

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1** *Name and Address of the Company*

Marengo Mining Limited.  
3400 One First Canadian Place  
100 King Street West  
Toronto, Ontario, Canada M5X 1A4

(the "**Company**" or "**Marengo**")

**Item 2** *Date of Material Change*

December 19, 2013

**Item 3** *News Release*

A news release setting out information concerning the material change described in this Report and attached as Schedule "A" was issued by the Company on December 19, 2013 through Marketwired and filed on SEDAR.

**Item 4** *Summary of Material Change*

Further to the press release of the Company dated November 29, 2013, on December 19, 2013, the Company announced that it and the Company's major shareholder, Sentient Executive GP IV, Limited for the General Partner of Sentient Global Resources Fund IV, L.P. ("**Sentient**") had entered into an amending letter agreement (the "**Amending Agreement**") in respect of the loan conversion and debenture exchange agreement (the "**Agreement**") entered into by the Company and Sentient on November 29, 2013. Under the terms of the Amending Agreement: the termination date of the US\$10,000,000 working capital debt facility dated February 6, 2013, as amended (the "**Sentient Loan**"), was extended from December 31, 2013 to January 15, 2014. In connection with the entering into of the Amending Agreement, the closing date of previously announced issuance of senior unsecured convertible debentures (the "**New Debentures**") of the Company is now expected to occur on or about January 15, 2014, and the principal amount of New Debentures to be issued is expected to be \$27,509,621.

The New Debentures are being issued as part of the previously announced transaction (the "**Transaction**") pursuant to which each of the Sentient Loan and the US\$17,121,855 principal amount of debentures outstanding as of January 15, 2014 (the "**Outstanding Debentures**"), including all interest and fees payable thereto, will be restructured into the New Debentures. The New Debentures shall bear interest from and including the date of issuance at the rate of 9% per annum, payable in equal semi-annual instalments in arrears on April 30 and October 30 in each year, with the aggregate principal amount of \$27,509,621 maturing on June 30, 2016.

**Item 5** *Full Description of Material Change*

**5.1** *Full Description of Material Change*

See attached news release for the full description of the material change.

*Termination and Closing Date*

The Letter Agreement extends the termination date of the Sentient Loan from December 31, 2013 to January 15, 2014. It also extends the closing date of the Transaction from December 31, 2013 to January 15, 2014, and amends the principal amount of the New Debentures to be issued to US\$27,509,621, in order to reflect the additional accrued and unpaid interest on the Outstanding Debentures and the Sentient Loan from December 31, 2013 to January 15, 2014.

Following the closing of the Transaction, Sentient will hold approximately 69.94% of the common shares of the Company, assuming the conversion of all of the New Debentures issued in connection with the Transaction.

**5.2** *Disclosure for Restructuring Transactions*

Not applicable.

**Item 6** *Reliance on subsection 7.1(2) of National Instrument 51-102*

Not applicable.

**Item 7** *Omitted Information*

Not applicable.

**Item 8** *Executive Officer*

For further information please contact:

Les Emery  
President/CEO  
Marengo Mining Limited  
Telephone: +61 8 9429 0000  
Email: marengo@marengominig.com

**Item 9** *Date of Report*

December 23, 2013

**SCHEDULE "A"**

See attached.



COMPANY NO. 822513-3 / ARBN: 161 356 930

MARENGO MINING (AUSTRALIA) LIMITED (ABN: 57 099 496 474)

YANDERA MINING COMPANY LIMITED (COMPANY NO. 1-53202)

MARENGO MINING (PNG) LIMITED (COMPANY NO. 1-76844)

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR  
FOR DISSEMINATION IN THE UNITED STATES.**

**For Immediate Distribution  
December 19, 2013**

**TSX: MRN  
ASX & POMSoX: MMC**

---

**MARENGO FINANCING UPDATE, AGM MEETING DATE AND APPOINTMENT  
OF CHIEF FINANCIAL OFFICER**

---

Marengo Mining Limited ("**Marengo**" or the "**Company**") (TSX: MRN; ASX and POMSoX: MMC) is pleased to provide the following update in relation to the previously announced refinancing transaction (the "**Transaction**") with its major shareholder, Sentient Executive GP IV, Limited for the General Partner of Sentient Global Resources Fund IV, L.P. (collectively, "**Sentient**"). The refinancing ensures, among other things, financial support for the Company's operations through 2014.

As previously announced, Marengo and Sentient have agreed, among other things, to convert the US\$10,000,000 working capital debt facility dated February 6, 2013, as amended (the "**Sentient Loan**") in order to provide the Company and its PNG subsidiaries, Yandera Mining Company Limited and Marengo Mining (PNG) Limited, with additional flexibility to conduct their business. As such, Sentient has agreed to a transaction pursuant to which each of the Sentient Loan and the US\$17,121,855 principal amount of debentures outstanding as of January 15, 2014 (the "**Outstanding Debentures**"), including all interest and fees payable thereto, will be restructured into senior unsecured convertible debentures collectively, the "**New Debentures**"), which shall bear interest from and including the date of issuance at the rate of 9% per annum, payable in equal semi-annual instalments in arrears on April 30 and October 30 in each year, with the aggregate principal amount of \$27,509,621 maturing on June 30, 2016, with the closing date amended to on or about January 15, 2014.

Each US\$1,000 face value New Debenture will be convertible, at the option of Sentient, into approximately 50,000 common shares or Chess Depositary Interests ("**CDIs**") of the Company at a conversion price of CDN\$0.02 per common share or CDI. The conversion price of the New Debentures will be adjusted in the event there is a reorganisation of capital or an issue of new common shares below the conversion price.

Sentient and its related entities currently hold approximately 21.97% of the common shares of the Company and would hold approximately 69.94% of the common shares of the Company, assuming the conversion of all the New Debentures issued in connection with the refinancing (including the New Debentures issued to pay interest on the New Debentures).

Marengo has requested and received no objection from the Toronto Stock Exchange ("**TSX**") to delay its next Annual General Meeting to January 14, 2014. The Company has begun mailing a notice of meeting to seek shareholder approval for the issuance of the New Debentures.

The Transaction is subject to the approval of the shareholders of Marengo and of the TSX.

Assuming they fulfil certain conditions precedent, including receipt of shareholder and TSX approvals, Sentient and Marengo plan to complete the issuance of the New Debentures on or about January 15, 2014.

**Registered Office**

c/- Bennett Jones LLP  
3400 One First Canadian Place  
100 King Street West  
Toronto ON, M5X 1B8 CANADA  
P.O. Box 130, Toronto ON, M5X 1A4  
Phone: +1 416 777 4826  
Fax: +1 416 863 1716  
Email: [marengo@marengominig.com](mailto:marengo@marengominig.com)  
Website: [www.marengominig.com](http://www.marengominig.com)

**Port Moresby Office**

Suite 2, Level 2,  
Ela Beach Tower  
Bramell Street, Port Moresby 121, PNG  
PO Box 344, Port Moresby, NCD, PNG  
Phone: +675 321 5927, 343 4954 & 343 4956  
Fax: +675 321 6636  
Email: [carolinep@marengominig.com](mailto:carolinep@marengominig.com)  
Website: [www.marengominig.com](http://www.marengominig.com)

**Madang Office**

Guard Dog Complex  
Komoklon Crescent, Newtown,  
Madang, PNG  
PO Box 12, Diwai, Madang 511  
Phone: +675 422 3768  
Fax: +675 422 1723  
Email: [balinaa@marengominig.com](mailto:balinaa@marengominig.com)  
Website: [www.marengominig.com](http://www.marengominig.com)

**Perth Office**

PO Box 289, West Perth  
Western Australia 6872  
Phone: +61 8 9429 0000  
Fax: +61 8 9429 0099  
Email: [marengo@marengominig.com](mailto:marengo@marengominig.com)  
Website: [www.marengominig.com](http://www.marengominig.com)

**Appointment of Canadian Based Chief Financial Officer**

Marengo is also pleased to advise that it has appointed Mr. Alexander Dann to the role of Chief Financial Officer ("CFO") of the Company, based in Toronto, Canada, effective January 1, 2014.

Mr. Dann is a Chartered Accountant with over 20 years experience leading financial operations and strategic planning for multinational companies primarily in the mining sector. Mr. Dann has held senior roles with Falconbridge Limited, Rio Algom Ltd., and most recently as CFO of Avion Gold Corp., prior to its acquisition by Endeavour Mining Corporation.

Prior to Avion Gold Corp., Mr. Dann was CFO of Axmin Inc. from 2008 to 2011 and of Goldbelt Resources Limited, which was acquired by Wega Mining ASA in 2007. From 2003 to 2007 Mr. Dann headed the Finance group for an automotive parts supplier that included Magna International Inc. as one of its primary partners. Mr. Dann is fluent in French and graduated with a Bachelor of Business Administration degree from Laval University, Quebec and obtained his CA designation in 1995.

Marengo's Australian-based Chief Financial Officer, Mr. Dennis Wilkins, will step down effective January 1, 2014. The Company thanks Mr. Wilkins for his efforts since the closure of Marengo's Australian office and redomicile of the Company to Canada.

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

**For further information:**

<b>Les Emery</b> <b>President &amp; CEO</b> Marengo Mining Limited Telephone: +61 8 9429 0000 Email: <a href="mailto:marengo@marengominig.com">marengo@marengominig.com</a>	<b>Dean Richardson</b> <b>Corporate Secretary and</b> <b>VP-Investor Relations</b> Telephone: +1 647 3282449 Email: <a href="mailto:deanr@marengominig.com">deanr@marengominig.com</a>
---	--