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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HIGH GRADES OF URANIUM CONTINUE TO BE INTERSECTED BY DRILLING AT SAFFRON AND BRIDGET PROSPECTS – JUNCTION DAM

- **High grades up to 5538 ppm eU_3O_8 intersected.**
- **Significant expansion potential of uranium mineralisation in the 8km long 'Yolanda' target area confirmed from drilling.**
- **Uranium mineralisation now confirmed along a 15km strike at Junction Dam.**

Junction Dam uranium project

(Marmota 74.5% of uranium under JV Agreement with Teck Australia Pty Ltd (Teck), PlatSearch NL (ASX: PTS) and Eaglehawk Geological Consulting Pty Ltd)

Marmota Energy Limited (ASX: MEU) is pleased to announce that high grades of uranium mineralisation are continuing to be intersected in recent drilling at the Saffron and Bridget prospects at Junction Dam. Drilling has intersected high grades of uranium mineralisation ranging up to **5538 ppm** eU_3O_8 (Table 1).

The good results continue to be obtained during the Company's third phase drilling program. Downhole gamma readings indicating uranium mineralisation of potential economic significance are hosted in the Tertiary Eyre Formation sands. This formation also hosts the nearby Honeymoon Uranium Mine and the uranium-rich Beverley Four Mile project to the north of Junction Dam.

New drill holes completed at the Saffron and Bridget prospects have defined a consistent zone of mineralisation. The Company believes the Bridget drill holes define a new 4km long zone of mineralisation in addition to the existing 2 km strike length defined at Saffron.

Test holes were drilled at the Yolanda prospect to the south of where uranium mineralisation has been defined at the Saffron prospect (Figure 1). Uranium was intersected in the main part of the Yarramba Palaeochannel (highlighted by green dashed line) indicating an environment favorable for uranium mineralisation. Five test holes were completed at Yolanda with all holes intersecting prospective channel sands. Three drill holes returned significant grades of uranium mineralisation confirming the continuation of the channel system southward on the project. The Yolanda target zone is approximately four times the size of the Saffron prospect. **This extends the strike length of mineralisation defined at Junction Dam to approximately 15km.** The approximate strike length of the nearby Honeymoon uranium development is 1km.

The presence of mineralisation at Yolanda offers substantial expansion potential south of the existing 2 km long Saffron prospect. Marmota is delighted with these new results which add significantly to the current defined zones of uranium mineralisation within the Yarramba palaeochannel on the project.

The company believes that the confirmation of mineralisation to the north and south of the Saffron prospect is set to add significantly to uranium mineralisation inventories on the project.

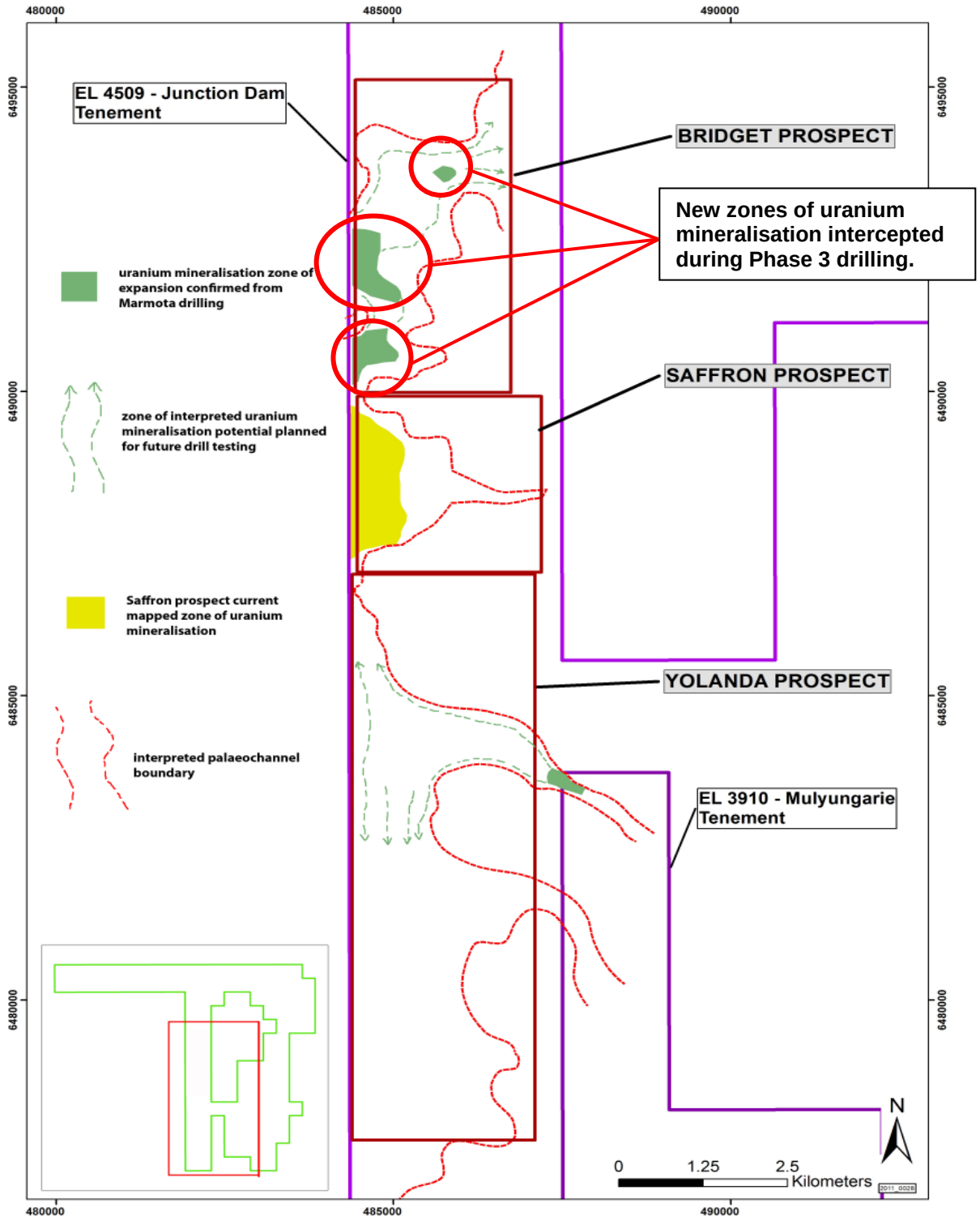

Figure 1: Junction Dam project schematic with areas of confirmed mineralisation highlighted. New zone of mineralisation highlighted on the Bridget prospect. Third zone of uranium potential highlighted on the Yolanda prospect for future drill testing.

HOLE ID	EASTING	NORTHING	DEPTH FROM (metres)	THICKNESS (metres)	AVERAGE GRADE eU3O8*(ppm)	PEAK GRADE eU3O8*(ppm)	GRADE THICKNESS m%eU3O8
BRRM002	484696	6491798	89.05	4.6	417.611	1530	0.192
BRRM001	484595	6491688	87.2	0.35	130.585	164	0.005
SARM052	484399	6489591	123.35	0.35	281.175	542	0.010
SARM099	484892	6489003	108.3	3.25	153.172	212	0.050
SARM098	484796	6489000	109.15	1.45	118.714	256	0.017
SARM096	484795	6489100	111.05	0.95	558.683	1987	0.053
			122.95	1.55	232.872	402	0.036
SARM094	484598	6489100	128.5	1	463.347	956	0.046
SARM092	484899	6489200	121.75	0.55	149.008	186	0.008
SARM090	484877	6489286	115.75	1.4	315.498	812	0.044
			120.55	1	174.814	379	0.017
SARM089	484796	6489297	124.7	0.65	174.512	306	0.011
SARM088	484686	6489298	128.45	0.7	277.815	444	0.019
SARM085	484899	6489399	69.45	0.55	107.908	133	0.006
SARM083	484696	6489500	122.4	1.05	281.821	702	0.030
SARM081	484494	6489499	122.6	1.45	1491.458	5538	0.216
SARM115	484649	6488695	128.65	0.35	135.582	182	0.005
SARM116	484748	6488601	123.95	3.05	563.694	3614	0.172
SARM117	484886	6488592	115.2	0.95	124.923	158	0.012
SARM105	484897	6488800	125.9	0.9	133.504	243	0.012
SARM106	484992	6488630	110.9	0.5	174.231	223	0.009
			119.2	0.9	153.333	210	0.014
SARM108	484997	6488231	117.7	0.95	203.962	300	0.019
			126.05	0.3	228.67	380	0.007
SARM113	485098	6488067	119.05	0.9	169.033	246	0.015
SARM112	485083	6488254	117.1	1.5	231.616	448	0.035
SARM111	485096	6488431	124.85	0.8	134.807	187	0.011
YORM002	484598	6479060	118.1	0.7	97.231	116	0.007
YORM004	484615	6478051	115.45	0.75	180.148	268	0.014
YORM001	485797	6482096	136.85	1.8	128.079	196	0.023

** Equivalent grades (eU_3O_8) from Borehole Wireline Pty Ltd gamma probe 3018, calibrated at Adelaide Test Pits. Dead time* 5.95913e -6 *, k factor 2.35474e-5, 108mm hole, water filled.*

Grade thickness greater than 0.015m%eU3O8

Grade thickness greater than 0.03m%eU3O8

Grade thickness greater than 0.045m%eU3O8

Table 1: Down hole gamma readings from continued drill testing of the Saffron, Bridget and Yolanda prospects in recent weeks of Phase 3 drilling. The widths shown are true widths.

About the Junction Dam uranium project

The Saffron prospect on Junction Dam was discovered by Marmota Energy in late 2009.

The project is strategically located less than an hour drive from the major regional centre of Broken Hill and is approximately ten kilometres from the Honeymoon uranium mine. Marmota has earned a 74.5% interest in

the uranium rights on this highly prospective project and is set to further increase its interest at the completion of the current phase of exploration.

Drilling completed in the 2010 Phase 2 program confirmed an extension to the size of the Saffron prospect to approximately 2km, open to the north and south. Geophysical exploration completed across the adjacent Bridget prospect to the north defined an additional 4km long zone of potential which has been drill tested in the current Phase 3 program.

From the results achieved to date Marmota believes that there is significant potential for further extension to the Saffron prospect and the discovery of additional zones of uranium in both the Bridget and Yolanda prospects on Junction Dam. **Drilling completed has now defined a zone of mineralisation that extends for approximately 15km.** The approximate strike length of the nearby Honeymoon uranium development is 1km.

Mr Dom Calandro
MANAGING DIRECTOR

20 July 2011