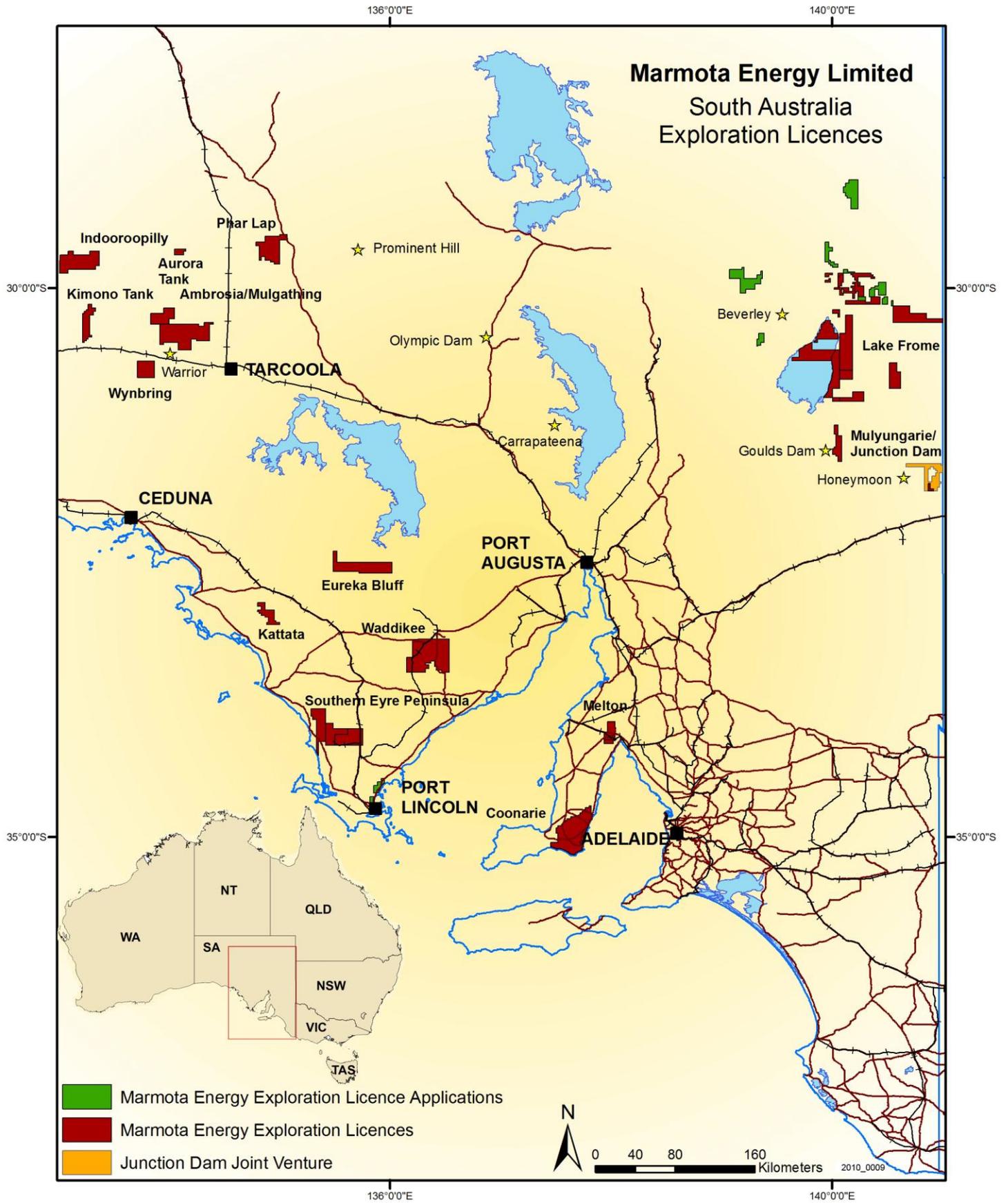


Highlights

- Maiden drilling program launched at Melton copper-gold project on the northern Yorke Peninsula. Drill testing first three of five large scale targets.
- 50% interest earned in joint venture for the Melton project.
- High resolution ground electromagnetic survey completed at Junction Dam uranium project. Data defines significant extension to target area for further drill testing in May 2010.
- New exploration licence applications 100% owned by Marmota lodged in the highly prospective Lake Frome region near the Beverley uranium mine and Four Mile development.
- Due diligence assessment underway on gold project in Nevada in partnership with high grade gold producer Ramelius Resources.



Marmota Energy tenement locations

Review of Operations

“the Company continued its exploration momentum across two high potential and strategic projects in South Australia.”

Corporate Activities

In the March Quarter of 2010, the Company continued its exploration momentum across two high potential and strategic projects in South Australia. Marmota completed high resolution ground electromagnetic surveys which has expanded its target area for the next round of drill testing on its high grade uranium project at Junction Dam near Broken Hill. Secondly, drill testing of the first three of five large scale anomalies with copper -gold potential at the

company’s Melton Project on the northern Yorke Peninsula is underway. Marmota is continuing to focus its resources on a twofold strategy to develop a pipeline of projects that will offer a combination of short-term and sustainable longer term revenue potential. This strategy will assist in maintaining Marmota's strong cash position while promoting an expanded program of focused exploration. Marmota has increased its tenement position in the highly prospective

Lake Frome region near the Beverley and Four Mile developments. These projects are 100% owned by Marmota Energy and are considered by the Company to be prospective for both uranium and precious metals.

Finance

As at 31 March 2010, Marmota Energy had available funds of \$10.6 million, of which the majority is held in term deposits with Australian Banks. During the March Quarter, total net operating expenditure by the company was \$545 thousand.

Exploration Activities

Melton Copper-Gold Project

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



Marmota Energy Limited (ASX: MEU) launched its maiden drilling program on the highly prospective Melton copper-gold project in March 2010. The drilling program is designed to test the first three of five targets identified from high resolution geophysical data acquired by Marmota Energy across the project.

Marmota Energy considers this region highly prospective for the discovery of new deposits of copper and gold. Recently the prospectivity of the region and in particular the Pine Point Fault has been demonstrated by the discovery of significant copper-gold-uranium mineralisation by Rex Minerals at their Hillside Project immediately south of Marmota’s Melton project .

The two Melton tenements (Marmota EL3911 and EL4000), cover the northern extension of the Pine Point Fault and contain a number of discrete magnetic and gravity features consistent with copper-gold mineralisation elsewhere along the fault.

The Melton joint venture is in line with Marmota’s corporate strategy of creating shareholder value and reducing exploration risk by acquiring projects with a high discovery potential or a known resource with significant expansion potential.

The Melton project is ideally located close to mine and civil infrastructure. The project’s proximity to major centres and good access to port, road and rail infrastructure makes this a very strategic project for Marmota Energy.

High resolution magnetic data covering the first three of five anomalies identified defined major features interpreted to be magnetite rich structures. The extents of the Pine Point Fault and related cross cutting and parallel features have also been further defined.

High resolution ground gravity survey was completed on the southern half of Marmota’s project area during January and February 2010 to augment the findings of highly promising aeromagnetic data acquired over key targets on the Company’s two tenements.

The new high resolution gravity survey along with the magnetic survey data has assisted in drillhole selection on the five major targets defined. Results from the gravity survey also provide subtle structural information that has enabled a greater understanding of structure interpreted from the magnetic data.

Gravity data acquired over the North White Cliffs and Melton target regions in the south of the Melton project are coincident with and overlap

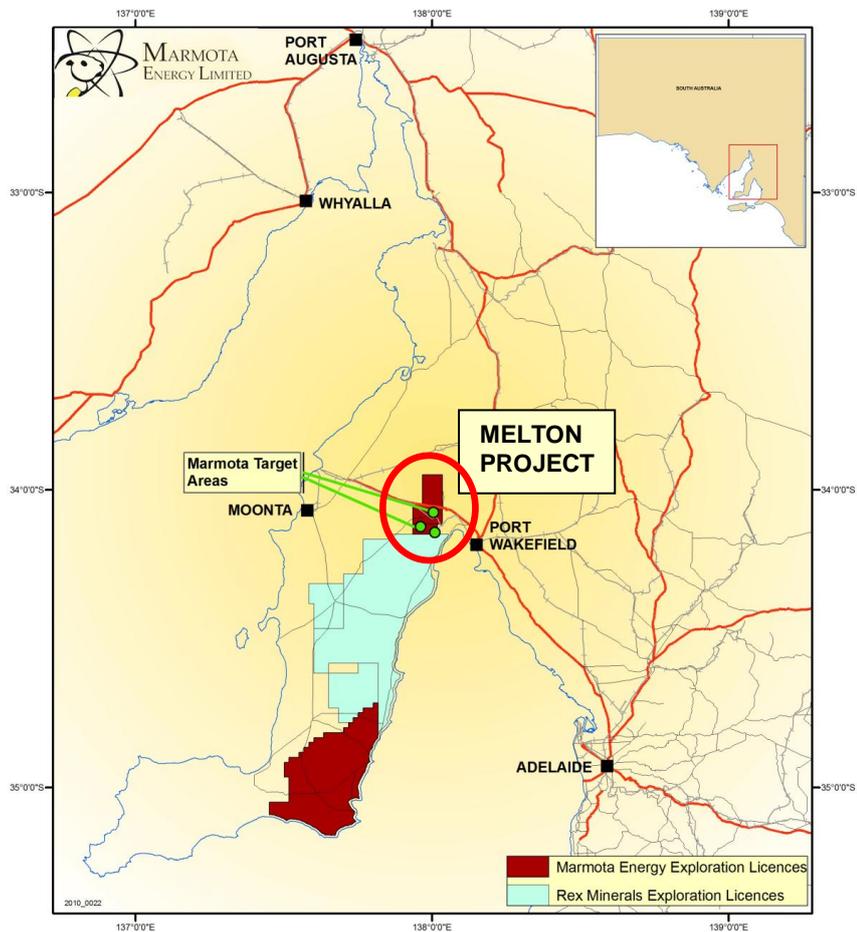


Figure 1. Melton project area

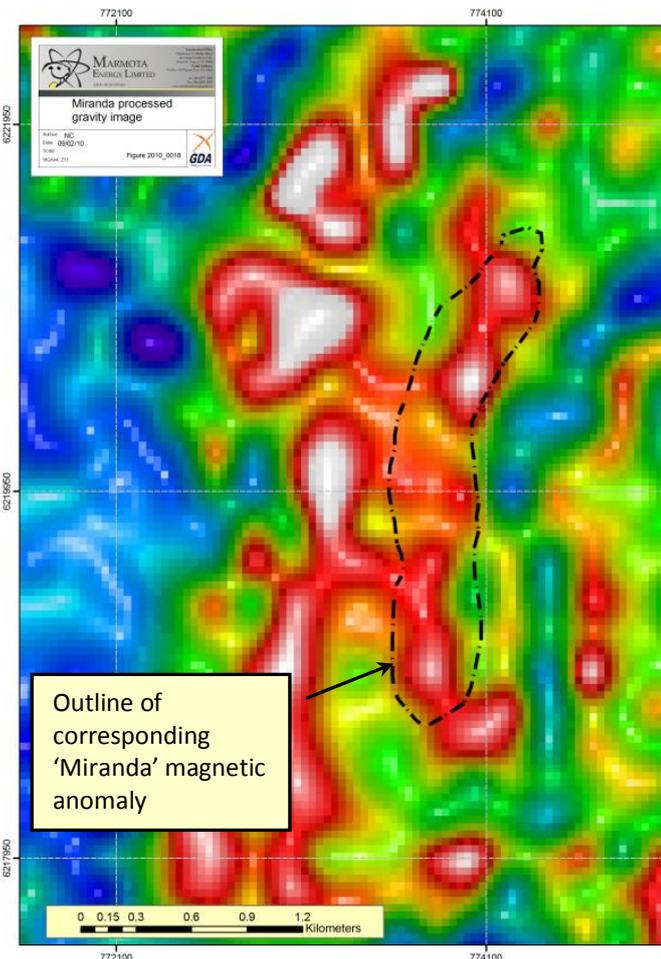


Figure 2. Reprocessed gravity data (red - white: high gravity response), Miranda target area with coincident magnetic anomaly location outlined in black dashed line.

the respective anomalies identified in the original aeromagnetic data (Figure 3). The results also indicate an increase in the extent of the original target regions. The extents of the Pine Point Fault and related cross cutting and parallel features have also been further defined. The most significant gravity anomaly was associated with the ‘Miranda’ magnetic target which displayed the strongest and largest gravity response extending up to a four kilometre strike length. The Company believes that this gravity response significantly improves the IOCG potential of the Miranda target. All three highest priority targets are located adjacent to or along the Pine Point Fault Zone (PPFZ), associated fault systems and/or fault intersections.

The aeromagnetic survey data is considered to be critical in target assessment processes as there appears to be a strong correlation between magnetite and copper in the region. Results from drilling completed at Rex Minerals’ Hillside project to the south, confirms this relationship which is similar to other styles of deposits such as the Ernest Henry deposit in Queensland.

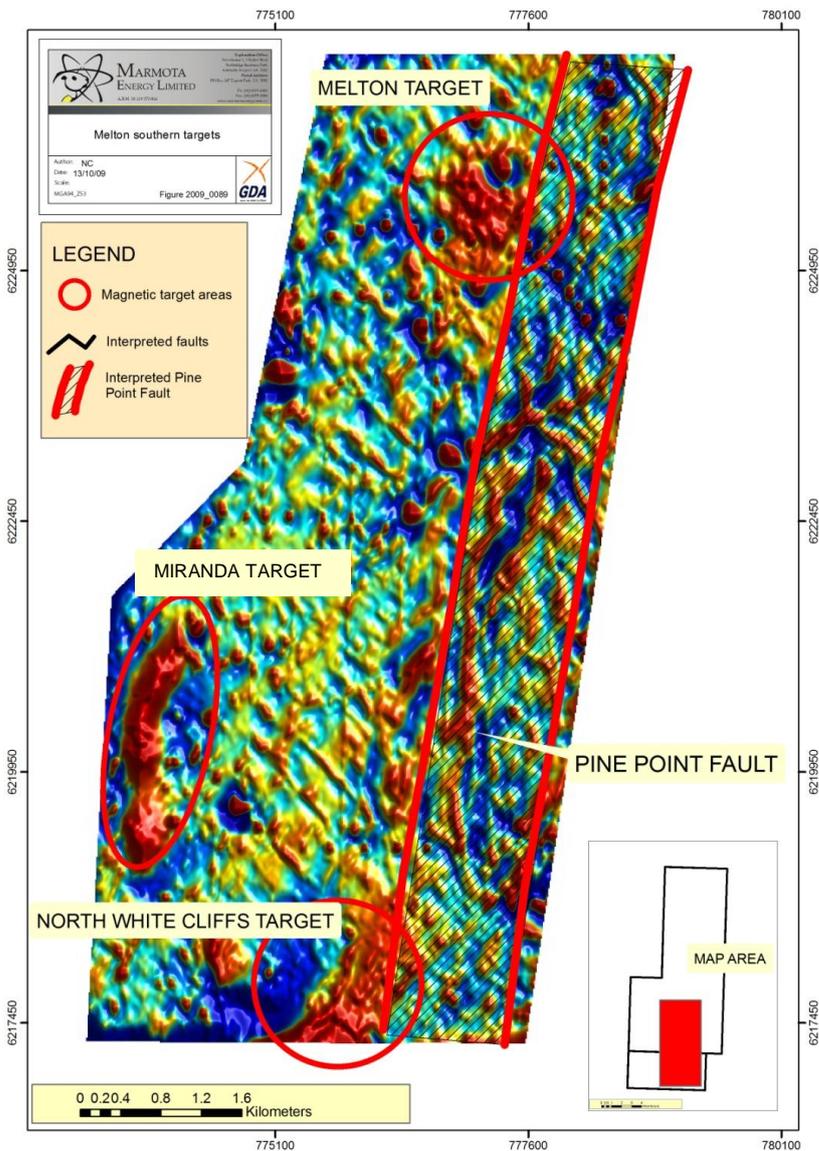


Figure 3. Reprocessed total magnetic intensity, Melton region.

50% earn-in achieved

During March 2010, Marmota Energy announced that it had moved to a 50% share of the Melton copper-gold project ('the project') on the northern Yorke Peninsula in South Australia.

Marmota satisfied the total earn-in commitment on the project early in the maiden drilling program and ahead of schedule, as part of its agreement with Monax Mining Limited (ASX: MOX).

Monax Mining has announced that it has elected to maintain its equity interest in the project and is contributing 50% to the costs of the maiden drilling program.

Drilling is proceeding well and is expected this phase of drilling to be completed in early May 2010. Preliminary results from analysis of the first drill holes completed are expected to be announced in early May 2010.

The new high resolution survey data better defines not only the five large individual anomalies in the Melton project area, but also better maps the northern extension of the Pine Point Fault, which runs for more than 15 kilometres through the entire extent of the project.

The largest of the five magnetic anomalies extends for more than 4 kilometres, with the smallest extending approximately 1.6 kilometres.

Further processing of this data has defined structural characteristics of each target zone. This was integrated with the detailed gravity data acquired in early 2010 and together, these datasets have assisted in finalising a maiden drill program testing the multiple anomalies.



Above. Drilling at 'Miranda' target on the Melton Project – Yorke Peninsula

Junction Dam uranium project

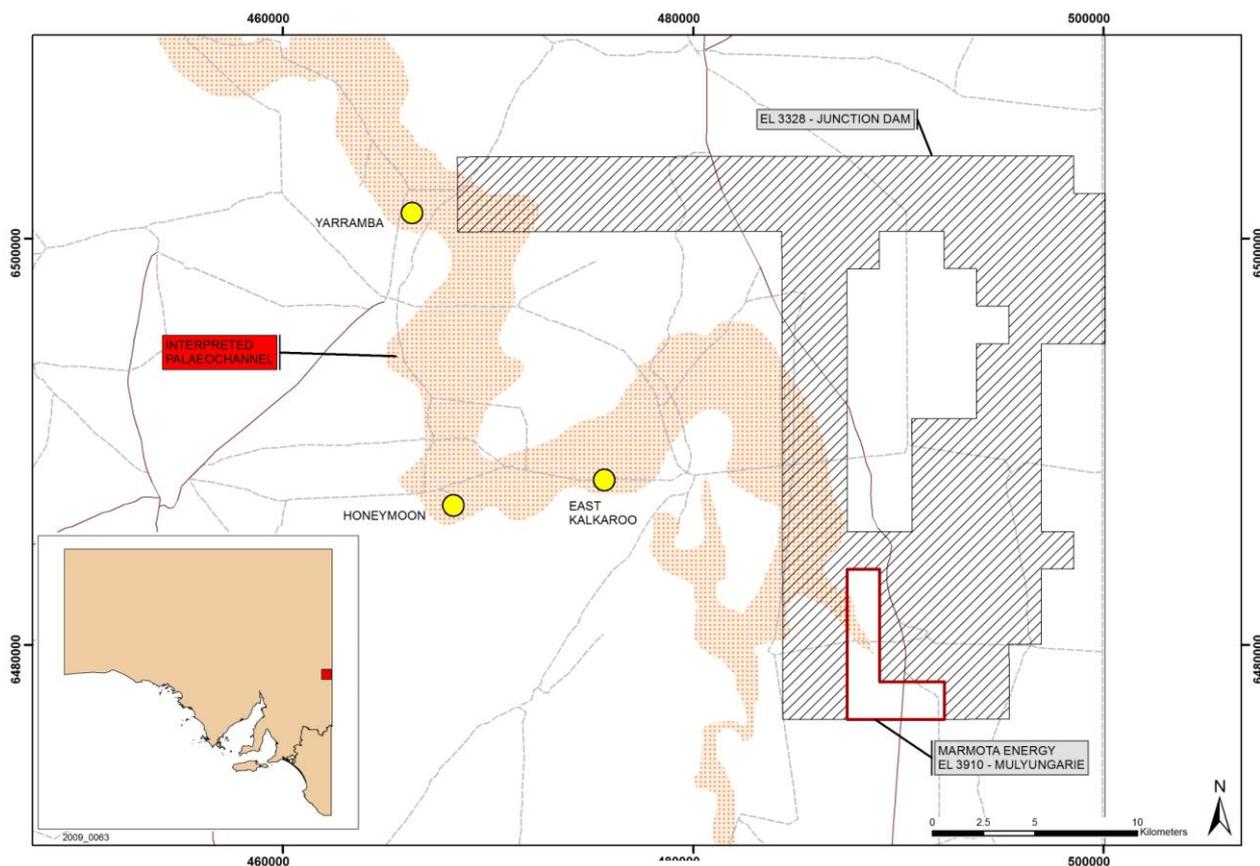
(Marmota earning 51% under JV Agreement with Teck Australia Pty Ltd (Teck), PlatSearch NL and Eaglehawk Geological Consulting Pty Ltd)

As reported previously, Marmota Energy Limited ('the Company') has earned a 30% interest in the high grade uranium prospect on the Junction Dam uranium project ('the project') in northeastern South Australia. On the project, Marmota has the right to earn a 51% interest in the uranium rights from Teck Australia Pty Ltd, PlatSearch NL (ASX: PTS) and Eaglehawk Geological Consulting Pty Ltd.

Marmota satisfied the first 30% earn-in commitment on the project as part of its agreement with Teck and its partners in the previous quarter. The Company is on track to achieve 51% interest in the uranium rights through its planned exploration expenditure in the first half of 2010.

Outstanding results were obtained from drill holes completed at Junction Dam as part of the Company's broad spaced maiden 20 hole reconnaissance drilling program. Downhole gamma readings indicating substantial uranium mineralisation of potential economic significance were returned from what has been interpreted as Eyre Formation carbonaceous and pyritic sands. These sands offer an ideal environment for sandstone hosted uranium. The Eyre Formation hosts the nearby Honeymoon Uranium Mine and Beverley Four Mile uranium project to the north of Junction Dam.

Multiple holes returned peak $eU_3O_8^*$ grades of more than 1000 ppm $eU_3O_8^*$. Outstanding high grade intercepts included peak grades of **3226 ppm** $eU_3O_8^*$ (13,040.8 counts per second) in hole JDRM0121, and **7551 ppm** $eU_3O_8^*$ (30,519.60 counts per second) in hole JDRM0118.

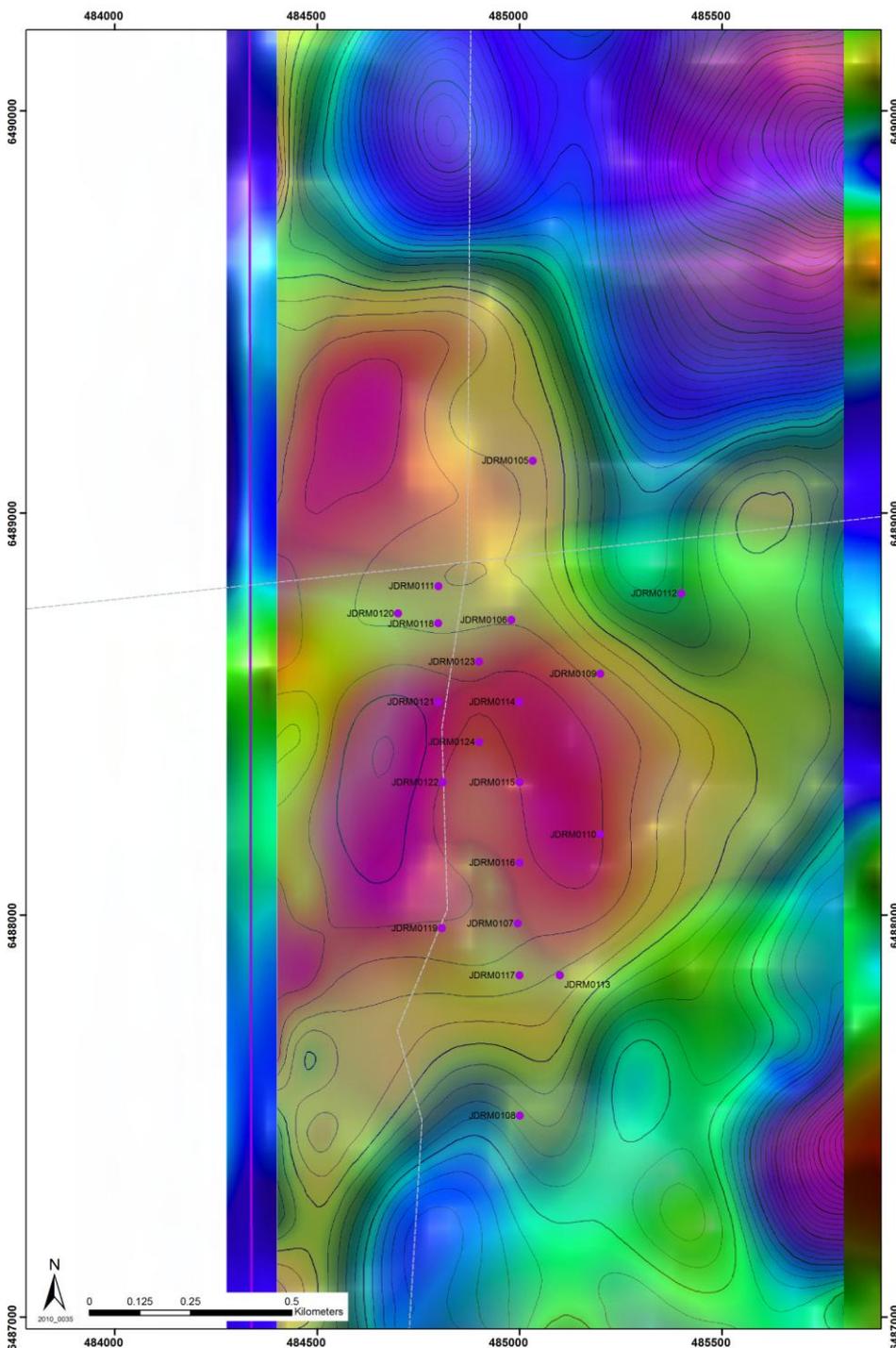


Junction Dam location map

*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.

An exciting greenfields uranium exploration discovery of this grade and nature has not been made in the region since 2006. The high grade results achieved from this maiden drilling program are extremely significant, confirming the Company's belief that mineralisation intercepted is analogous with the mineralisation model at the nearby Honeymoon Uranium Mine. Marmota is assessing the next stages of its exploration program to most effectively define the potential economic mineralisation at Junction Dam.

In preparation for the commencement of phase two drilling at Junction Dam, the company completed a high resolution ground electromagnetic survey during March 2010. The results of the survey when combined with other high resolution geophysical datasets (figure below) that Marmota have acquired over the project has further defined extensions to the target zones where drilling has previously confirmed mineralisation. Drill testing of these target zone extensions will be completed as part of the next phase of drilling scheduled to commence early May 2010.



Left: Conductivity colour filled contours draped over high resolution gravity. Conductive zones highlighted by yellow to pink colours, coincident with channel architectures mapped in previous Marmota surveys. Phase 1 drill hole positions, many of which intersected mineralisation, also shown.

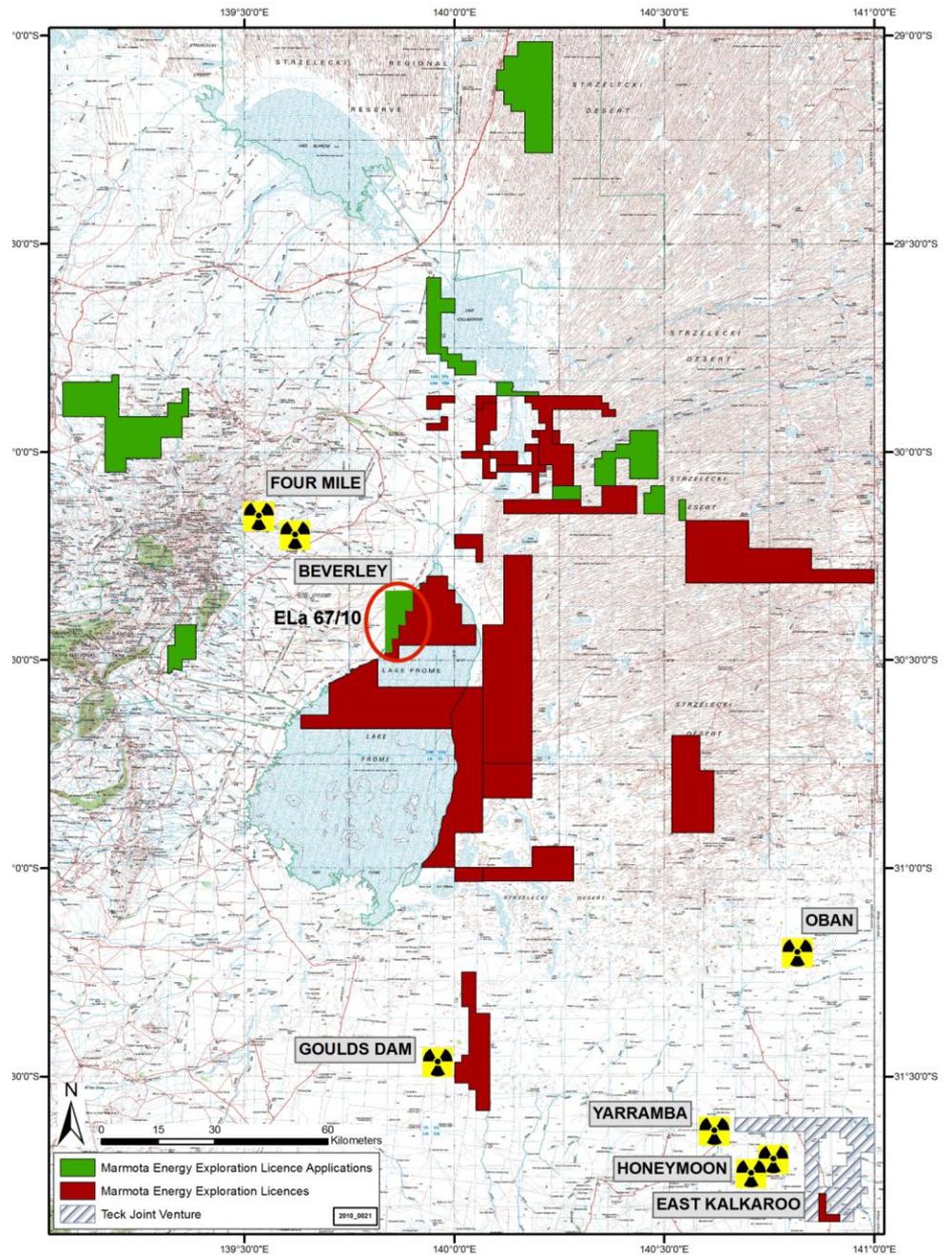
Lake Frome Uranium Projects

Marmota Energy Limited has moved to increase its exploration licence footprint in the highly prospective Lake Frome region in South Australia. The tenements contain the same package of sediments that hosts the nearby Beverley uranium mine and Four Mile deposit.

The Christmas Bore tenement (Ela 67/10) is considered by Marmota to be extremely prospective for uranium. The tenement is immediately adjacent to existing Marmota tenements over Lake Frome. Christmas Bore is approximately 25 km south east from the Beverley uranium mine and Four Mile development.

The new licences are 100% owned by Marmota and are considered to be just as prospective as Marmota's Junction Dam uranium project to the south.

Low cost ground radon surveys and sampling are planned to be carried out across the Lake Frome tenements during 2010.



Marmota Energy Lake Frome uranium projects in South Australia including new Ela 67/10 circled in red.

General

Project generation alliance with Ramelius Resources

During the last quarter Ramelius Resources (ASX: RMS) announced that it had executed a letter of acceptance with Miranda Gold Corp where RMS will have the right to earn a 60% interest in the Big Blue gold project in Nevada. The Big Blue project is considered highly prospective for large sediment hosted gold deposits. Surface sampling over the project has yielded significant gold anomalism that RMS intends to drill test later in 2010.

Under the terms of the previously announced project generation alliance with Ramelius, Marmota will be offered a 40% interest in the RMS rights under the agreement with Miranda.

Forward Program

Drill testing of IOCG potential targets at Melton commenced during this quarter and is expected to be completed early May 2010. Further definition of high grade uranium mineralisation on Junction Dam is planned to commence in May of 2010 and be completed in September 2010.

Marmota Energy Limited

Exploration Office:
Unit I, 5 Butler Blvd
Burbridge Business
Park, SA 5950

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

Timing	Project	Project
January 2010	Melton Junction Dam	<ul style="list-style-type: none"> Phase 2 ground gravity survey Infill ground magnetic survey Logging of drillhole samples Assessment of results
February - May 2010	Melton Junction Dam	Drill testing of anomalies commences
March 2010	Junction Dam	Ground EM survey
May - September 2010	Junction Dam	Phase 2 drilling to commence
June - July 2010	Melton	Assesment of results and planning of next phase of exploration



Mr Dom Calandro
MANAGING DIRECTOR

30 April 2010

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 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 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	(430)	(1,302)
(b) development	-	-
(c) production	-	-
(d) administration	(191)	(636)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	13	332
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
GST	48	(2)
Other	15	25
Net Operating Cash Flows	(545)	(1,583)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(93)	(103)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(4)	(7)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)		
Loans repaid to other entities	-	-
Net investing cash flows	(97)	(110)
1.13 Total operating and investing cash flows (carried forward)	(642)	(1,693)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(642)	(1,693)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	4,053
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	-	(192)
	Net financing cash flows	-	3,861
	Net increase (decrease) in cash held	(642)	2,168
1.20	Cash at beginning of quarter/year to date	11,257	8,447
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	10,615	10,615

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	154
1.24	Aggregate amount of loans to the parties included in item 1.10	4

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 and exploration costs reimbursed to a director related entity.

The amount at 1.24 above represents costs to be recovered in relation to shared facilities, from a related entity.

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

+ See chapter 19 for defined terms.

Note:

Estimated cash outflows for next quarter

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

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	396	348
5.2 Deposits at call	10,219	10,909
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	10,615	11,257

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			
6.2	Interests in mining tenements acquired or increased.	EL 44331 (formerly ELA 263/09) ELA 57/10 ELA 67/10	100% 0% 0%	100% 100% 100%

+ 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	149,909,490	149,909,490		
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>	28,000,000 290,000 400,000	- - -	<i>Exercise Price</i> \$0.40 \$0.04 \$0.1016	<i>Expiry Date</i> 11/07/12 23/12/13 5/03/15
7.8 Issued during quarter	400,000	-	\$0.1016	5/03/15
7.9 Exercised during quarter			<i>Exercise Price</i>	<i>Expiry Date</i>
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 ~~/does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Print name: Virginia Suttell..... Date:30/04/2010.....
(~~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.