

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Marengo Mining Limited

ABN

57 099 496 474

Quarter ended ("current quarter")

31 March 2011

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(4,205)	(18,733)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(757)	(3,173)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	156	403
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	5	75
Net Operating Cash Flows		(4,801)	(21,428)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(182)	(288)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	4
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(182)	(284)
1.13	Total operating and investing cash flows (carried forward)	(4,983)	(21,712)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(4,983)	(21,712)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	42	86,373
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	(229)	(5,776)
	Net financing cash flows	(187)	80,597
	Net increase (decrease) in cash held	(5,170)	58,885
1.20	Cash at beginning of quarter/year to date	71,003	6,984
1.21	Exchange rate adjustments to item 1.20	(48)	(84)
1.22	Cash at end of quarter	65,785	65,785

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	215
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes aggregate amounts paid to directors including salary, directors' fees, consulting fees and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not applicable.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not applicable.

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	10,333
4.2 Development	-
4.3 Production	-
4.4 Administration	1,983
Total	12,316

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,250	4,037
5.2 Deposits at call	63,535	66,967
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	65,785	71,003

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	*Ordinary securities	994,018,613	994,018,613		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	170,000	170,000		
7.5	*Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	7,331,250 160,000 6,421,050 59,256,000 5,750,000 1,800,000 475,000 375,000 125,000 650,000 475,000 500,000	Nil Nil Nil Nil Nil Nil Nil Nil Nil Nil Nil Nil	<i>Exercise price</i> 8.6c (CAD) 30c 8.4c(CAD) 11.6c(CAD) 50c 25c 25c 25c 25c 22c 32c	<i>Expiry date</i> Aug 2011 Dec 2011 Aug 2012 Aug 2013 Aug 2013 Dec 2013 Mar 2014 Nov 2014 Mar 2015 Mar 2015 Oct 2015 Feb 2016
7.8	Issued during quarter	500,000	Nil	32c	Feb 2016
7.9	Exercised during quarter	170,000	Nil	25c	Dec 2010
7.10	Expired/cancelled during quarter	25,000	Nil	25c	Nov 2014
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX](#) (see note 4).
- 2 This statement does / give a true and fair view of the matters disclosed.



Sign here:

Date: 29 April 2011

Company secretary

Print name: **John Ribbons**

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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