

Marengo Agrees to Binding Terms for Private Placement of Convertible Debentures to Its Major Shareholder

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TORONTO, ONTARIO -- (Marketwired - April 29, 2013) - [Marengo Mining Limited](#) ("Marengo" or the "Company") (TSX:MRN) (ASX:MMC) (POMSoX:MMC) is pleased to announce that, further to its announcement of non-binding terms having been reached (April 16, 2013), it has now entered into a binding term sheet to complete a non-brokered private placement for a revised amount of US\$15.0 million principal amount of 9.0% unsecured convertible debentures (the "Debentures") to the Company's major shareholder, Sentient Executive GP IV, Limited for the General Partner of Sentient Global Resources Fund IV, L.P. ("Sentient"), with such Debentures to be issued in two tranches.

Each US\$1,000 principal amount of Debentures will be convertible at the option of Sentient into common shares of the Company at a revised conversion price of CDN\$0.11 per common share. The Debentures will mature on June 30, 2016, or three years following the closing date of the second tranche, whichever is earlier.

The Debentures will bear interest at a rate of 9.0% per annum, payable semi-annually in arrears. The Company shall pay to Sentient an establishment fee of 2.0% of the amount raised by the Company through the issue of Debentures to Sentient. The Company shall satisfy its obligation to pay interest on the Debentures and the establishment fee through the issuance of additional Debentures.

Subject to consultation with a technical committee to be formed with the Company and Sentient representatives, the Company expects to use the net proceeds from the placement for the development of the Yandera Project and for general corporate purposes.

The existing unsecured interest-bearing working capital debt facility of US\$10.0 million provided by Sentient on February 6, 2013, including accrued interest, will remain outstanding, but interest thereunder will be payable in Debentures.

The financing is expected to be completed in two tranches with US\$9.0 million in Debentures being issued on or about May 3, 2013, and the remaining US\$6.0 million in Debentures to be issued, on the second closing date, such date to occur following the holding of a meeting of the shareholders of Marengo required to approve the Debentures issued in connection with the closing of the second tranche of the private placement. The second tranche will also be conditional on Sentient being satisfied with the Company's work program and related budgets for the development of the Yandera Project.

The private placement of Debentures is subject to regulatory approvals, including the approval of the Toronto Stock Exchange and the completion of definitive documentation.

Sentient currently holds 22.0% of the common shares of the Company and would hold approximately 39.1% of the common shares of the Company assuming the conversion of all the Debentures issued in connection with the private placement (including the Debentures issued as interest payments and pursuant to the establishment fee).

The Company is currently preparing a notice of meeting to seek shareholder approval for the issue of the second tranche of Debentures and expects to send this to shareholders as soon as practical.

www.marengominig.com

This news release does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities described herein in any state in which such offer, solicitation or sale would be unlawful. The securities described herein have not been registered and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws. Accordingly, the securities described herein may not be offered or sold in the United States or to U.S. persons (as such

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Cautionary Statement Regarding Forward-Looking Information

This news release contains forward looking information. Such forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or to be achieved and any other similar expressions. In providing the forward-looking information in this news release, the Company has made numerous assumptions regarding: (i) the accuracy of exploration results received to date; (ii) anticipated costs and expenses; (iii) that the results of the feasibility study continue to be positive; and (iv) that future exploration results are as anticipated. Management believes that these assumptions are reasonable. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those contained in the forward-looking information. Some of these risks, uncertainties and other factors are described under the heading "Risks Factors" in the Company's annual information form available on the SEDAR website. Forward-looking information is based on estimates and opinions of management at the date the statements are made. Except as required by law, Marengo does not undertake any obligation to update forward-looking information even if circumstances or management's estimates or opinions should change. Readers should not place under reliance on forward-looking information.

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