



Marengo's Yandera Base Camp

Marengo Mining Limited

September 2009 Quarterly Activities Report

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www.marengominig.com

ASX/POMSoX Share Code: MGO
TSX Share Code: MRN

HIGHLIGHTS

CORPORATE

- A\$21.7M (C\$21.1M) capital raising completed, with Quantum Partners LDC taking a 19.9% interest in Marengo.
- Cash balance at quarter end of A\$21.3M (C\$20.7M).

YANDERA COPPER-MOLYBDENUM-GOLD PROJECT

Exploration

- Diamond drilling commenced at the Kombruku Prospect.
- Ground geophysical program continues at Kombruku Prospect.
- Contract awarded for regional airborne geophysical survey.

Definitive Feasibility Study

- Extensive site and office activities maintained the study momentum.



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EXCHANGE LIMITED

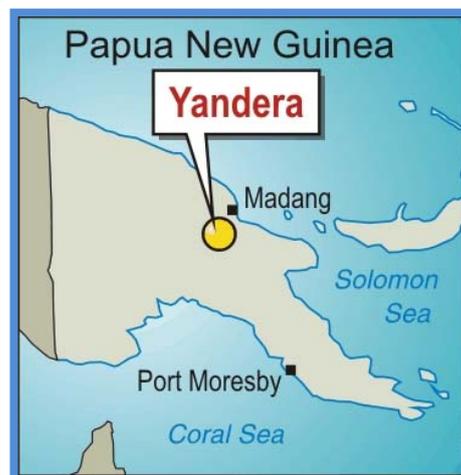
ABOUT MARENGO MINING

Marengo Mining Limited is an Australian-based metals company focused on the development of its 100%-owned Yandera Copper-Molybdenum-Gold Project in Papua New Guinea (PNG).

With its headquarters in Perth, Western Australia, Marengo listed on the Australian Securities Exchange on November 13, 2003 and subsequently on Papua New Guinea's POMSx on November 10, 2006. Marengo reinforced its global development strategy with the successful completion of a listing on the Toronto Stock Exchange in April 2008.

Since 2007 Marengo has successfully raised A\$68 million, underpinning the current Definitive Feasibility Study and exploration programs, on the Yandera Project.

For current resource estimates for the Yandera Project refer to the Company's website (www.marengomining.com)



CAPITAL RAISING

During the quarter Marengo completed a two stage capital raising totalling **A\$21.7M (C\$21.1M)**, through international and Australian share placements.

The issue of 172.5 million shares at A\$0.095 (C\$0.086) was underpinned by George Soros' Quantum Partners LDC and the Company's largest shareholder, The Sentient Group, along with other international investments funds and Australian based sophisticated investors.

As a result of this capital raising, **The Sentient Group** has increased its holding in Marengo to **26.65%** and **Quantum Partners LDC** have taken a stake of **19.9%**.

YANDERA PROJECT, MADANG PROVINCE, PNG

(MARENGO MINING LIMITED – 100%)

Exploration

As previously announced, Marengo made a discovery of an extensive zone of surface copper mineralisation at the Kombruku Prospect, approximately 4 km east of the Yandera Central deposit. Encompassing a large area, the Kombruku Prospect contains copper mineralisation with some outcropping samples containing high concentrations of copper sulphides and oxides. The initial program of rock chip samples produced copper readings (using a Niton XRF Analyser) of between 0.1% and 37%.

The estimate for copper rock chip samples is based on an average of multiple readings on pulped rock samples using a Niton XLt3 portable XRF Analyser. Although Marengo believes that the data is indicative of grade, these results are not formal assays and only general indications of copper grades.

During the quarter the ground geophysics (Induced Polarisation or IP) program continued at Kombruku, although steep terrain and dense vegetation slowed progress. Results from the IP program have been utilised to assist in targeting the first drill holes at the prospect. This program will be concluded soon, however soil sampling of the greater prospect area will continue, to assist with future drill target definition.

Diamond drilling commenced on 23 September, with two rigs operating. To date two holes have been completed (KD 1 & KD2) which were drilled to 405 metres and 411 metres (-60 dip) respectively. Both holes were drilled in a granodiorite host rock, with some breccia zones, however only minor sulphide veins (chalcopyrite / pyrite) were intersected. Holes KD 3 & 4 have now commenced and will proceed to similar target depths.

Dirigi Creek

Geological mapping has identified two zones of mineralisation along the Yawagu Creek and the adjoining Trogi Creek, located between Kombruku and Yandera Central. The relationship of these zones is still not understood, due to poor exposure in the area, however further mapping and soil sampling will be undertaken during the current quarter.

Yandera Central Drilling

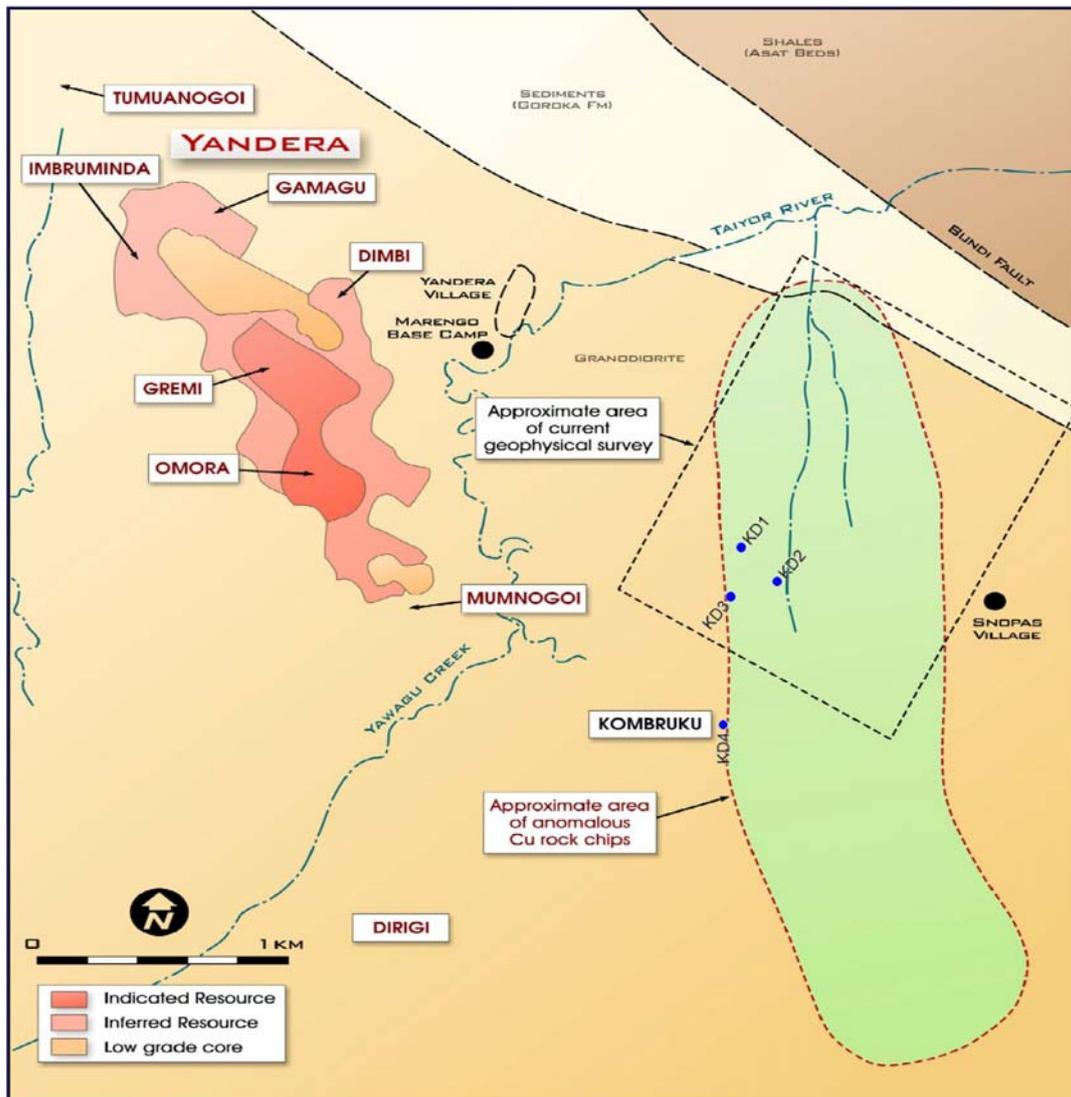
Since the end of the quarter a further diamond drilling rig has been mobilised to commence drilling a number of untested targets at the Imbruminda and Dimbi zones, within the Yandera Central deposits. A fourth rig will also be mobilised shortly to assist in this task.

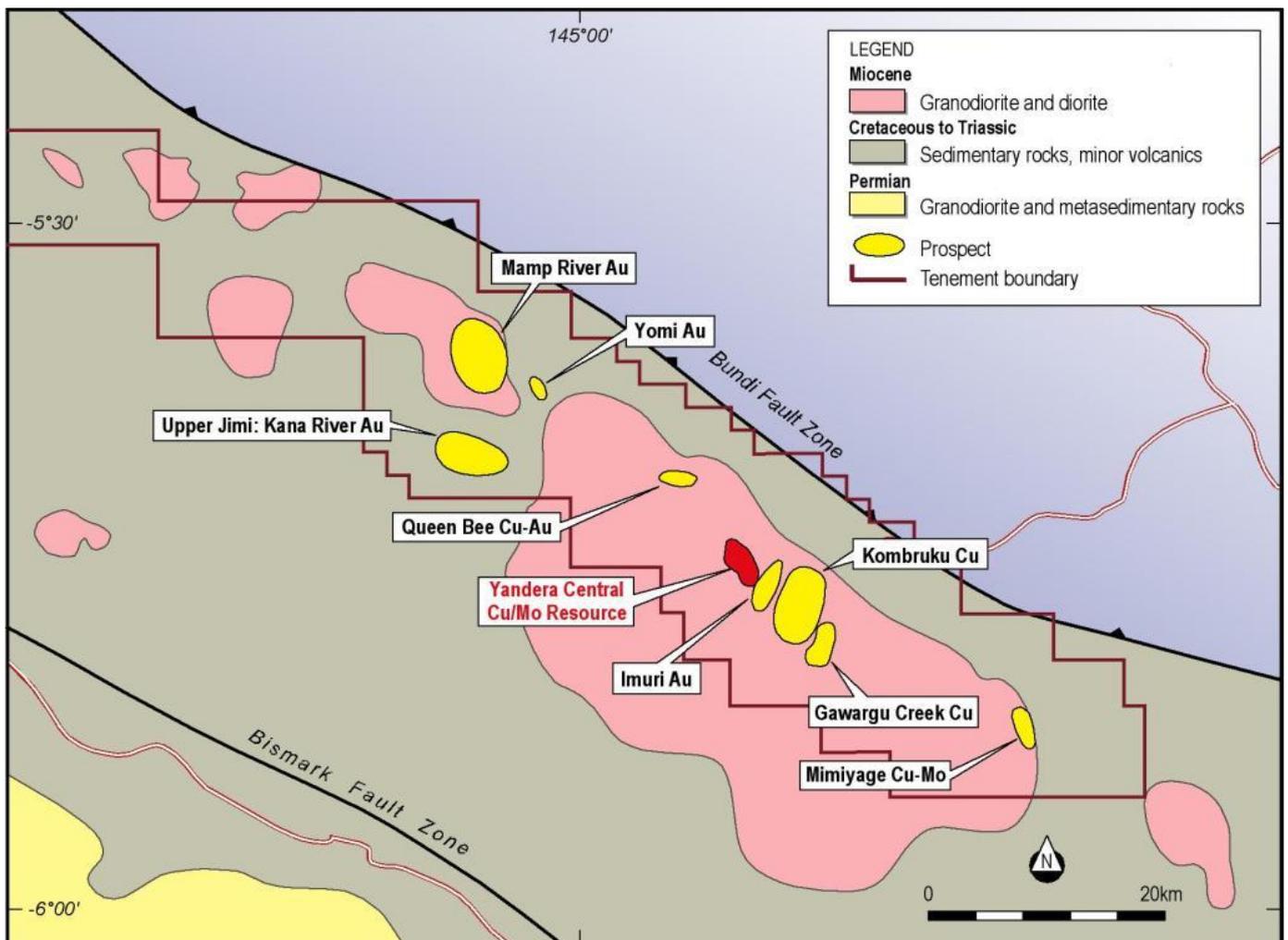
Airborne Geophysical Survey

A contract has been awarded to UTS Geophysics (a member of the Aeroquest Group) to complete an airborne geophysical survey over a large section of the Yandera Project area.

This will be a helicopter mounted magnetic and radiometric survey, to be completed on 100 metre line spacings at an approximate constant flying height of 60 – 80 metres. The equipment is currently being mobilised and work is expected to commence shortly.

This survey will cover the prospective trend north-west and south-east of the Yandera Central deposit and will stretch from the Queen Bee Prospect to the Mimiyage Prospects and will be the most detailed geophysical survey ever undertaken over the prospect area.





Definitive Feasibility Study

During the quarter extensive site and office activities maintained the Definitive Feasibility Study (DFS) momentum.

Further reviews of the comminution circuit options continued to show the positive benefits of High Pressure Grinding Roll over a SAG and ball mill circuit, although some further confirmatory metallurgical testwork will be carried out. Comminution plant sites were also investigated and a number of options in close proximity to the Yandera Central Porphyry deposit are undergoing more detailed investigation. Further geotechnical examination of these sites will be required to be undertaken early in 2010.

Impurity analyses of the previously obtained bulk copper – molybdenum concentrate has provided very encouraging results with levels well below the thresholds generally set by concentrate smelters for penalty charges.

The bulk concentrate produced a grade of 34.2% copper, 1.33% molybdenum, 9 g/t gold, 184 g/t silver and 3.63 g/t rhenium at a recovery of 92%.

The very low impurity levels included the following;

Element	Parts Per Million	Element	Parts Per Million
Arsenic (As)	7	Zinc (Zn)	8879
Fluorine (F)	90	Lead (Pb)	2865
Chlorine (Cl)	50	Mercury (Hg)	0.3
Antimony (Sb)	1	Magnesium (Mg)	1601
Chromium (Cr)	70		

A small amount of molybdenum concentrate was extracted from the bulk concentrate, however further work will be completed during 2010, when a larger bulk sample is produced, to allow for more accurate scale up calculations to be established.

A number of suitable near coast concentrator sites have been identified, with a number of these being inspected and discussions held with local communities.

The main mine access road route underwent a number of technical reviews and ground inspection resulted in some minor modifications to the route. During the current quarter it is planned to commence landowner studies and ground surveys.

Discussions continued with a number of government and non-government bodies regarding power options for the Yandera Project and in particular the previously identified hydroelectric power option for the Project.



Community Matters

Landowner Association

As previously reported, the final draft of the Yandera Project Landowner Association (LOA) constitution was agreed to by the main Yandera clans. Marengo is now assisting the community with registration of the constitution, with government authorities.

The LOA constitution is very important to the future progress of the Yandera Project, as it will set up the landowner body charged with representing landowners and the wider community in all dealings with Marengo and the Government. It is a major step forward for Marengo to have achieved this milestone, so early in the Yandera Project's development timeline and is further confirmation of the excellent relationship and trust that has been built up between the parties, since the Company commenced activities at Yandera in 2005.

The Company's community relations team continue to engage with local communities to provide them with updates on Marengo's site activities and future plans. These visits give local residents an opportunity to ask questions or put forward suggestions regarding the Company's activities.

Health, Safety & Environment

Marengo is committed to providing a safe and healthy workplace, and continues to take steps to ensure that this is practiced at all levels, within the Company.

It is pleasing to report that during the quarter the Yandera site operated without any serious injuries, sustained as a result of employment with the Company.

The Yandera site currently employs health professionals to ensure that site staff, receive immediate attention resulting from injuries or health issues. Since implementation this facility has expanded to provide general medical assessment and initial treatment to local communities. More substantial medical treatment is provided by government officers at regional centres and in emergency situations Marengo provides helicopter evacuation.

At all times Marengo aims to operate to world class environmental standards and continues to operate without any significant effect on the environment or local communities.



OTHER PROJECTS

BOWGAN PROJECT, Northern Territory (Australia)

(Marengo Mining Limited, 49% diluting to 10%)

Marengo previously farmed out its Bowgan Project to a subsidiary of Mega Uranium Ltd ("Mega"). Mega has further farmed out the project to Bowgan Minerals Limited ("Bowgan") whereby Bowgan can earn up to an 80% interest in the project, by expending \$1.28M, within five years. Upon completion of Bowgan's expenditure, Marengo will retain a 10% interest.

CORPORATE AND FINANCIAL

Cash Reserves

At the end of the quarter the Company had cash at bank of A\$ 21.3M (C\$20.7M).

General Meeting

A General Meeting of shareholders was held on 30 July 2009, wherein a resolution relating to the approval to issue shares was passed.

Annual General Meeting

The Company's Annual General Meeting will be held at 4 pm on Thursday, 5 November 2009, at the Celtic Club, 48 Ord Street, West Perth, Western Australia.


Les Emery
Managing Director
27 October 2009

For further information:

Les Emery

Managing Director

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NOTES

Certain statements in this report contain forward-looking information. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include, among others, the results of future exploration, risks inherent in resource estimates, increases in various capital costs, availability of financing and the acquisition of additional licences, permits and surface rights. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward looking statements in light of the risks set forth in the company's continuous disclosure filings as found at www.sedar.com

Scientific and technical information in this report including that relating to drilling intercepts and mineralisation but excluding the Yandera resource estimate were prepared by 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 mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition). Mr Dendle is also a "Qualified Person" as defined by National Instrument 43-1-1 "Standards of Disclosure for Mineral Projects" ("NI 43-101") Mr Dendle verified the data underlying the information in this report prepared by him.

Except to the extent not set out herein, for a (i) summary description of rock types, geological controls and dimensions of mineralised zones, and the identification of any significantly higher grade intervals within a lower grade intersection; (ii) a summary of the relevant analytical values, widths and, to the extent known, the true widths of the mineralised zones; (iii) a summary description of the geology, mineral occurrences and nature of the mineralisation found; and (iv) a summary description of the type of analytical or testing procedures utilized, sampled, sample size, the name and location of each analytical or testing laboratory used and any relationship of the laboratory to the issuer please refer to the Company's technical report filed on SEDAR and dated November 9, 2007. There is no drilling, sampling, recovery or other factors that could materially affect the accuracy or reliability of the data referred to below.

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.



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Managing Director

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Sir Rabbie Namaliu
Non-Executive Director

Susanne Sesselmann
Non-Executive Director

John W Hick
Non-Executive Director

Elizabeth Martin
Non-Executive Director

COMPANY SECRETARY

John Ribbons
Company Secretary & CFO

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