOU with China Nonferrous (NFC):
  - *NFC to be principal contractor under a lump-sum turnkey contract covering the total project construction cost*
  - *NFC to facilitate financing of at least 70% of capital cost – financing to be provided by Chinese banks*
  - *Off-take agreement for a portion of the copper and molybdenum concentrate to be produced*
  - *NFC to participate in future Marengo equity raisings*
- Standard Bank appointed as financial advisor for NFC transaction

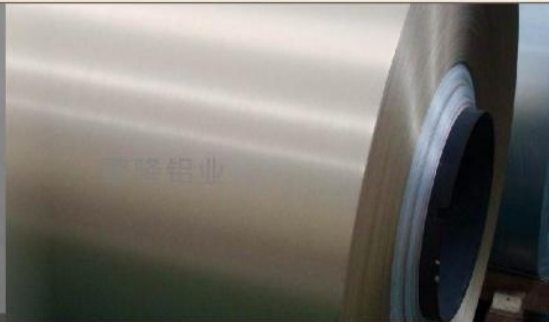
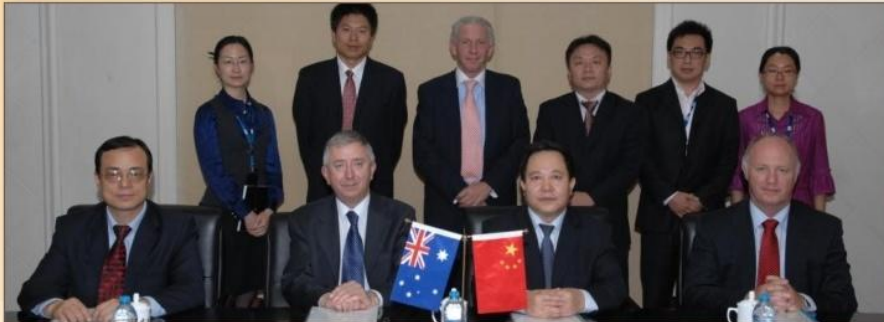


# QUALITY PARTNER – CHINA NONFERROUS

- Established in 1983 to undertake contracting and non-ferrous resource exploitation in the global market
- Listed on the Shenzhen Stock Exchange – market capitalisation of S\$3.2 billion
- Has previously undertaken base metal/copper projects in Iran, Zambia, Myanmar, Mongolia, Kazakhstan, Iraq, Jordan, Vietnam and the Philippines
- Employs 40,000 people and has six design institutes



CHINA NONFERROUS METAL INDUSTRY'S FOREIGN  
ENGINEERING AND CONSTRUCTION CO., LTD.







# MARENGO – SUMMARY

- A global copper producer in the making
- Value underpinned by world-scale resource base at Yandera:
  - *Feasibility Studies well advanced*
  - *Drilling expected to continue throughout 2011*
  - *MOU in place with leading Chinese construction group, Standard Bank appointed as financial adviser*
- Strong investor base – key global and strategic investors
- Strategically located deposit with access to key Asian markets
- Experienced management team
- Strong focus – on the road to production





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[www.marengomining.com](http://www.marengomining.com)