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28 February 2011 **ASX & POMSoX: MGO**

NEWS RELEASE

MARENGO DELIVERS 32% INCREASE IN COPPER INVENTORY FOR YANDERA PROJECT

ON TRACK FOR TARGETED 20-YEAR MINIMUM MINE LIFE

- **Upgraded Mineral Resource Estimate delivered for the Yandera Copper-Molybdenum-Gold Project, PNG comprising:**
  - **Measured Resource of 113 Mt @ 0.57% copper equivalent, for 1.0 billion pounds of contained copper and 45 million pounds of contained molybdenum;**
  - **Indicated Resource of 245 Mt @ 0.50% copper equivalent, for 1.9 billion pounds of contained copper and 68 million pounds of contained molybdenum; and**
  - **Inferred Resource of 417 Mt @ 0.45% copper equivalent, for 3.6 billion pounds of contained copper and 91 million pounds of contained molybdenum.**
- **Inferred Mineral Resource of 776 Mt of by-product metals (gold, silver and rhenium) for 2.2 Moz of gold, 42 Moz of silver and 1.5 Moz of rhenium.**
- **32% increase in copper leaves Marengo well positioned to achieve its target of establishing a minimum 20-year mine life.**
- **Upgraded resource estimate does not include results for the successful deep drilling programme, commenced during the latter part of 2010.**

Level 2, 9 Havelock Street West Perth Western Australia 6005
PO Box 289 West Perth Western Australia 6872
Email: marengo@marengomining.com
Telephone: +61 8 9429 0000
Facsimile: +61 8 9429 0099
Website: www.marengomining.com

International copper development company Marengo Mining Limited (TSX: **MRN,** ASX and POMSoX: **MGO)** ("Marengo" or "the Company") has taken a further key step towards its objective of developing a substantial, long-life mining operation at the 100%-owned Yandera Copper-Molybdenum-Gold Project in Papua New Guinea, after today announcing a substantial upgrade to its mineral resource inventory.

The upgraded resource estimate comprises a **Measured Resource of 113 million tonnes (Mt) at 0.57% copper equivalent (CuEq), an Indicated Resource of 245 Mt at 0.50% CuEq and an Inferred Resource of 417 Mt at 0.45% CuEq, based on a 0.3% CuEq cut-off** (Refer Notes).

The revised estimate has led to a **32% increase in contained copper** metal.

The updated resource estimate was prepared in accordance with the JORC Code by international mining consultancy group, Golder Associates Pty Ltd ("Golder"), which also prepared Marengo's October 2008 resource update. The updated resource estimate corresponds with Canadian Institute of Mining, Metallurgy and Petroleum classifications. A full copy of Golder's current resource statement is attached as Appendix A to this release.

This resource estimate incorporates assay results from 345 diamond drill holes totalling 113,716 metres, which were drilled up until the end of 2010.

Additionally, Marengo has reported an Inferred Resource estimate of 776 million tonnes containing by-product metals, comprising gold (Au), silver (Ag) and rhenium (Re), for 2.2 million ounces of gold, 42 million ounces of silver and 1.5 million ounces of rhenium.

These by-product metals have not been included in the copper equivalent values stated above, and are expected to make a significant positive contribution to the overall Project economics.

Importantly, the updated resource **does not contain any resource estimate for the mineralised zones indentified from the deeper diamond drill holes** completed during the latter part of the 2010.

This drilling identified mineralisation to a depth of 981 metres at the Imbruminda zone, some 400 metres below the base of the current resource estimate, and down to a depth of 660 metres at the Gremi zone, some 200 metres below the base of the current resource estimate at the Imbruminda zone.

Marengo's Managing Director and CEO, Mr Les Emery, said: "This resource estimate has confirmed our belief that the Yandera Project will continue to grow in scale and has justified the continued focus on drilling at the Yandera Central Porphyry zone."

"With the contained copper inventory increasing by some 32%, the Yandera Project has the potential to achieve the Company's goal of developing a project with a minimum operating life of at least 20 years."

"We have started the year with all five diamond drill rigs operating on site, to complete further in-fill drilling, together with targeting, strike and depth extensions, to the known mineralisation," he continued.

YANDERA PROJECT

Table 1 Copper-Molybdenum

Cut-off (% CuEq)*	Tonnes (million)	CuEq* (%)	Cu (ppm)	Mo (ppm)
MEASURED RESOURCE				
0.30	**113**	**0.57**	**3,980**	**181**
0.25	124	0.55	3,826	173
0.20	132	0.53	3,700	167
INDICATED RESOURCE				
0.30	**245**	**0.46**	**3,468**	**124**
0.25	349	0.40	3,126	106
0.20	490	0.35	2,772	89
INFERRED RESOURCE				
0.30	**417**	**0.45**	**3,383**	**96**
0.25	647	0.39	3,327	81
0.20	1,017	0.45	3,383	96
*CuEq. Calculated as [Cu + (10 x Mo): Refer Notes.				

Table 2 By-Products**

The Copper-Molybdenum resource includes the following by-product metals:

Cut-off (% CuEq)*	Tonnes (million)	Au (g/t)	Ag (g/t)	Re (ppm)
INFERRED RESOURCE				
0.30	**776**	**0.09**	**1.68**	**0.06**
0.25	1,119	0.08	1.58	0.05
0.20	1,639	0.07	1.50	0.05
*Not included in CuEq.				

Note: The by-product resource is contained within the Indicated and Inferred resource in Table 1. 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 is 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.

A National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* compliant technical report in connection with the updated resource will be filed on the Company's website and on SEDAR within 45 days.

Les Emery
Managing Director / CEO
28 February 2011

www.marengomining.com

For further information:
Les Emery
Managing Director
Marengo Mining Limited
Telephone: +61 8 9429 0000
Email: marengo@marengomining.com

Australia:
Fiona Hardouin-Riddle
Investor Relations
Tel: +61 8 9429 0000
Email: fionahr@marengomining.com

North America:
Victoria Russell
Investor Relations
Tel: +1 416 644 8680
Email: investor@marengomining.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.

Copper equivalent (CuEq) values are estimated on the basis of CuEq = Cu +[Mo x 10], i.e. copper @ US$2/lb and molybdenum @ US$20/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 (ie gold, silver and rhenium) are not incorporated in the copper equivalent value.

Certain statements in this release contain forward-looking information. These statements include, but are not limited to, statements with respect to future exploration, development, production and costs. 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.

"JORC Code" refers to the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

The section of this report relating to the Yandera Resource Estimate was prepared from information by Mr Stephen Godfrey of Golder Associates Pty Ltd. Mr Godfrey is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken 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 Godfrey consents to the inclusion in this announcement of the matters based on this information, in the form and context it appears.

The updated mineral resource estimate and the resource estimate for the by-product metals and all other scientific and technical information contained in this news release (including Appendix B) was prepared by or under the supervision of Stephen Godfrey, Associate, Principal Resource Geologist, Golder Associates Pty Ltd. Mr Godfrey is 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 term s defined in NI 43-101. Mr. Godfrey has read and approved the contents of this news release (including the Appendices hereto). Mr Godfrey verified the data disclosed and underlying the information contained in this news release. The effective date of the updated mineral resource estimate and the resource estimate for the by-product metals is February 28, 2011. The method used to verify the data was similar to that described in Marengo's technical report filed on SEDAR and dated November 9, 2007. The key assumptions, parameters and methods used to estimate the mineral resources are as set out in Appendix A hereto. The estimate of mineral resources are not materially affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues.

The resources disclosed herein are preliminary in nature and include inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them to be categorized as mineral reserves. There is no certainty that the resources disclosed herein will be realized. Mineral Resources which are not mineral reserves do not have demonstrated economic viability.

APPENDIX A

Golder Associates Pty Ltd

RESOURCE STATEMENT – YANDERA, 25 FEBURARY 2011

25 February 2011 Project No. 087641287-2011-001

Mr Les Emery
Marengo Mining Ltd
9 Havelock St
West Perth

YANDERA RESOURCE UPDATE

Dear Les

The February 2011 Yandera Resource Statement reports the copper-molybdenum Mineral Resources for the Yandera deposit located 95 km south-west of the coastal town of Madang, Papua New Guinea. This model is an update from that previously reported in October 2008.

The resource model is based on the geological database as at 19 January 2011. The geological interpretation was undertaken by Gabriel Liam of Marengo Mining. Digital geology modelling, block model construction and grade estimation were undertaken by Golder Associates using Golder proprietary and Vulcan™ software.

The geological interpretation was based on data from 345 Diamond Drill holes totalling 113,716 m, containing 34,382 logged and assayed intervals. The geological model extends 6000 m along strike south-east to north-west and covers the average 1000 m width of the mineralisation.

Sample data was composited to five metres and flagged by geological, weathering, alteration and grade shell domains. Ordinary Kriging was used to estimate grades within the geological domains. Resources were estimated separately for copper (Cu), molybdenum (Mo), gold Au) and silver (Ag) mineralisation in the deposit. Rhenium (Re) was calculated using a Mo:Re regression for all blocks containing a Mo estimate.

The Resource estimate has been classified based on data density, data quality, confidence in the geological interpretation and estimation. As the data quality and confidence in the geology are of an acceptable standard the material is classified as Measured where drilling is on a nominal 50 m x 50 m spacing, Indicated where drilling is nominally greater than 50 m by 50 m and less than 50 m x 100 m (section x strike) and Inferred where drilling is up to a nominal 100 m x 200 m spacing.

Figure 1 illustrates the extent of the resource with reference to the drill holes. It also shows the resource classification and reporting areas.

Tables 1 and 2 summarise the tonnes and grade at a range of copper equivalent (CuEq) cut-offs. Copper equivalent values have been calculated as (Cu + (10 x Mo)) and are expressed in percent. As fewer samples were available for the Au and Ag estimation, and the Re has been calculated by regression the classification of these variables is currently inferred.

The changes to the resource are the result of a combination of factors including additional drilling, revised domain interpretations and consequent revised estimation plan.

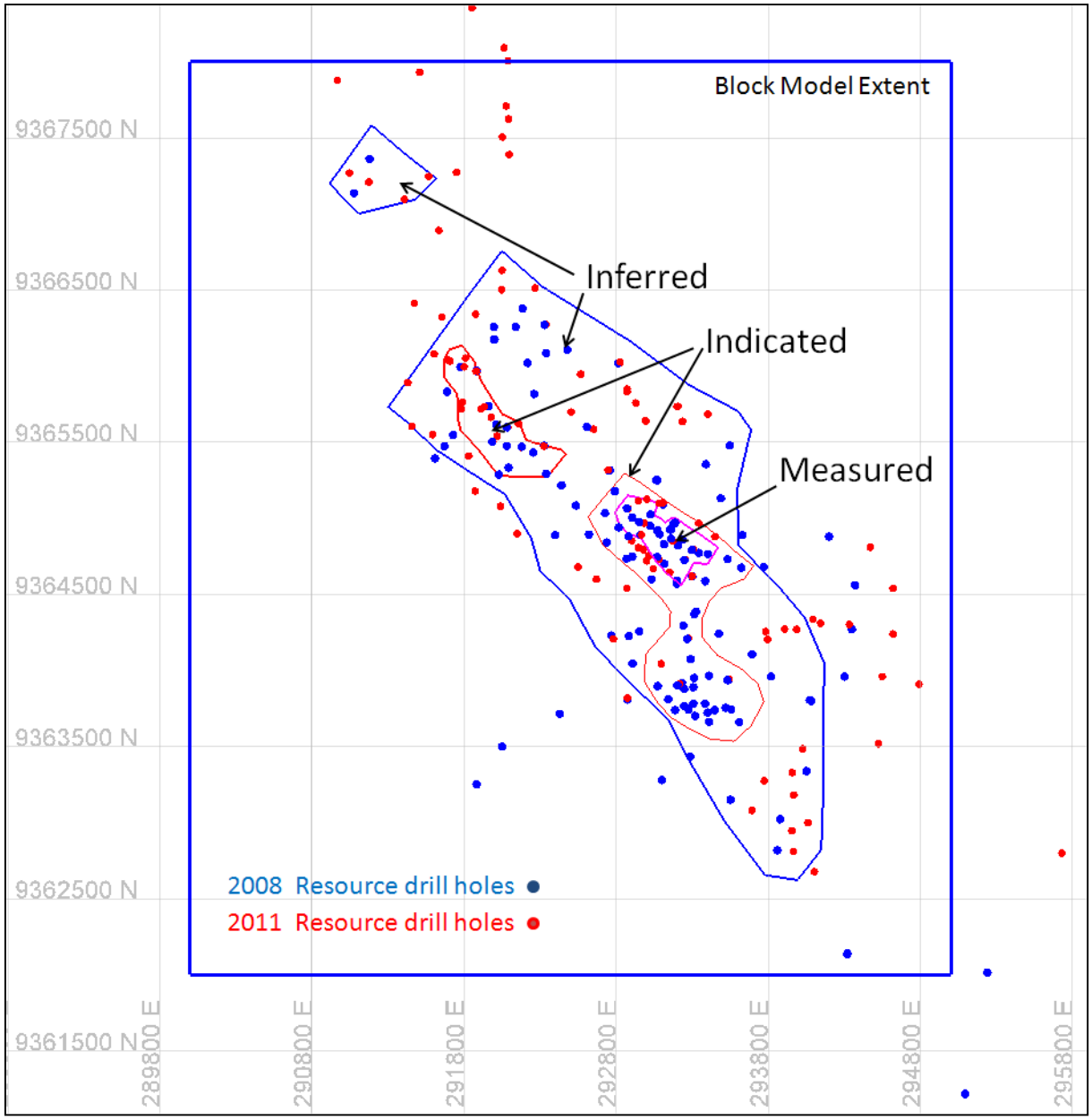

Figure 1: Resource Area, Drillholes, Classification zones

The resource has been reported at a selection of copper equivalent cut of grades from the block model *yan0211_ok.bmf.*

Table 1: Yandera Resource – Cu and Mo

CuEq Cut Off Grade	Resource Category	Mt	CuEq%	Cu ppm	Mo ppm
0.2	Measured	132	0.53	3,700	167
0.2	Indicated	490	0.35	2,772	89
0.2	**Measured + Indicated**	**622**	**0.39**	**2,968**	**108**
0.2	Inferred	1,017	0.33	2,840	68
0.25	Measured	124	0.55	3,826	173
0.25	Indicated	349	0.40	3,126	106
0.25	**Measured + Indicated**	**472**	**0.44**	**3,309**	**125**
0.25	Inferred	647	0.39	3,327	81
0.3	Measured	113	0.57	3,980	181
0.3	Indicated	245	0.46	3,468	124
0.3	**Measured + Indicated**	**359**	**0.50**	**3,629**	**143**
0.3	Inferred	417	0.45	3,838	96

*CuEq – Copper Equivalent is calculated as (Cu% + (Mo% x 10))

Table 2: Yandera Resource - Au Ag Re

CuEq Cut Off Grade	Resource Category	Mt	Au g/t	Ag g/t	Re ppm*
0.2	Inferred	1,639	0.07	1.50	0.05
0.25	Inferred	1,119	0.08	1.58	0.05
0.3	Inferred	776	0.09	1.68	0.06

** Re is Calculated by regression against Mo

Compliance with the JORC code assessment criteria

This mineral resource statement has been compiled in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

Stephen Godfrey is a member of the Australasian Institute of Mining and Metallurgy. Stephen has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken 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).

GOLDER ASSOCIATES PTY LTD

Stephen Godfrey
Associate, Principal Resource Geologist

Andrea Snare
Senior Resource Geologist

SAG/AS/JT

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