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TSX: MRN  
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NEWS RELEASE

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**YANDERA DRILLING CONTINUES TO ADD SOLID RESULTS**  
*Drilling delivers further significant results*  
*Five rigs contracted for 2011 field season*

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International copper development company Marengo Mining Limited (TSX: **MRN**, ASX and POMSoX: **MGO**) (“Marengo” or the “Company”) continues to report positive drilling results from its 100% owned **Yandera Copper-Molybdenum-Gold Project** in Papua New Guinea.

**Recent drilling activities**

Drilling has continued in the Gremi, Imbruminda and Dimbi zones. The objectives at Imbruminda and Dimbi are to extend the known mineralised zones on approximately 100m section lines, so far as practicable. Gremi drilling is essentially infill, to increase drill sample density to approximately 50m spacing and to be sufficient to produce a measured resource category in the next resource calculation, scheduled for completion during the early part of 2011.

The latest drilling results have also increased confidence in the geological model with much improved prediction of geology and grades for the drill holes, especially at Gremi. The Imbruminda drilling is also enabling a better predictive model and areas of better gold values and shallower copper mineralisation are increasing the potential of this zone to generate easily accessible tonnage. Likewise at Dimbi, further broad widths of mineralisation were intersected (**including 405 metres @ 0.52% CuEq**), however, this zone is at an earlier stage of drilling, although expected to contribute to the next resource estimation.

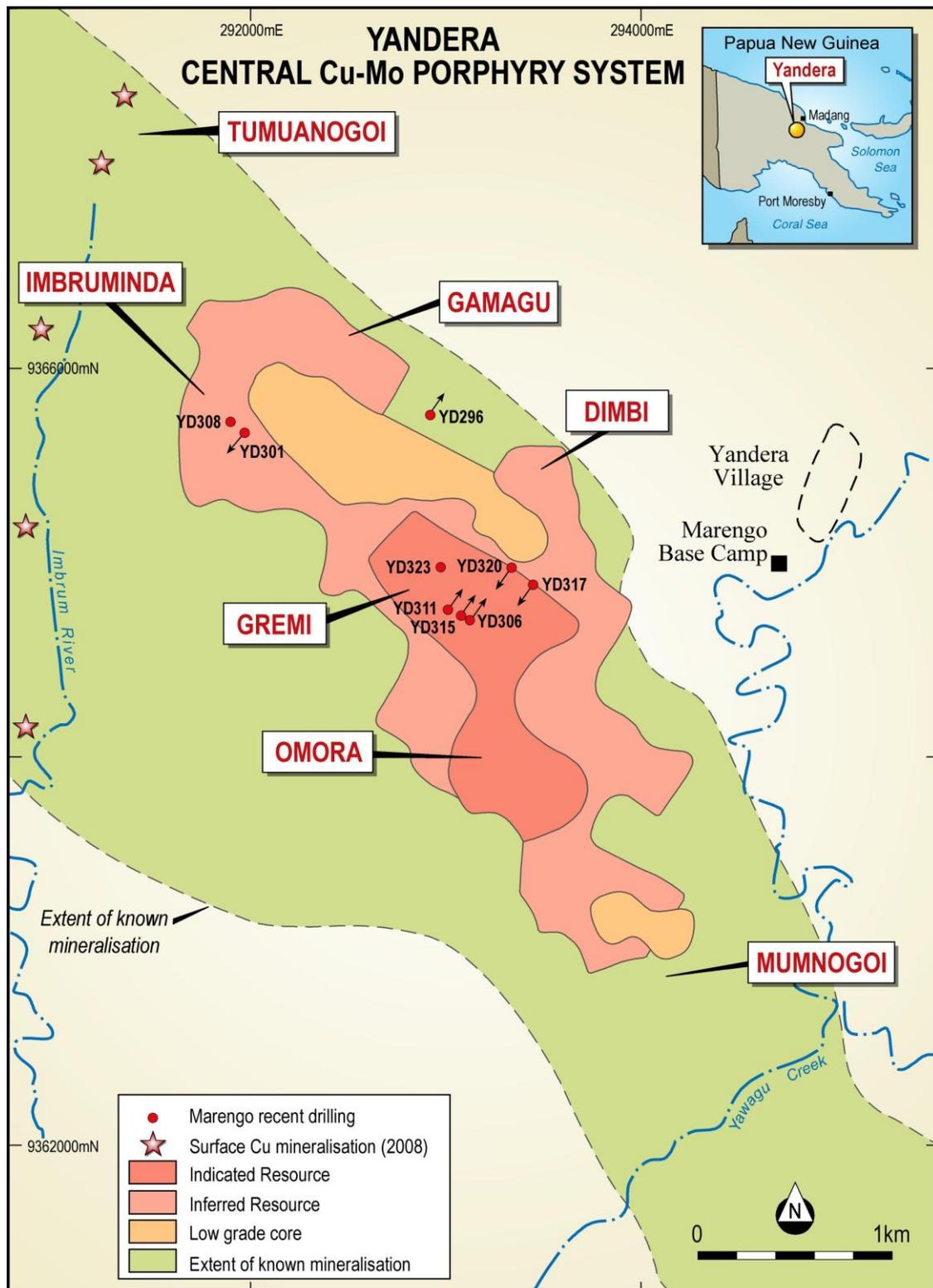
Results from the third drill hole of the deep drilling programme have now been received with hole **YD 308 intersecting 468 metres @ 0.65% CuEq (0.53% Cu), including 45 metres @ 1.24% CuEq (1.12% Cu)**.



The final hole (YD323) of the four planned holes has now been completed in the Gremi zone at 998m. Geological logging indicates the presence of chalcopyrite, bornite and molybdenite, in variable amounts, associated with different vein systems over almost the entire length of the hole. Assay results are expected in late January.

The five diamond drill rigs, located at Yandera have been contracted to recommence drilling after the Christmas break, with operations expected to start up by mid January 2011.

**Figure 1: Yandera Central Porphyry – Drill Hole Location Plan**



**YD 296 (Dimbi)**

292929E 9365758N, Collar Azimuth (AMG) 035° @ -70°; E.O.H 501.1m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	CuEq%
<b>3</b>	<b>408</b>	<b>405</b>	<b>0.43</b>	<b>88</b>	<b>0.05</b>	<b>1.42</b>	<b>0.52</b>
Within this broad zone, the following narrower intersections are noted							
51	72	21	0.48	142	0.10	2.39	0.63
102	129	27	0.37	91	0.10	2.36	0.46
<b>162</b>	<b>297</b>	<b>135</b>	<b>0.66</b>	<b>130</b>	<b>0.06</b>	<b>1.63</b>	<b>0.79</b>
360	408	48	0.53	101	0.06	1.44	0.63

CuEq% = Cu% + (10 x Mo%): Refer Notes

**YD 301 (Imbruminda)**

291978E 9365664N, Collar Azimuth (AMG) 220° @ -65°; E.O.H 563.6m

This hole was drilled to the SW to follow up on a high grade zone encountered in previous drilling in YD213 and YD248. Copper with increasing molybdenum with depth occurs below 60m. From 5.8m to 60m elevated gold values averaging 0.34g/t are present but without significant Cu mineralisation.

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	CuEq%
<b>60</b>	<b>447</b>	<b>387</b>	<b>0.40</b>	<b>183</b>	<b>0.18</b>	<b>2.04</b>	<b>0.58</b>
Within this broad zone, the following narrower intersections are noted							
<b>186</b>	<b>228</b>	<b>42</b>	<b>0.69</b>	<b>180</b>	<b>0.32</b>	<b>2.74</b>	<b>0.87</b>
<b>339</b>	<b>417</b>	<b>78</b>	<b>0.60</b>	<b>514</b>	<b>0.23</b>	<b>2.77</b>	<b>1.12</b>

CuEq% = Cu% + (10 x Mo%): Refer Notes

**Gremi In-fill Drilling Programme**

The following holes were drilled as part of the Gremi in-fill drilling programme for resource definition.

**YD 306 (Gremi)**

293116E 9364702N, Collar Azimuth (AMG) 035° @ -45°; E.O.H 381.9m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	CuEq%
<b>6</b>	<b>369</b>	<b>363</b>	<b>0.45</b>	<b>235</b>	<b>0.07</b>	<b>1.95</b>	<b>0.69</b>
Within this broad zone, the following narrower intersections were noted							
<b>15</b>	<b>117</b>	<b>102</b>	<b>0.66</b>	<b>103</b>	<b>0.03</b>	<b>2.34</b>	<b>0.76</b>
258	285	27	0.50	226	0.18	2.02	0.72
342	369	27	0.43	728	0.30	1.74	1.16

CuEq% = Cu% + (10 x Mo%): Refer Notes

**YD 311 (Gremi)**

293014E 9364755N, Collar Azimuth (AMG) 035° @ -50°; E.O.H 362.7m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	CuEq%
<b>192</b>	<b>285</b>	<b>93</b>	<b>1.05</b>	<b>145</b>	<b>0.08</b>	<b>4.36</b>	<b>1.20</b>
Within this broad zone, the following narrower intersection was noted							
<b>267</b>	<b>279</b>	<b>12</b>	<b>2.14</b>	<b>242</b>	<b>0.18</b>	<b>7.55</b>	<b>2.38</b>

CuEq% = Cu% + (10 x Mo%): Refer Notes

**YD 315 (Gremi)**

293082E 9364728N, Collar Azimuth (AMG) 035° @ -45°; E.O.H 176.5m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	CuEq%
<b>39</b>	<b>177</b>	<b>138</b>	<b>0.58</b>	<b>69</b>	<b>0.07</b>	<b>2.39</b>	<b>0.65</b>
Within this broad zone, the following narrower intersections are noted							
<b>39</b>	<b>102</b>	<b>63</b>	<b>0.70</b>	<b>68</b>	<b>0.04</b>	<b>3.11</b>	<b>0.76</b>
<b>120</b>	<b>150</b>	<b>30</b>	<b>0.73</b>	<b>77</b>	<b>0.15</b>	<b>2.22</b>	<b>0.81</b>

CuEq% = Cu% + (10 x Mo%): Refer Notes

**YD 317 (Gremi)**

293449E 9364880N, Collar Azimuth (AMG) 215° @ -65°; E.O.H 368m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	CuEq%
150	183	33	0.33	165	0.16	1.60	0.49
Below the following narrower intersections with higher Au & Mo grades are found:							
195	207	12	0.30	189	0.27	2.10	0.49
234	354	120	0.33	238	0.19	1.72	0.57
Within this broad zone, the following higher grade intersection was noted							
<b>267</b>	<b>294</b>	<b>27</b>	<b>0.62</b>	<b>415</b>	<b>0.19</b>	<b>1.84</b>	<b>1.04</b>

CuEq% = Cu% + (10 x Mo%): Refer Notes

**YD 320 (Gremi)**

293342E 9364969N, Collar Azimuth (AMG) 215° @ --55°; E.O.H 407.6m

Worth noting are the high Mo grades in this hole. Gold values are also higher than expected.

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	CuEq %
<b>120</b>	<b>405</b>	<b>285</b>	<b>0.33</b>	<b>312</b>	<b>0.11</b>	<b>1.89</b>	<b>0.65</b>
Within this broad zone, the following narrower intersections are noted							
<b>132</b>	<b>165</b>	<b>33</b>	<b>0.64</b>	<b>616</b>	<b>0.08</b>	<b>2.59</b>	<b>1.26</b>
213	246	33	0.46	348	0.18	2.80	0.81
285	339	54	0.41	156	0.18	1.94	0.57

CuEq% = Cu% + (10 x Mo%): Refer Notes

**Deep Drilling Programme**

The four hole deep drilling programme was completed with YD323 at Gremi in early December. Assay results from the first two deep holes have been reported and the results from the third, YD308, in the Imbruminda zone are set out below. The hole passed out of the main zone of mineralisation at 471 m and did not encounter any further significant mineralisation, although Au is increasing in the final 60 m. The results confirm the strong structural focus of mineralising fluids in ore body genesis as observed in other holes around the deposit.

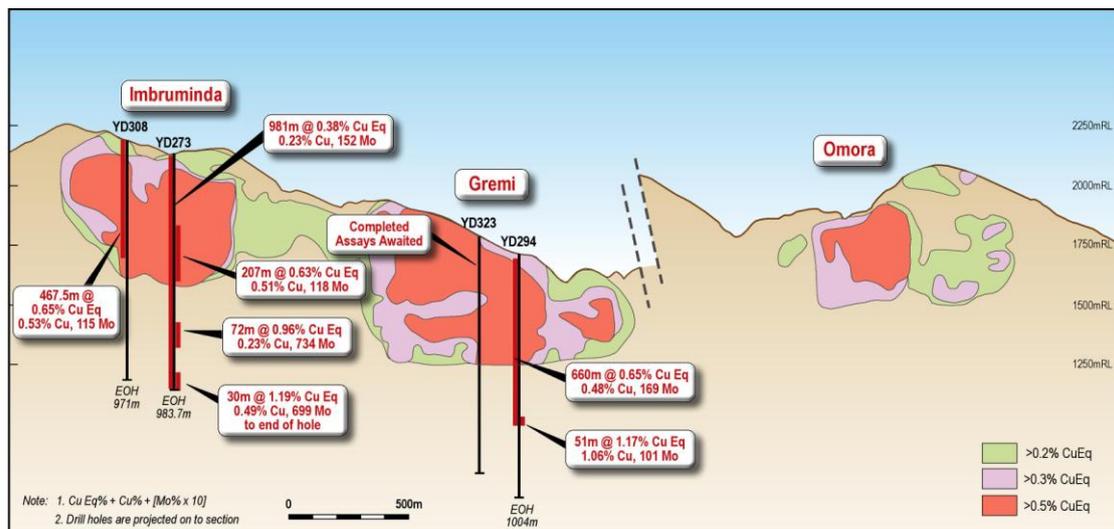
Given the success of the first deep drilling programme further deep drill holes (to ~ 1000m) will be commenced from early in the 2011 field season. It is expected to lead to further resource definition below the current resource.

**YD308 (Imbruminda)**

291914E 9365720N, Collar Azimuth (AMG) 000° @ -90°; E.O.H 971.2 m

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	CuEq %
3.5	471	468	0.53	115	0.29	3.01	0.65
Within this broad zone, the following narrower intersections are noted							
48	84	36	0.88	88	1.03	4.12	0.97
198	243	45	1.12	120	0.40	4.34	1.24
309	402	93	0.66	212	0.31	3.65	0.87

CuEq% = Cu% + (10 x Mo%): Refer Notes

**Figure 2: Yandera Central Porphyry – Long Section**

**Les Emery**  
**Managing Director / CEO**  
**21 December 2010**

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

For further information:

**Les Emery**  
**Managing Director**  
Marengo Mining Limited  
Telephone: +61 8 9429 0000  
Email: [marengo@marengominig.com](mailto:marengo@marengominig.com)

**Australia:**  
Fiona Hardouin-Riddle  
Investor Relations  
Tel: +61 8 9429 0000  
Email: [fionahr@marengominig.com](mailto:fionahr@marengominig.com)

**North America:**  
Victoria Russell  
Investor Relations  
Tel: +1 416 644 8680  
Email: [investor@marengominig.com](mailto:investor@marengominig.com)

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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 the (Canadian) SEDAR website.

Scientific and technical information in this report including that relating to drilling intercepts and mineralization 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 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 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 mineralization 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 herein.

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.

Copper equivalent (CuEq) values are estimated on the basis of  $CuEq = Cu\% + [Mo\% \times 10]$  i.e. copper metal @ US\$3/lb and molybdenum metal @ US\$30/lb. Adjustment factors to account for differences in relative metallurgical recoveries will depend upon the completion of definitive metallurgical testing. Metallurgical recoveries and net smelter returns are assumed to be 100%. By-product metal values (i.e. gold, silver and rhenium) are not incorporated in the copper equivalent value.

Drill samples were analysed by Intertek Group Laboratories, Jakarta, Indonesia.

For further information on the Project and the resources contained therein, please refer to the Company's Canadian NI 43-101 and Australian (JORC) technical report "Yandera Copper Project, Mandang Province, Papua New Guinea" (dated January 2009) which is available on the Company's website and at the (Canadian) SEDAR website.