

ASX ANNOUNCEMENT

4th November 2009

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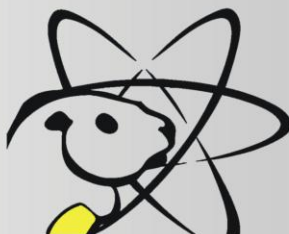
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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr D J Calandro, who is a Member of the Australian Institute of Geoscientists. Mr Calandro is employed full time by the Company as Managing Director and, has a minimum of five years relevant experience in the style of mineralisation and type of deposit under consideration and qualifies as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Calandro consents to the inclusion of the information in this report in the form and context in which it appears.



MARMOTA
ENERGY LIMITED

A.B.N. 38 119 270 816

Drilling update – Encouraging results continue at new SA uranium prospect

- More elevated gamma readings in drill holes completed on Junction Dam last week
- Best hole returns equivalent peak grade value of 1,676 ppm eU₃O₈*
- Drill testing is continuing along 20km extent of the Yarramba Palaeochannel at Junction Dam

Exploration Update - Junction Dam uranium project

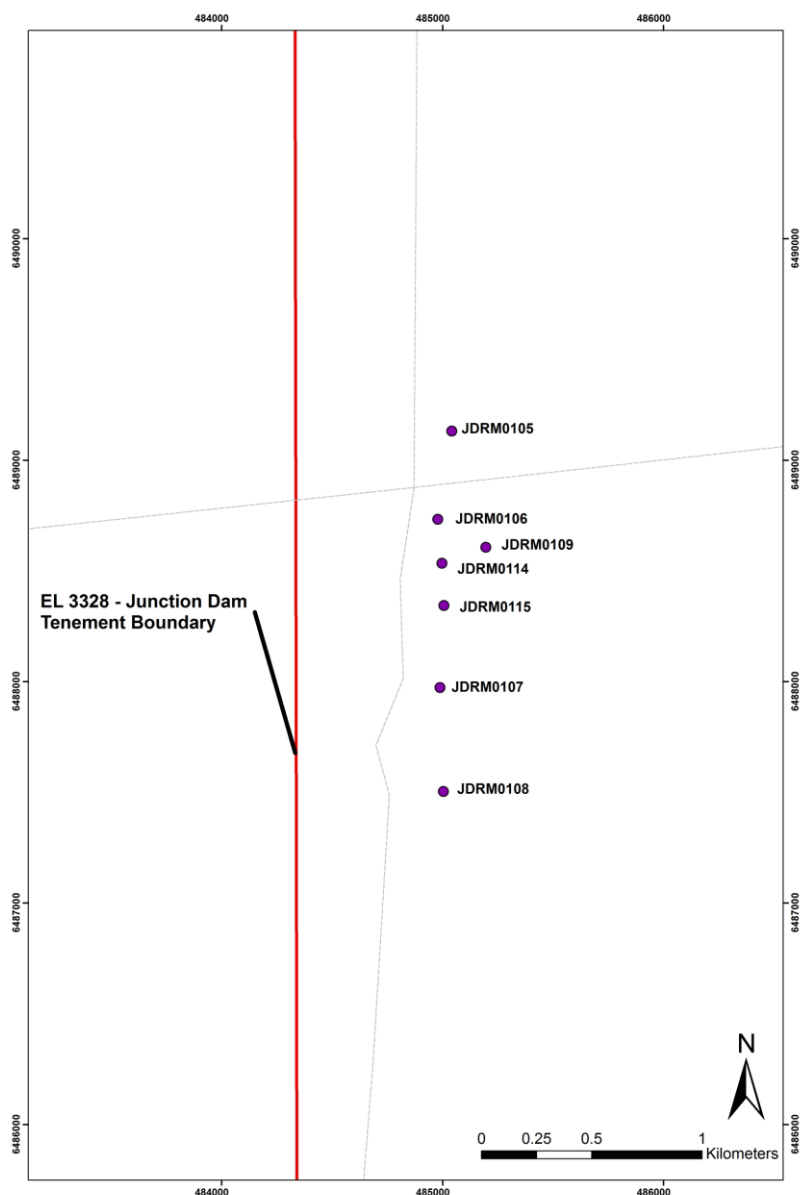
(Marmota Energy earning 51% interest in uranium rights under JV Agreement with Teck Australia Pty Ltd (Teck), PlatSearch NL (ASX: PTS) and Eaglehawk Geological Consulting Pty Ltd)

Marmota Energy Limited ('the Company') is pleased to announce more encouraging results from current drilling at its new uranium prospect on the Junction Dam uranium project ('the project') in mid-north South Australia. On the project, Marmota has the right to earn 51% interest in the uranium rights from Teck Australia Pty Ltd, PlatSearch NL (ASX: PTS) and Eaglehawk Geological Consulting Pty Ltd.

More encouraging preliminary results were obtained from drill holes completed in the second week of drilling as part of the Company's broad spaced maiden 25 hole drilling program. Elevated downhole gamma readings are continuing to be returned from what has been interpreted as Eyre Formation sediments. The Eyre Formation hosts the nearby Honeymoon Uranium Mine and Beverley Four Mile uranium project to the north of Junction Dam.

Marmota's maiden drilling program is focusing on the south western part of the project area (Figure 1). Current drilling is focusing on what has been interpreted as the outer bend of the highly prospective Yarramba Palaeochannel.

New gravity surveys completed by Marmota on Junction Dam were successfully used to define a 20 km extent of the Yarramba Palaeochannel. Gravity and radon surveys have assisted greatly in drill hole target allocation. Marmota Energy also previously intersected multiple occurrences of uranium on its adjacent Mulyungarie project. Two holes in particular intersected what is believed to be the tail of a potential roll front uranium deposit, which is planned to be further tested as part of this current phase of drilling.



Using a cut off equivalent grade of 100 ppm $eU_3O_8^*$, significant gamma anomalism from the downhole geophysics continue to be encountered in Eyre Formation sands in drill holes completed last week (see Table 1). The best intersection was in hole JDRM0115 showing a distinct peak from the downhole gamma tool, indicating an equivalent grade of 1676 ppm $eU_3O_8^*$ (6775 counts per second). This hole is approximately 400 metres north along strike from drill hole JDRM0107 which contained the previous week's best result of 1381 ppm $eU_3O_8^*$ (5583 counts per second). Drill holes have continued to intersect multiple sand units with the basal sand units returning elevated downhole gamma readings. This is interpreted to be analogous with the mineralisation model at the nearby Honeymoon development. Drilling is continuing and is expected to be completed in about three weeks' time.

Figure 1: Location of drill holes completed at the Junction Dam project.

HOLE ID	EASTING	NORTHING	GAMMA TRUE COUNTS (counts per second)	URANIUM PEAK GRADE $eU_3O_8^*$ (ppm)	DEPTH metres
JDRM0105	485033	6489130	545	134	123.4
JDRM0106	484980	6488734	360	89	110.5
			1381	341	117
			1213	300	122.7
JDRM0107	484996	6487979	5583	1381	121
JDRM0108	485001	6487501	632	205	110.8
JDRM0109	485200	6488600	345	80	112.5
JDRM0114	485000	6488530	686	170	111.72
			883	218	119.52
			884	219	124.87
			3356	830	126.87
JDRM0115	485000	6488330	6775	1676	129.16

Table 1: Downhole peak gamma readings in Marmota's drill holes on Junction Dam.

**Equivalent grades (eU_3O_8) from Borehole Wireline Pty Ltd gamma probe 3024, calibrated at Adelaide Test Pits. Dead time 6.06656e-6, k factor 2.47442e-5, 108mm hole, water filled.*

Mr Dom Calandro
MANAGING DIRECTOR

4 November 2009