

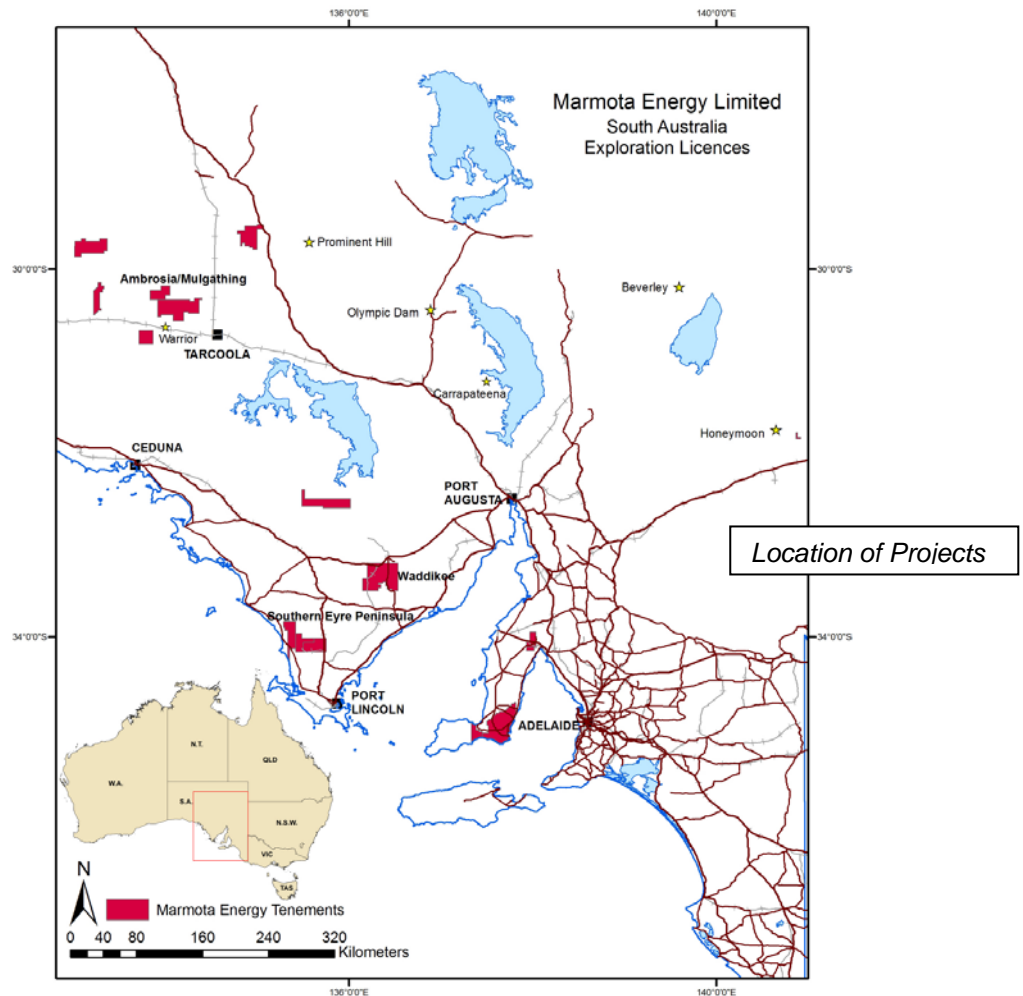
Marmota Energy



Marmota Energy
Limited (ASX: MEU)

Highlights

- High resolution gravity infill surveys were completed over Exploration Licences 3775, 3685, 3684, 3358, 3909 and 3359) successfully mapping out new palaeochannels prospective for sandstone-hosted uranium.
- Meetings with communities in the Tarcoola region and on the Eyre Peninsula to discuss proposed exploration.
- Marmota has signed an Indigenous Land Use Agreement (ILUA) with the Antakirinja people in respect of Exploration Licences 3775, 3685, 3684, 3358 and 3909 (ELs).
- Contracts signed for airborne electromagnetic (AEM) and radiometric surveys over project areas commencing in April 2008.



Review of Operations

Corporate Activities

The March Quarter of 2008 has been very active with the company completing its first geophysical surveys over its portfolio of ELs in the Tarcoola region of western South Australia. The company is very pleased with the results which indicate the presence of palaeochannels which the Company believes are

prospective for sandstone – hosted uranium in rollfront settings.

During the quarter the company has worked hard to lay the foundation for its exploration across projects in South Australia through successful consultation with landholders and communities. The company has added to its high quality exploration team through the appointment of Neil

Chalmers as Exploration Geologist.

Finance

As at 31st March 2008, Marmota Energy had available funds of \$13.5 million, of which the majority is held in term deposits with an Australian Bank. During the March quarter, total net operating expenditure by the company was \$519,000.



“During the quarter the company has worked hard to lay the foundation for its exploration”

Exploration Activities

Gravity Surveys

(Marmota earning 50% under Ambrosia JV Agreement with Monax Mining Limited)

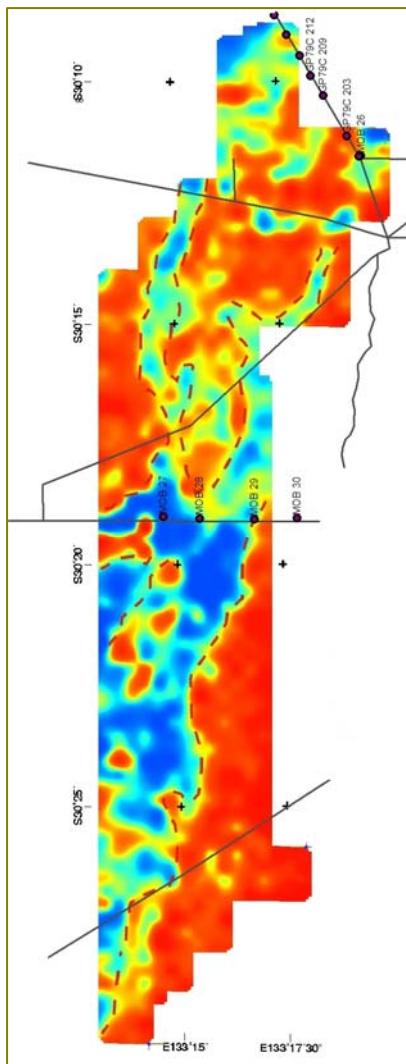
(Marmota earning 70% under Farm in and JV Agreement with Monax Mining Limited)

High resolution gravity surveys over ELs 3775, 3685, 3684, 3358 and 3359 have been completed at 500 metre x 500 metre resolution. Marmota is delighted with the quality of the data which has delivered optimal coverage, leading to the discovery of new palaeochannel systems. On Kimono Tank (EL 3685) a major southward-trending palaeochannel is clearly defined over a large part of the project area. Smaller tributaries in the northern part of the tenement may be

tributaries to the known Anthony Palaeochannel which lies to the north of the area and which then trends around the western margin of Kimono Tank. The large channel on the southern half of the project area was previously unidentified but is now known to be a significant channel which flowed westwards into the Anthony channel. Marmota is delighted with this discovery and the potential for uranium.

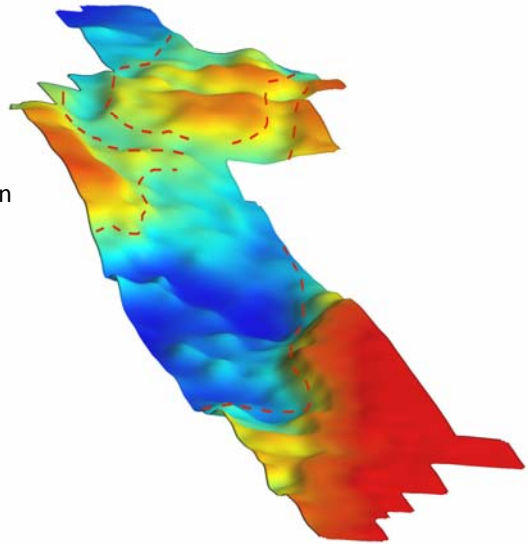
Previous company drilling has identified sediments in the upper part of the major channel and in a small channel in the NE part of the project area. These sediments have been referred to be either Mesozoic or Permian in age. Marmota's exploration indicates that these sediments may actually be Tertiary palaeochannel sediments with potential for sandstone-hosted uranium.





Left: Kimono Tank gravity image with interpreted palaeochannels marked in red dashed line. Boreholes shown intersected sediments which Marmota interprets to be Tertiary palaeochannel fills.

Right: Kimono Tank oblique gravity image showing interpreted channels outlined in red dashed line.



Indooroopilly (EL 3775) is located approximately 180 kilometres north west of Tarcoola in western South Australia. It is the **fourth** Marmota tenement on which Marmota has been successful in discovering new palaeochannels interpreted from the gravity survey.

On Indooroopilly the western and central palaeochannels appear to be northward flowing tributaries of the Garford Palaeochannel, which lies along the northern boundary

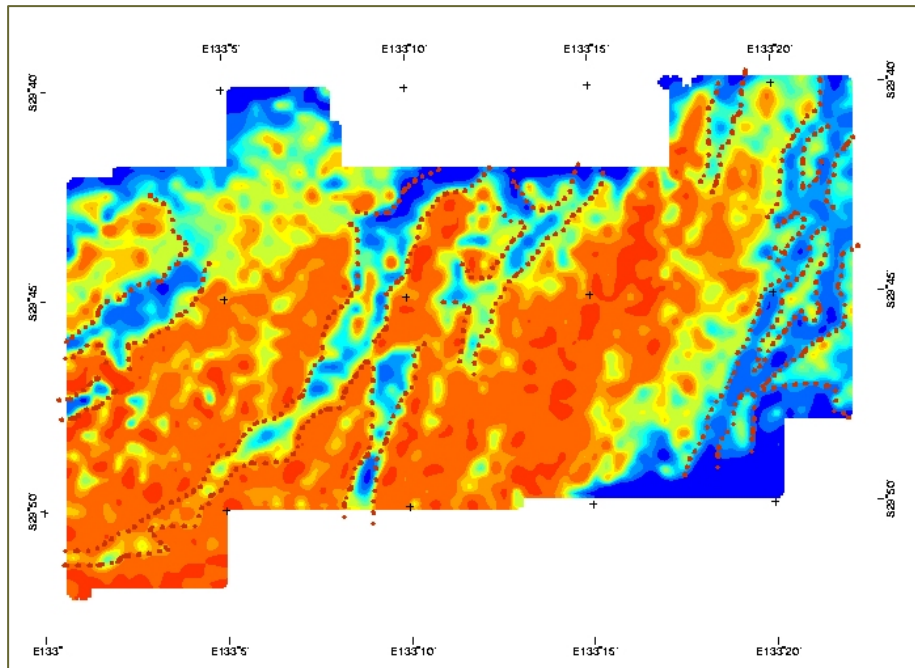
of the project. The large interpreted channel along the eastern part of the tenement we believe to be tributary to the Anthony Palaeochannel, lying along the southern part of the project area.

The gravity surveys have successfully located new palaeodrainages containing Tertiary lignitic sands. The presence of the Tertiary sediments is known from previous drillholes in the central and western parts of the project area, but until now whether the sediments

were actual palaeochannel fills was unknown. The Company believes these sediments have potential for hosting large tonnage, low operating cost sandstone/roll-front uranium.

*“the **fourth** Marmota tenement on which Marmota has been successful in discovering new palaeochannels”*

“The Company believes these sediments have potential for hosting large tonnage, low operating cost sandstone/roll-front uranium.”



Above: Indooroopilly gravity image with interpreted palaeochannels marked in red dashed line.

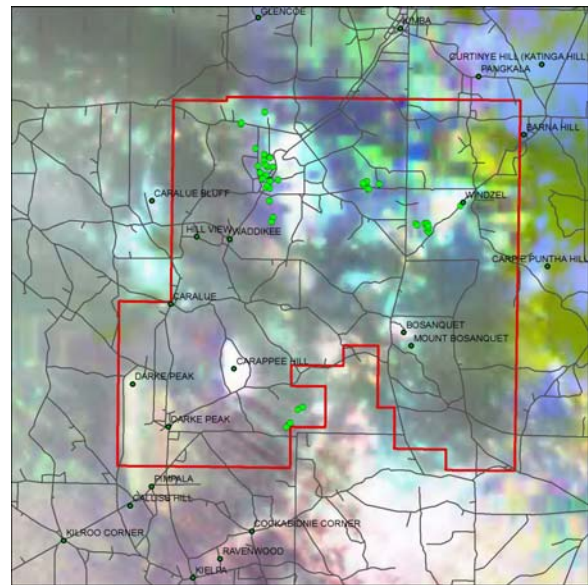
Wadikee Project

(Marmota earning 70% Uranium under JV agreement with Monax Mining Limited)

The Wadikee project covers 1004 square kilometres south of Kimba on South Australia’s Eyre Peninsula.

Results from a sampling program by joint venture partner Monax Mining Limited yielded elevated vanadium. Vanadium is known to be associated with uranium in uranium-bearing ores. The pulps from the Monax samples are being assayed for uranium and the results are expected in late April 2008. Previous company exploration found vein type, primary uranium in fault

breccias. Radiometric data show significant areas of anomalous uranium on Wadikee. They are located in the areas shown as the white response on the radiometric map. Some of the Monax sampling is in close proximity to the uranium anomalies. It is for these reasons Marmota believes that Wadikee is strongly prospective for bedrock-hosted uranium (including unconformity style) and sandstone-hosted uranium that was eroded from the uranium-bearing rocks and deposited in palaeochannels known to occur in the project area.



0 5,000 10,000 20,000 Meters

Above: Wadikee radiometric ternary image with the Monax sample point locations marked with green circles.

Red – Potassium
 Green – Thorium
 Blue – Uranium
 (White – High in all three above elements)

Future Exploration

High resolution Airborne Electromagnetic (AEM) surveys over many of the Company's project areas will commence in the next quarter. This will enable the outline and depth of the palaeochannels to be mapped. The AEM survey data along with the new gravity data acquired will greatly improve target drillhole locations in preparation for drill testing planned for late in the second quarter of 2008.

The acquisition of AEM and radiometrics is contracted to begin Mid April 2008. The proposed exploration program for Marmota's tenements is outlined in the table:

Timing	Action	Tenement	Project Name
2Q 2008	High resolution AEM Surveys	EL 3358, EL 3684, EL 3355, 3356, 3561, EL 3357, EL 3907, 3908, EL 3458	Ambrosia, Mulgathing, Southern Eyre Peninsula, Waddikee, Coonarie, Eureka Bluff
2Q 2008	High Resolution Magnetic /Radiometric surveys	EL 3358, EL 3684, EL 3355, 3356, 3561, EL 3357, EL 3907, 3908	Ambrosia, Mulgathing, Southern Eyre Peninsula, Waddikee, and Coonarie
2Q 2008	Gravity Infill Surveys	EL 3907, 3908	Mulyungarie and Coonarie
Late 2Q 2008	Drilling	EL 3358, EL 3684	Ambrosia, Mulgathing

General



The Company has completed consultation with the Commonwealth of Australia, community and landholders regarding future exploration activities it intends to undertake on its Ambrosia, Mulgathing, Wynbring, Kimono Tank, Indooroopilly, Phar Lap, Southern Eyre Peninsula and Waddikee projects in South Australia.

Marmota has signed an Indigenous Land Use Agreement (ILUA) with the Antakirinja people in respect of Exploration Licences 3775, 3685, 3684, 3358 and 3359. This will allow Marmota to have Heritage clearances completed relatively quickly.

Marmota has also commenced negotiations for a native title agreement under Part 9B of the *Mining Act, 1971* (Act) in respect of EL 3910 (Mulyungarie).

Marmota Energy Limited

Exploration Office:
11a Croydon Rd
KESWICK, SA
5035

PHONE:
08 8375 4300

FAX:
08 8375 3999

E-MAIL:
info@marmotaenergy.
com.au

We're on the Web!

See us at:

**www.marmotaenergy
.com.au**

New Staff

Exploration Geologist – Mr Neil Chalmers

The company is delighted to have Mr Chalmers join Marmota from his most recent position as Project Geologist for the South Australian Government. In this role he was responsible for geological mapping projects in the central Gawler Craton, which is of great value to the Company because many of its tenements are on the Craton.

Neil has extensive expertise in geological mapping and geochemistry. He will be working as part of an energetic team where he will be tasked with designing and implementing exploration programs across Marmota's portfolio of tenements. He is particularly well suited to work on the Company's flagship tenement Ambrosia and adjoining

cluster of uranium prospects.



Neil Chalmers (front)
Marmota Exploration
Geologist

A handwritten signature in black ink, appearing to read 'D Calandro'.

Dom Calandro
Managing Director

28th April 2008

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

Marmota Energy Limited

ABN

38 119 270 816

Quarter ended ("current quarter")

31 March 2008

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (18 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(443)	(606)
(b) development	-	-
(c) production	-	-
(d) administration	(168)	(315)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	47	94
1.5 Interest and other costs of finance paid	(4)	(4)
1.6 Income taxes paid	-	(1)
1.7 Other (provide details if material))		
GST	49	(71)
Other	-	-
Net Operating Cash Flows	(519)	(903)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(46)	(151)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)		
Loans repaid to other entities	-	(87)
Net investing cash flows	(46)	(238)
1.13 Total operating and investing cash flows (carried forward)	(565)	(1,141)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(565)	(1,141)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	15,846
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)		
	Payments relating to issue of shares / options	(95)	(1,192)
	Net financing cash flows	(95)	14,654
	Net increase (decrease) in cash held	(660)	13,513
1.20	Cash at beginning of quarter/year to date	14,177	4
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	13,517	13,517

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	128
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The amount at 1.23 above represents non executive directors' fees and executive director's salary (including SGC superannuation), legal fees paid to a legal firm in which a director is a partner.

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

Nil

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

Nil

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

Note:

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,800
4.2 Development	-
Total	1,800

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	417	227
5.2 Deposits at call	13,100	13,950
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	13,517	14,177

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	N/A			
6.2 Interests in mining tenements acquired or increased	N/A			

+ 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	120,706,776	63,385,776		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	28,000,000 19,934,503	- 19,934,503	<i>Exercise Price</i> \$0.40 \$0.25	<i>Expiry Date</i> 11/07/12 30/06/08
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
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 ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Print name: Virginia Suttell..... Date:28/04/2008.....
(~~Director~~/Company Secretary)

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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+ See chapter 19 for defined terms.