ASX ANNOUNCEMENT

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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

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PHASE 2 DRILLING LAUNCHED AT MELTON COPPER-GOLD PROJECT, YORKE PENINSULA

- **Marmota has commenced Phase 2 drilling at the Melton copper – gold project on Yorke Peninsula, South Australia.**
- **Drilling will further explore the 'Miranda' target where copper was intercepted in two drill holes during the 2010 Phase 1 program.**
- **First holes to be drilled immediately west of Phase 1 mineralised holes, testing potential shallowing mineralised stratigraphy.**

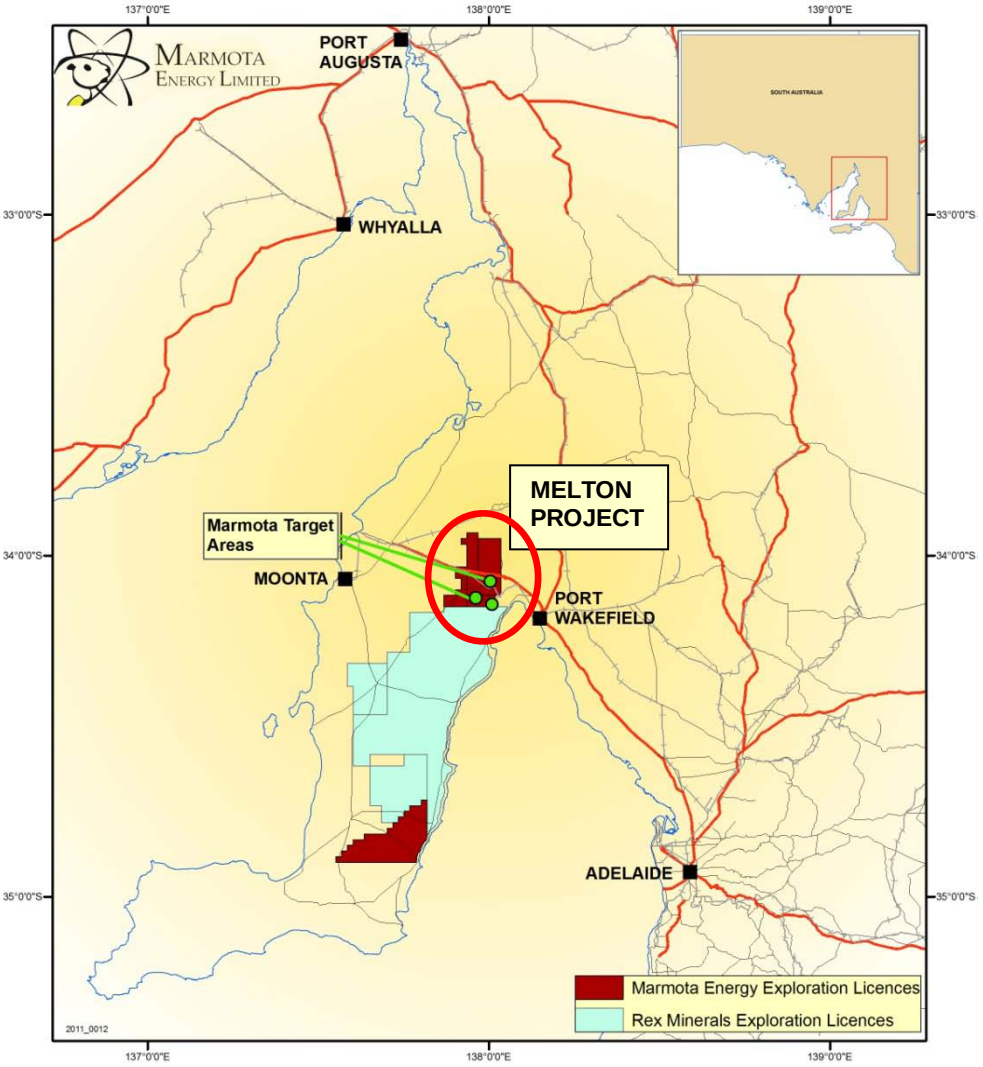

Figure 1. Melton project location diagram

Melton Copper Gold Project

Marmota Energy Limited (ASX: MEU) 50% under Melton JV Agreement with Monax Mining Limited (ASX: MOX)

Marmota Energy Limited and its joint venture partner Monax Mining Limited are pleased to announce the commencement of Phase 2 drill testing of the Miranda target at the Melton copper-gold project in South Australia. The Melton project is located on northern Yorke Peninsula and contains a 15km section of the highly prospective Pine Point Fault Zone (PPFZ – Figure 1).

Phase 1 drilling completed in early 2010 was designed to test for the presence of copper in the first three of five large scale untested targets identified on the project. Two drill holes including the first drill hole of the Phase 1 program intercepted broad zones of low grade copper with best grades achieved of up to 0.49% Cu in the Miranda target.

Rex Minerals' at the nearby Hillside deposit has defined an inferred resource of 170Mt @ 0.7% Cu and 0.2 g/t gold along the Pine Point Fault Zone.

Data from the Phase 1 program, particularly structural data collected from drill core, has contributed significantly to a clearer understanding of the Miranda target where copper mineralisation was intercepted. Drill holes in the 4km long Miranda target intersected copper mineralisation associated with an amphibole-magnetite-pyrite-chalcopyrite alteration system (Figure 2).

The first holes planned in the Phase 2 drilling will be aimed at testing interpreted shallowing stratigraphy to the west of drill holes MIRDD01 and MIRDD04 which intercepted copper mineralisation in Phase 1 (Figure 3).

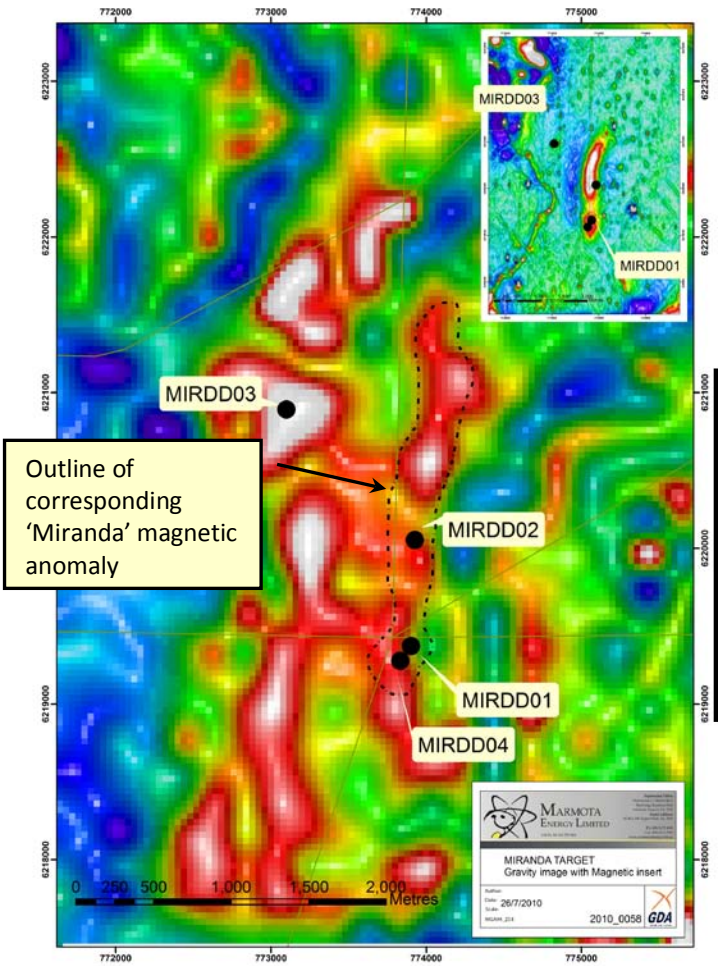

Figure 2. Miranda Target - Bouguer gravity anomaly with Phase 1 drill hole locations and coincident magnetic anomaly inset.

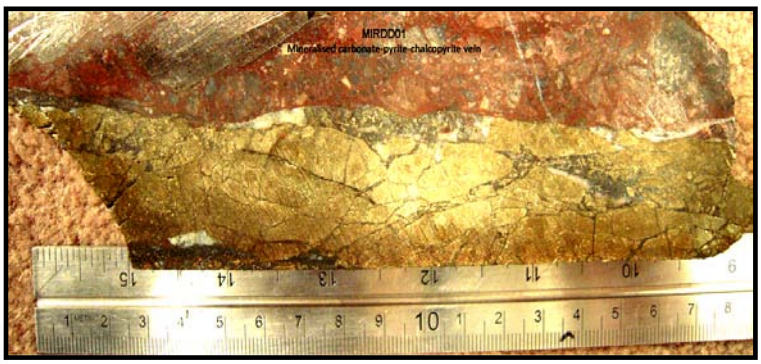

Figure 3: Example of copper mineralisation (chalcopyrite) observed in Miranda drill hole MIRDD01 during Phase 1 drilling.

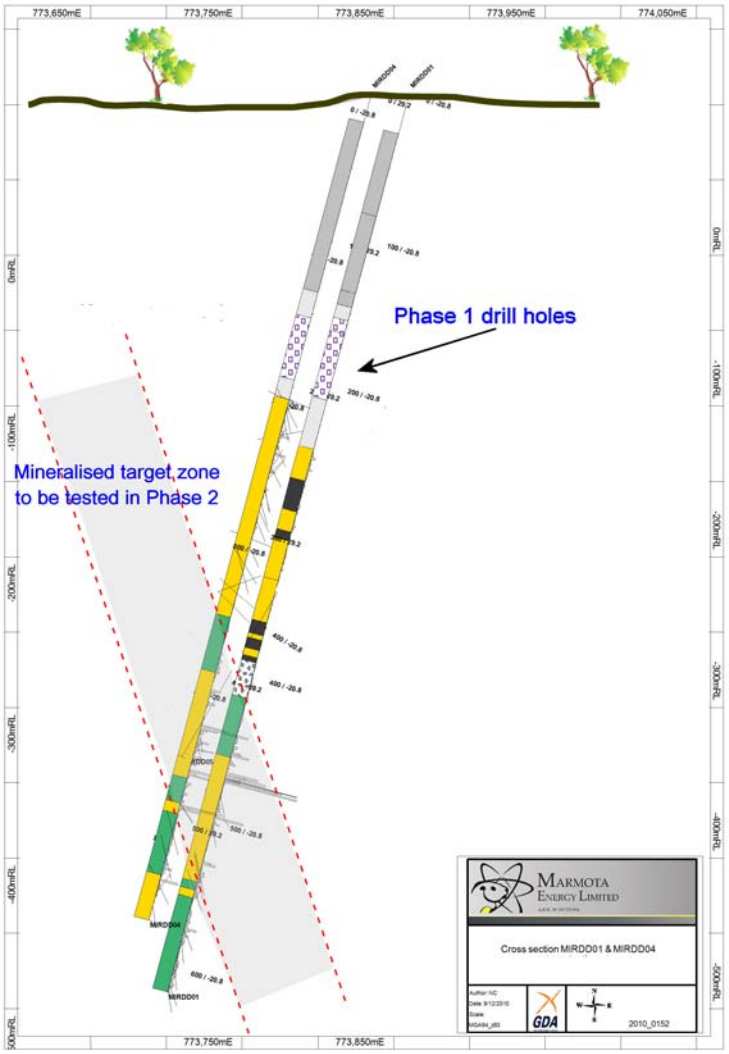

Figure 4. Cross section of Phase 1 MIRDD01 & MIRDD04 drill holes with extrapolated target shallowing to the west.

Five drill holes are planned as part of this follow up program to test the Miranda target. Phase 2 drilling is expected to take approximately 9 weeks to complete.

Marmota has completed access agreements with landholders within the target area, paving the way for the timely execution of its exploration program.

West Melton Copper-Gold Project (SA)

(Marmota Energy 100%)

Marmota has moved to increase its tenement footprint on Yorke Peninsula, obtaining a new tenement (EL 4648) immediately adjoining the Melton project 100% owned by Marmota (Figure 5).

Large NW-SE trending anomalies can be observed in the magnetic data crossing from the Melton project onto the new exploration licence area. The potential strike length of this significant anomaly is approximately 10 kilometres.

High resolution magnetic data acquisition is being planned to better define the characteristics of this anomaly outlined by the red dashed line. This new data may also improve the definition of regional structures partially covered by the northern part of the tenement. This large north easterly feature is known to host mineralisation elsewhere along its strike length.

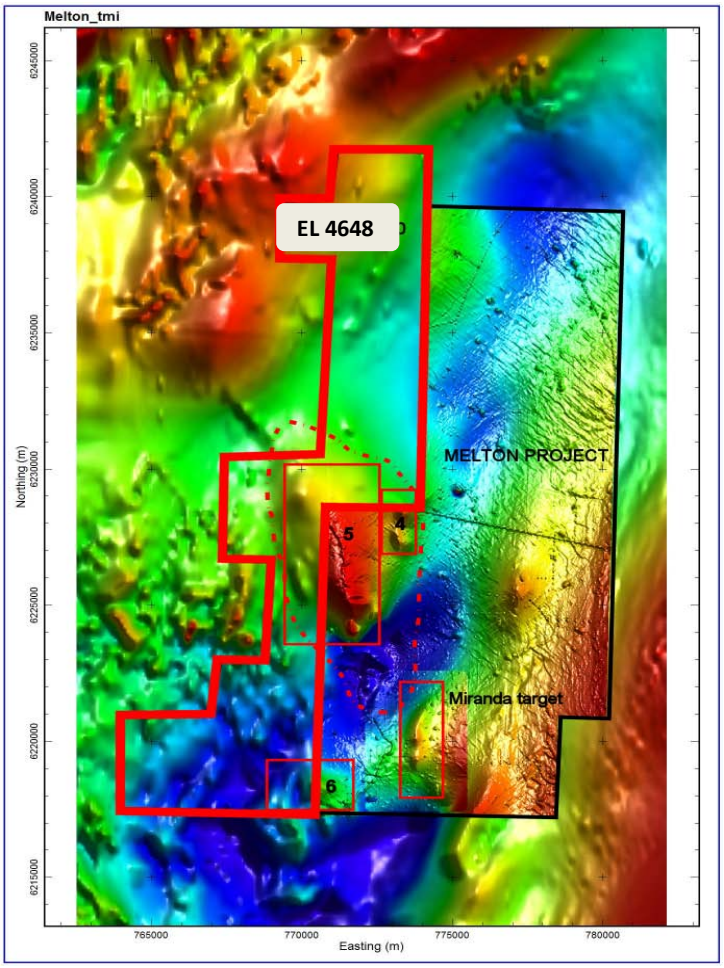

Figure 5: New exploration licence (EL 4648) immediately adjoining the Melton tenement.

Mr Dom Calandro
MANAGING DIRECTOR

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