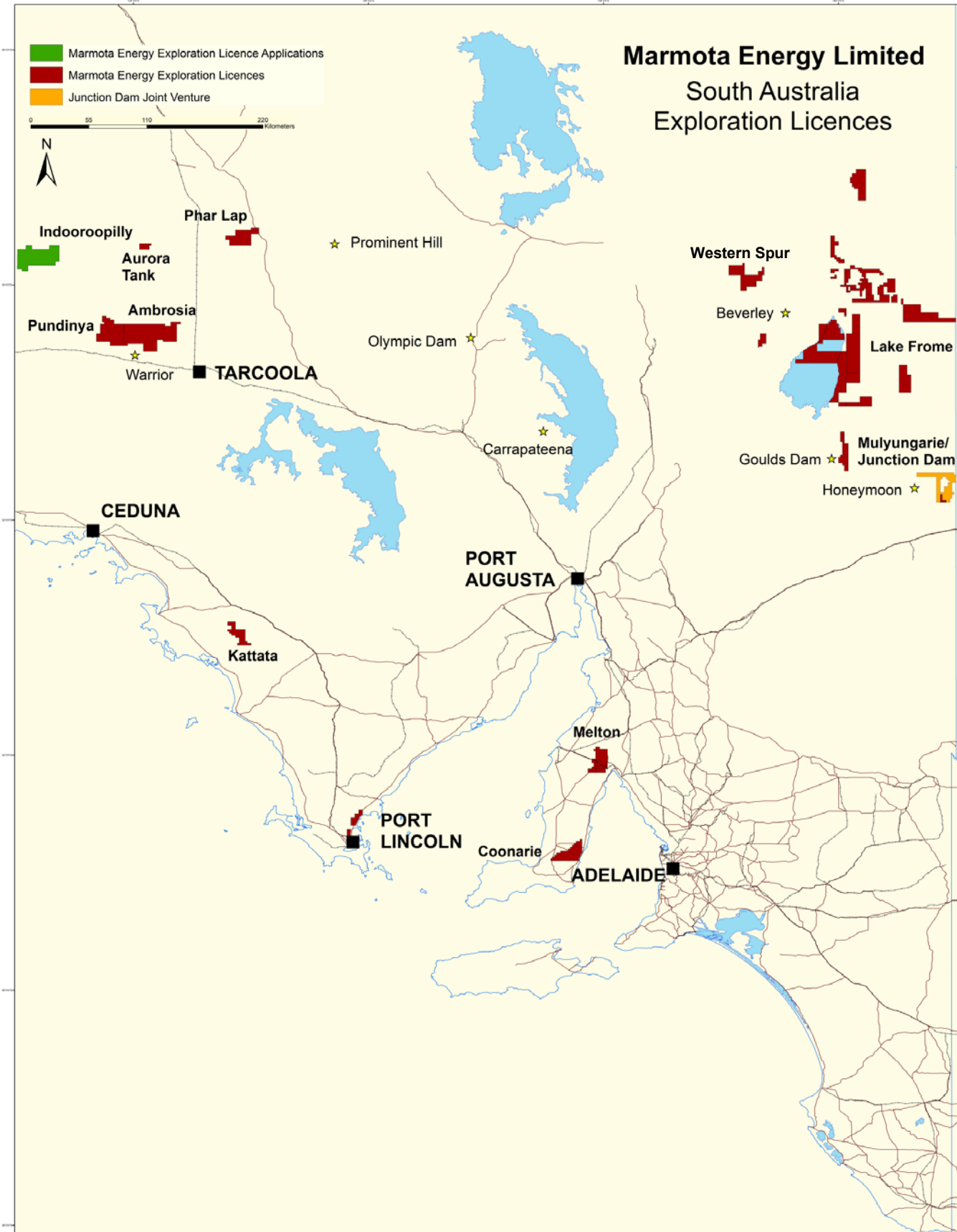




ASX RELEASE

Highlights

- **Junction Dam uranium project (SA- west of Broken Hill)**
 - Multiple targets defined for testing within the 5 km long 'Bridget' prospect at the Junction Dam uranium project.
 - Marmota set to further increase its ownership interest in the uranium rights at Junction Dam.
 - Phase 3 drilling scheduled to commence in April 2011. Results to further assist in Jorc resource definition.
- **Further significant iron ore and manganese results at Western Spur (SA – west of Lake Frome)**
 - Up to 58.94% Fe (haematite) returned from assay from continuous outcrop with low alumina and silica levels.
 - Up to 28.07% Mn rock chips.
 - Historic mine shafts discovered displaying visible iron mineralisation extending at depth.
- **Melton copper-gold project (Yorke Peninsula – SA)**
 - Marmota has commenced Phase 2 drilling at the Melton copper project on the Yorke Peninsula, South Australia.
 - Drilling will further test the 'Miranda' target where low grade copper was intercepted in two drill holes during the 2010 Phase 1 program.
 - Exploration tenure increase (EL 4648) adjacent to Melton 100% owned by Marmota Energy.
- **Drilling commenced at Big Blue gold project in Nevada (United States).**



Marmota Energy tenement locations



Review of Operations

Corporate Activities

In the March Quarter of 2011, the Company continued exploration across its high potential and strategic projects in South Australia. Marmota, through its Joint Venture with Ramelius Resources (ASX: RMS) commenced drill testing of potential carlin style gold mineralisation at the Big Blue gold project in Nevada, US.

At Junction Dam, multiple strong conductive zones have been mapped by a new EM survey, defining this part of the Yarramba Palaeochannel, which also hosts the nearby Honeymoon development. Drilling designed to assist in resource definition at Junction Dam's Saffron prospect and testing of new targets highlighted by the recently acquired ground EM data is scheduled to commence early in April 2011. At the Western Spur iron project, grades ranging up to **58.94% Fe**, and **28.07% Mn** were returned from samples covering three untested large scale outcrops. Marmota is continuing to focus its resources on a 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.

Finance

As at 31 March 2011, Marmota Energy had available funds of \$7.28 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 \$444 thousand.

Exploration Activities

Junction Dam uranium project (SA)

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

During the quarter Marmota Energy Limited completed additional ground electromagnetic (EM) surveys at Junction Dam in preparation for Phase 3 drilling planned to commence April 2011.

The ground EM survey was completed over the 5km long 'Bridget' prospect immediately to the north of the 'Saffron' prospect (Figure 1). Ground EM data played a significant role in drill target vectoring processes over Saffron where high grades of uranium have been intercepted by Marmota.

Multiple strong conductive zones have been mapped by the new EM survey, defining this part of the Yarramba Palaeochannel, which also hosts the nearby Honeymoon development. The EM data from the recently completed survey compares favorably to EM data previously acquired over the adjoining Saffron prospect. EM signatures returned from the depth of uranium mineralisation at the Saffron prospect are interpreted to be the same as at the Bridget prospect (Figure 2). This is considered very encouraging for significantly increasing the size of the current zone of mineralisation.

One hundred holes are planned for the Phase 3 drilling, scheduled to commence in the first weeks of April. Twenty of the drill holes will be used to test targets at the Bridget prospect, with the remaining holes to be utilised for expansion drilling at Saffron. The results will contribute to resource definition on the project.

Bridget is one of three additional areas considered by Marmota to be as prospective as the Saffron prospect for high grade uranium mineralisation.



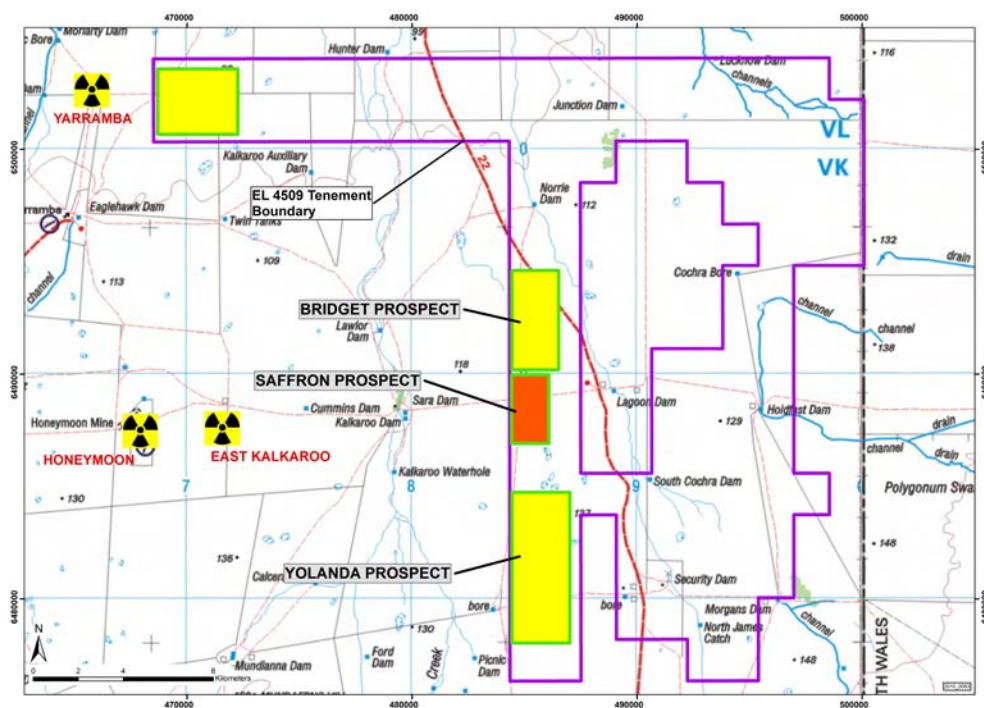


Figure 1: Target areas of high potential planned to be tested in phase 3

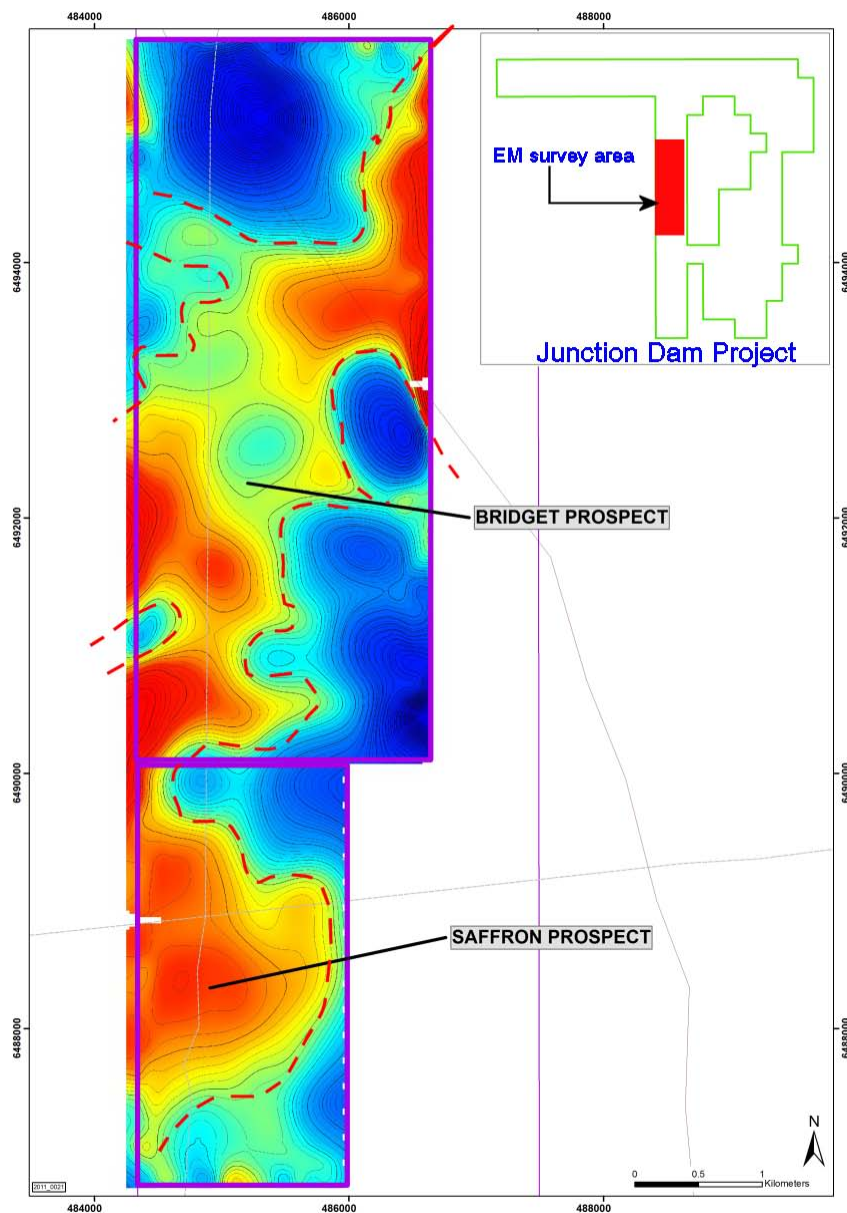


Figure 2: Ground EM survey result over Saffron and Bridget prospects. Interpreted palaeochannel outlined with red dash line.

Increase in ownership interest in the uranium rights of Junction Dam

Marmota has been notified by joint venture partners, Teck and its partners that they do not intend to contribute to the 2011, Phase 3 drilling program. Following planned expenditure on the Junction Dam project in 2011, Marmota is set to further increase its ownership interest in the uranium rights from the **current 74.5%** interest it holds in the joint venture.

Western Spur iron ore project (near Lake Frome, SA)

(100% Marmota Energy)

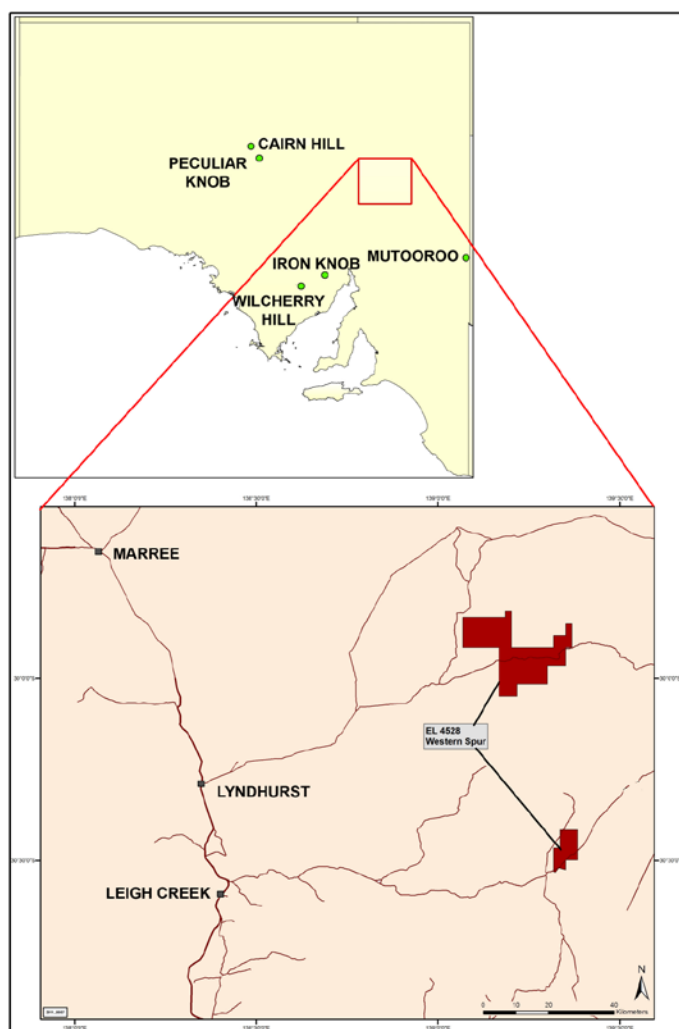
During the March quarter, significant assay results were returned from a follow up rock chip sampling program completed at its 100% owned Western Spur (EL 4528) project.

Western Spur is located approximately 60 km north west of Lake Frome in the north east of South Australia, covering approximately 393 square kilometres. The project is adjacent to Marmota's significant tenement position in the uranium rich Frome Embayment. Western Spur is considered to be prospective for both uranium and base metals.

Figure 3: EL 4528 locations (red areas) with Western Spur iron discovery area circled in red.



SA Iron ore projects



Grades ranging up to **58.94% Fe**, and **28.07% Mn** were returned from samples covering a further two untested outcrops (Table 1). Samples have now been obtained from outcropping units at locations 1, 4 and 6 (Figure 4). Outcrop at location 4 has a continuous strike length of approximately three kilometres.

A second sampling program was undertaken following the return of significant Fe assay results from rock chip sampling of haematite completed at outcrop 1 in January this year. All 25 samples taken under the initial program returned Fe grades greater than 52%. The second phase of sampling was designed to assess the potential of previously untested iron-rich outcrops. During the program several previously unknown historic mine shafts were discovered, showing iron mineralisation extending to approximately 25 metres in depth (Figure 6).

The grades of iron along with acceptable levels of deleterious factors (aluminium, silica, phosphorus and loss of ignition) are comparable to those in commercial iron ore operations.

This phase of the program was also designed to follow up on manganese exploration by Western Mining Corporation (WMC) in the early 1980's. WMC's exploration tested a very small percentage of the outcrops on the project and reported zones of mineralisation achieving greater than 30% Fe.

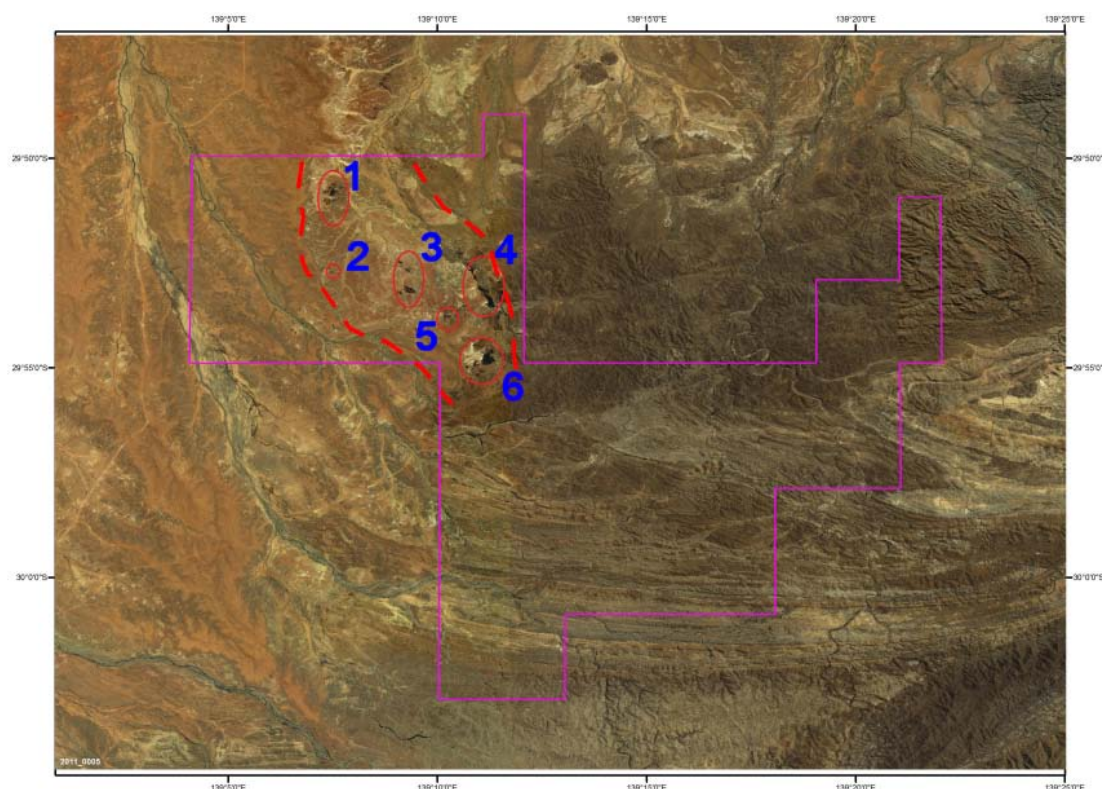
The project area has good access to road infrastructure with the potential mineralised outcrops occurring in gently undulating terrain facilitating good access.

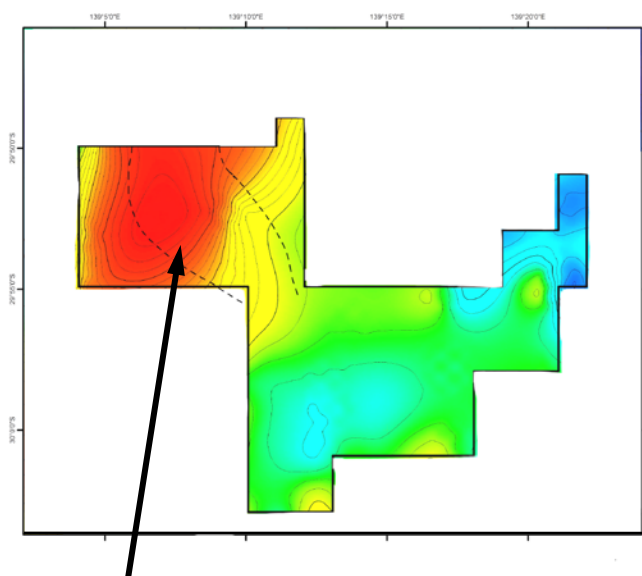
The initial results from Western Spur have demonstrated very good iron/manganese exploration potential for the project which also corresponds to a large regional gravity high.

Marmota plans to carry out geophysical surveys to better define the extent of potential iron and manganese mineralisation beneath the shallow sedimentary cover. **Regional broad spaced gravity coverage over the project displays a large gravity high over the target area (Figure 5). Gravity data can identify the presence of dense rocks such as haematite-goethite enrichments. High resolution infill gravity acquisition will be a priority for the project.**

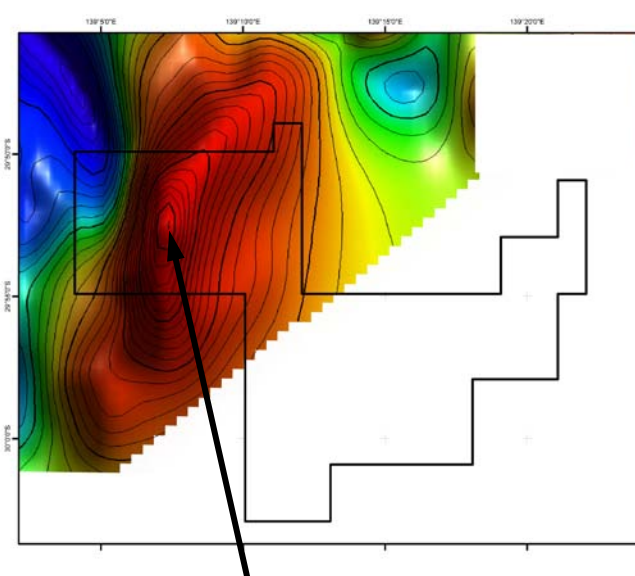
This data will be used to identify targets for drill testing.

Figure 4: Google Earth image of EL4528 with outcrop locations circled in red.





Western Spur broad spaced gravity data image. Zone with outcrops returning up to 59% Fe from assay coincide with gravity high.



Western Spur broad spaced Airborne EM. Conductivity anomaly coincident with gravity anomaly in zone of interest.

Figure 5: Bouguer gravity image of EL4528 (left) with Fe outcrop location zone bound by black dashed line. Colour infill gravity contours with high gravity zone defined by red and yellow. Red and yellow areas signify dense rock. Coincident conductive anomaly from broad spaced airborne EM data (right).



Figure 6: Photograph of historic mine shaft with visible iron mineralisation extending to depth at outcrop 4.

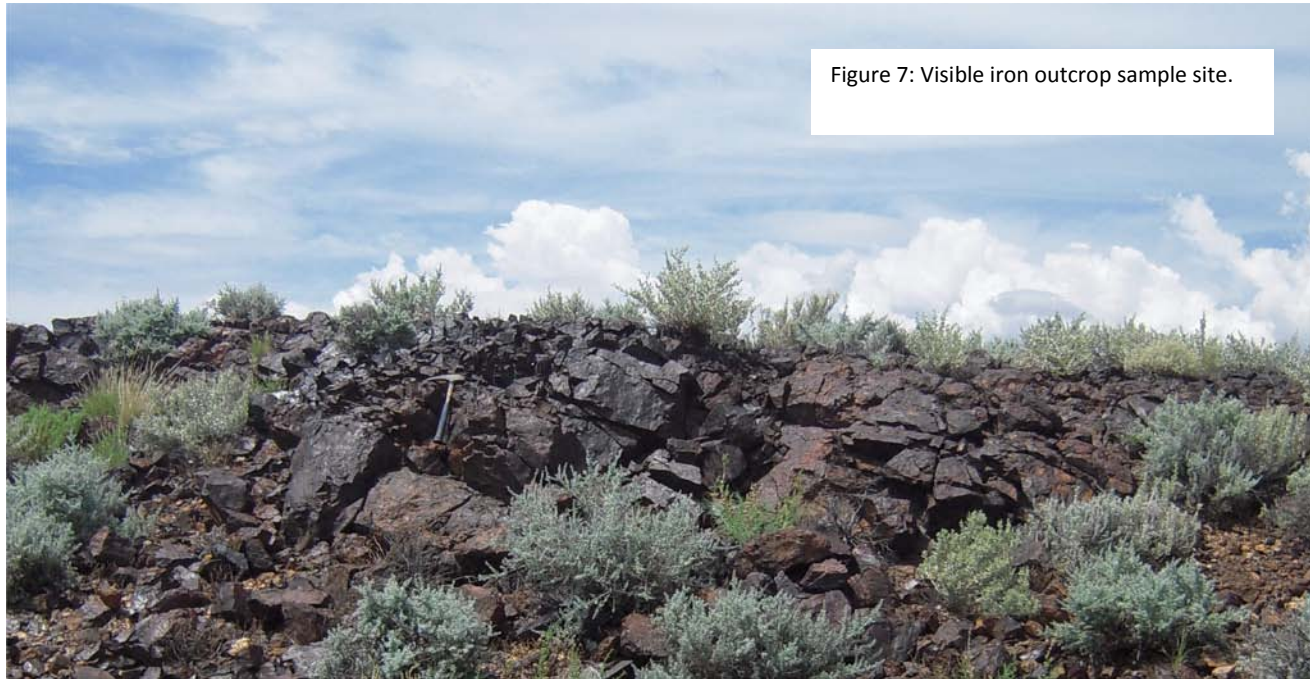


Figure 7: Visible iron outcrop sample site.

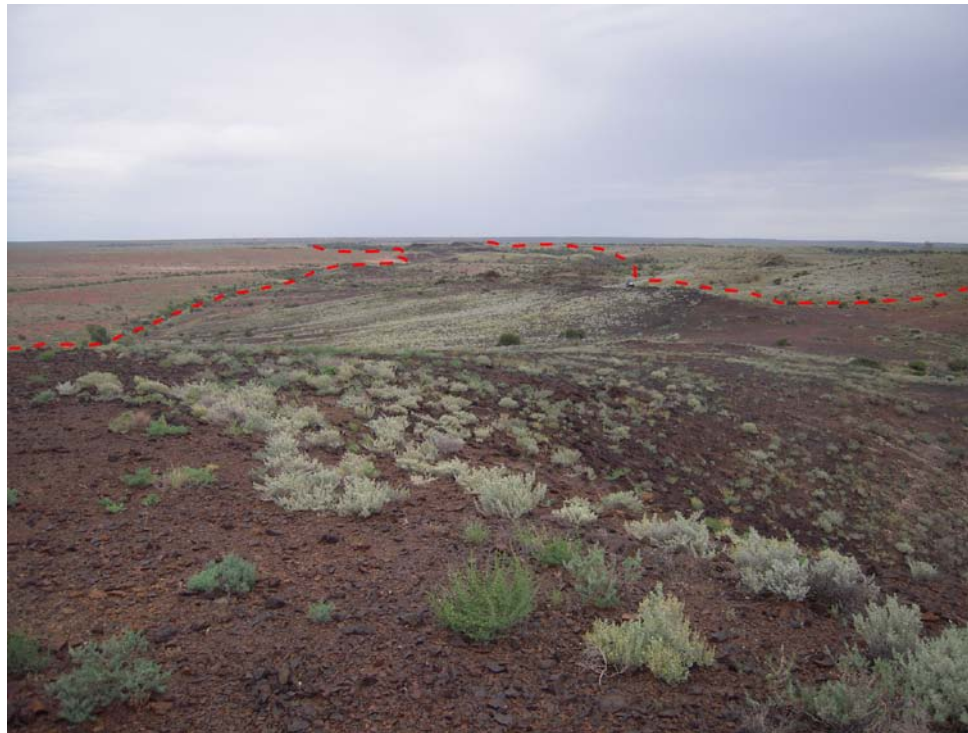


Figure 8: Photograph from top of outcrop 4 extending for approximately 3 kilometres into the distance highlighted by red dash line.



Figure 9: Photograph of manganese outcrop sampled during this phase.

| SAMPLE ID | EASTING | NORTHING | Al ₂ O ₃ % | Fe ₂ O ₃ % | Fe % | K ₂ O % | LOI % | Mn % | P % | SO ₃ % | SiO ₂ % |
|-----------|---------|----------|----------------------------------|----------------------------------|-------|--------------------|-------|-------|------|-------------------|--------------------|
| 47801 | 324313 | 6693368 | 0.79 | 74.92 | 52.39 | 0.06 | 12.89 | 1.45 | 0.33 | 0.22 | 2.98 |
| 47802 | 324300 | 6693277 | 0.65 | 79.58 | 55.65 | 0.04 | 11.58 | 2.11 | 0.33 | 0.192 | 2.85 |
| 47803 | 324249 | 6693244 | 1.79 | 63.5 | 44.41 | 0.19 | 14.46 | 0.88 | 0.31 | 0.738 | 5.22 |
| 47804 | 324372 | 6693107 | 0.66 | 67.36 | 47.10 | 0.13 | 12.25 | 9.62 | 0.45 | 0.23 | 2.12 |
| 47805 | 324390 | 6693056 | 0.96 | 39.65 | 27.73 | 0.43 | 13.51 | 27.40 | 0.26 | 0.165 | 2.43 |
| 47807 | 324604 | 6692564 | 1.15 | 78.97 | 55.22 | 0.15 | 11.36 | 2.30 | 0.59 | 0.184 | 2.75 |
| 47808 | 324663 | 6692488 | 1.41 | 61.37 | 42.92 | 0.26 | 12.56 | 12.98 | 0.39 | 0.161 | 3.63 |
| 47809 | 324903 | 6692446 | 1.21 | 42.21 | 29.52 | 0.24 | 13.12 | 28.07 | 0.31 | 0.13 | 1.85 |
| 47810 | 324927 | 6692395 | 0.83 | 51.31 | 35.88 | 0.1 | 15.52 | 13.76 | 0.69 | 0.442 | 3 |
| 47811 | 324862 | 6692261 | 0.73 | 67.79 | 47.41 | 0.07 | 14.67 | 3.38 | 0.38 | 0.285 | 2.22 |
| 47812 | 324913 | 6692235 | 0.65 | 68.73 | 48.06 | 0.08 | 14.32 | 4.25 | 0.26 | 0.085 | 2.54 |
| 47813 | 324918 | 6692127 | 0.96 | 78.05 | 54.58 | 0.13 | 11.58 | 3.44 | 0.32 | 0.157 | 2.53 |
| 47814 | 324954 | 6692155 | 0.74 | 67.73 | 47.36 | 0.09 | 11.86 | 11.39 | 0.32 | 0.074 | 1.88 |
| 47815 | 325037 | 6692081 | 0.8 | 61.04 | 42.69 | 0.15 | 12.19 | 15.73 | 0.34 | 0.179 | 2.05 |
| 47816 | 325072 | 6691981 | 0.56 | 82 | 57.34 | 0.01 | 11.24 | 0.52 | 0.43 | 0.536 | 3.32 |
| 47817 | 325093 | 6691902 | 0.65 | 67.51 | 47.21 | 0.34 | 11.71 | 9.74 | 0.36 | 0.22 | 2.59 |
| 47818 | 325117 | 6691909 | 0.88 | 75.77 | 52.99 | 0.12 | 11.71 | 4.85 | 0.43 | 0.216 | 2.35 |
| 47819 | 325051 | 6691899 | 0.69 | 73.17 | 51.17 | 0.08 | 13.05 | 2.26 | 0.41 | 0.257 | 2.7 |
| 47820 | 325087 | 6691807 | 0.98 | 70.17 | 49.07 | 0.18 | 12.1 | 8.20 | 0.40 | 0.169 | 2.08 |
| 47821 | 325128 | 6691804 | 0.81 | 68.86 | 48.15 | 0.16 | 11.73 | 10 | 0.42 | 0.111 | 2.15 |
| 47822 | 325003 | 6691782 | 0.75 | 60.88 | 42.57 | 0.18 | 14.41 | 9.13 | 0.31 | 0.253 | 2.17 |
| 47823 | 324968 | 6691727 | 0.5 | 52.79 | 36.92 | 0.05 | 17.66 | 4.19 | 0.45 | 0.321 | 1.63 |
| 47824 | 325081 | 6691771 | 0.58 | 73.63 | 51.49 | 0.09 | 11.22 | 4.48 | 0.67 | 0.188 | 2.49 |
| 47825 | 325122 | 6691780 | 1.15 | 60.91 | 42.59 | 0.31 | 12.66 | 13.43 | 0.44 | 0.082 | 2.4 |
| 47828 | 323917 | 6694124 | 2.01 | 61.44 | 42.97 | 0.36 | 13.13 | 4.87 | 0.49 | 0.656 | 6.9 |
| 47829 | 323877 | 6694055 | 0.79 | 52.6 | 36.78 | 0.41 | 14.52 | 16.18 | 0.46 | 0.087 | 1.92 |
| 47830 | 323800 | 6694020 | 1.01 | 41.34 | 28.91 | 0.4 | 17 | 15.46 | 0.35 | 0.978 | 2.74 |
| 72026 | 325175 | 6689499 | 1.04 | 54.81 | 38.33 | 0.12 | 15.14 | 9.96 | 0.42 | 0.315 | 2.47 |
| 72027 | 325120 | 6689483 | 0.57 | 67.11 | 46.93 | 0.02 | 15.47 | 1.66 | 0.29 | 0.309 | 1.91 |
| 72028 | 325095 | 6689457 | 0.85 | 56.31 | 39.38 | 0.06 | 15.31 | 10.79 | 0.36 | 0.202 | 1.95 |
| 72029 | 325032 | 6689463 | 0.68 | 65.21 | 45.6 | 0.07 | 13.94 | 5.34 | 0.55 | 0.236 | 1.99 |
| 72030 | 325033 | 6689528 | 0.66 | 51.14 | 35.76 | 0.19 | 17 | 8.93 | 0.34 | 0.403 | 2.61 |
| 72031 | 324981 | 6689559 | 0.92 | 67.6 | 47.27 | 0.1 | 10.61 | 10.41 | 0.27 | 0.087 | 2.2 |
| 72032 | 324958 | 6689625 | 1.71 | 79.73 | 55.76 | 0.21 | 11.35 | 1.11 | 0.34 | 0.141 | 3.38 |
| 72033 | 324866 | 6689597 | 0.47 | 84.28 | 58.94 | 0.01 | 11.1 | 0.38 | 0.34 | 0.088 | 2.05 |
| 72034 | 324862 | 6689522 | 0.56 | 82.7 | 57.83 | X | 11.32 | 0.37 | 0.48 | 0.131 | 1.98 |
| 72035 | 324875 | 6689459 | 0.57 | 83.79 | 58.59 | 0.01 | 11.4 | 0.22 | 0.35 | 0.129 | 2.29 |
| 72036 | 324955 | 6689462 | 0.8 | 64.56 | 45.15 | 0.14 | 12.55 | 12.64 | 0.38 | 0.147 | 1.65 |
| 72037 | 324214 | 6689015 | 0.68 | 75.34 | 52.69 | 0.06 | 10.56 | 1.73 | 0.37 | 0.515 | 8.2 |
| 72038 | 324203 | 6689039 | 1.14 | 73.74 | 51.57 | 0.1 | 11.01 | 1.61 | 0.27 | 0.3 | 8.87 |
| 72039 | 324461 | 6689189 | 0.43 | 59.86 | 41.86 | 0.04 | 14.65 | 4.61 | 0.52 | 0.294 | 2.56 |
| 72040 | 324517 | 6689277 | 1.1 | 54.69 | 38.24 | 0.07 | 17.03 | 4.45 | 0.47 | 0.264 | 3.26 |
| 72041 | 324637 | 6689308 | 0.76 | 55.83 | 39.04 | 0.17 | 13.21 | 11.61 | 0.92 | 0.6 | 2.38 |
| 72042 | 324767 | 6689350 | 0.55 | 64.76 | 45.29 | 0.03 | 15.39 | 1.58 | 0.59 | 0.26 | 2.64 |

| | | | | | | | | | | | |
|--------------|--------|---------|------|-------|--------------|------|-------|--------------|------|-------|------|
| 72043 | 324861 | 6689299 | 1.42 | 75.66 | 52.91 | 0.18 | 11.29 | 3.51 | 0.49 | 0.154 | 2.96 |
| 72044 | 324967 | 6689311 | 0.7 | 54.03 | 37.78 | 0.33 | 12.87 | 20.05 | 0.36 | 0.053 | 1.72 |
| 72045 | 325070 | 6689236 | 1.42 | 53.7 | 37.55 | 0.53 | 12.71 | 17.66 | 0.73 | 0.206 | 3.09 |
| 72046 | 324771 | 6691728 | 0.64 | 81.22 | 56.80 | 0.02 | 11.49 | 0.54 | 0.32 | 0.363 | 4.13 |
| 72047 | 324848 | 6691829 | 0.68 | 83.8 | 58.60 | 0.08 | 10.87 | 0.66 | 0.30 | 0.563 | 1.59 |
| 72048 | 324883 | 6691851 | 0.64 | 81.41 | 56.93 | 0.1 | 11.53 | 0.54 | 0.37 | 0.408 | 2.45 |
| 72049 | 324156 | 6693364 | 0.87 | 54.4 | 38.04 | 0.18 | 17.23 | 6.87 | 0.25 | 0.385 | 2.06 |
| 72050 | 324203 | 6693361 | 0.92 | 61.31 | 42.87 | 0.09 | 14.78 | 5.24 | 0.35 | 0.473 | 2.58 |

'X': denotes below detection limits.

Table 1: Table of assay results from Phase 2 sampling program.

Big Blue Gold Project (Nevada –US)

(Ramelius Resources (ASX: RMS) + Marmota Energy Limited (ASX: MEU) earning 70%)

In early March 2011, drill testing of the Big Blue gold project in Nevada had commenced ahead of schedule.

On the Big Blue gold project Marmota can earn 40% of Ramelius' equity in the project through incremental contributions over four years. Ramelius will have the right to earn 70% in the Big Blue gold project.

The Big Blue project is located in central Nevada and represents a largely unexplored exposed sequence of gold anomalous carbonate rich sedimentary rocks. This sequence is highly prospective for structurally controlled Carlin-Type, sediment hosted gold deposits.

The area to be tested with this first phase of drilling contains soils with gold values from non-detectable to a high of 0.850 g Au/t and rocks with gold values from non-detectable to a high of 58.2 g Au/t. Historic drilling from three holes in the area intersected 6.1 m of 0.240 g Au/t, 1.5 m 1.10 g Au/t, and 3 m of 2.44 g Au/t. Inferred northerly trending controls to mineralisation are indicated by local disrupted bedding, brecciation, oxidation, quartz veins, silicification, and structurally controlled jasperoid.

Three holes are planned, designed to test across strike of a strong NE-SW structural fabric and lithologic trend, comprising strongly sheared, multiple upper plate facies. The proposed geological model suggests that as the holes penetrate below the upper plate sequence, they will test for the presence of favourable lower plate rocks that may host Carlin-Style gold mineralisation.

The structural fabric may also potentially host shallower high grade gold feeders which may be stand-alone targets above the lower plate. The three holes are planned as a fence across the upper and lower target zones as indicated by alteration and previously completed exploration.



Figure 10: Angel Wing and Big Blue projects location map

Melton Copper-Gold Project (SA)

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

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

Phase 1 drilling completed early in 2010 tested 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.

Data from the Phase 1 program, particularly structural data collected from drill core has contributed significantly to providing 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.

The first holes planned in Phase 2 drilling will be aimed at testing shallowing stratigraphy to the west of drill holes MIRDD01 and MIRDD04 which intercepted copper mineralisation in Phase 1 (Figure 12).

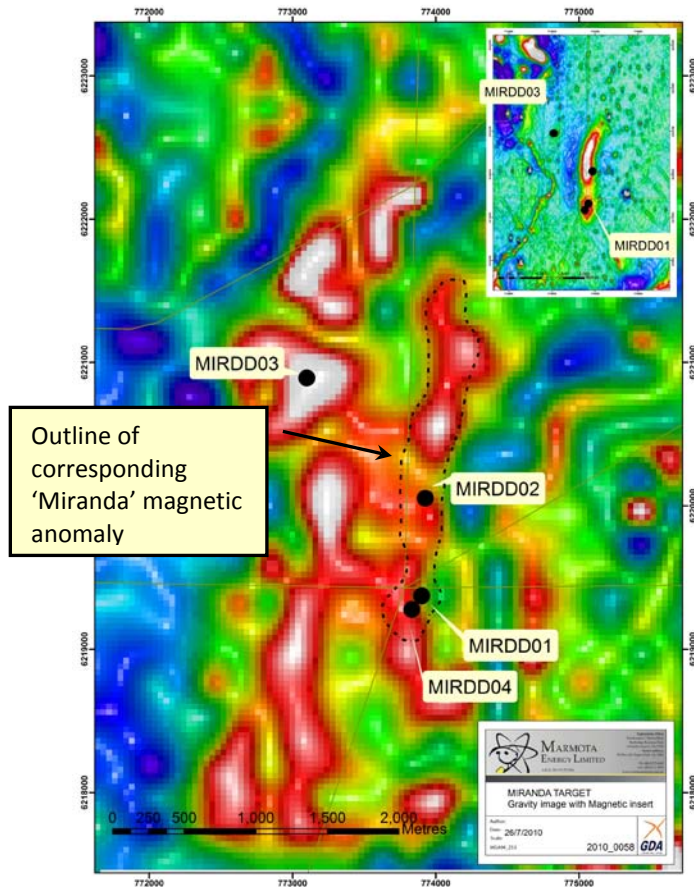


Figure 11: Miranda Bouguer gravity anomaly with drill hole locations and coincident magnetic anomaly inset.

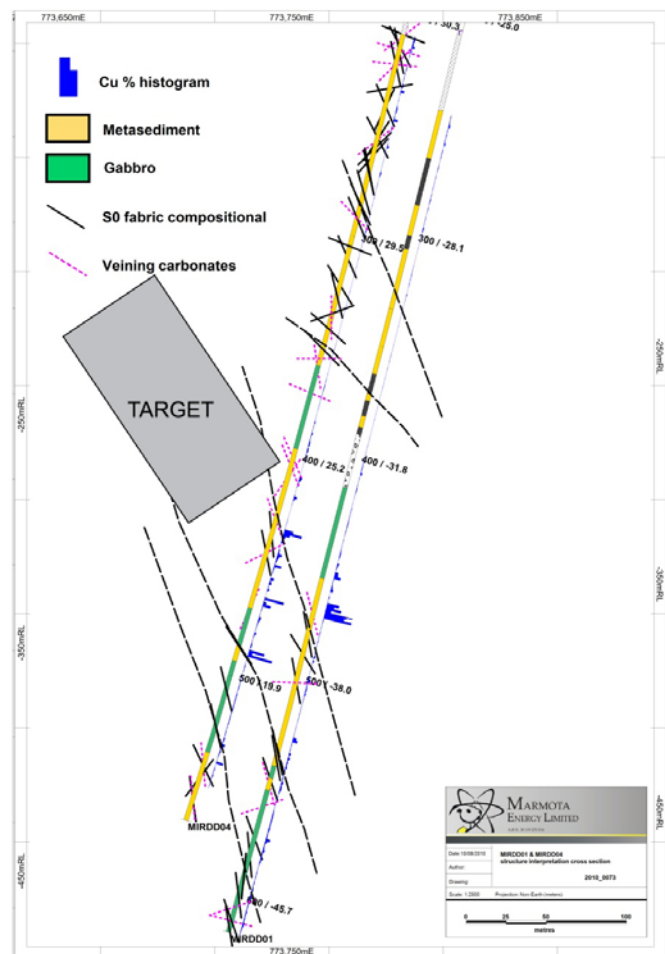


Figure 12. Cross section of Phase 1 MIRDD01 & MIRDD04 drill holes with extrapolated target shallowing to the west.

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.

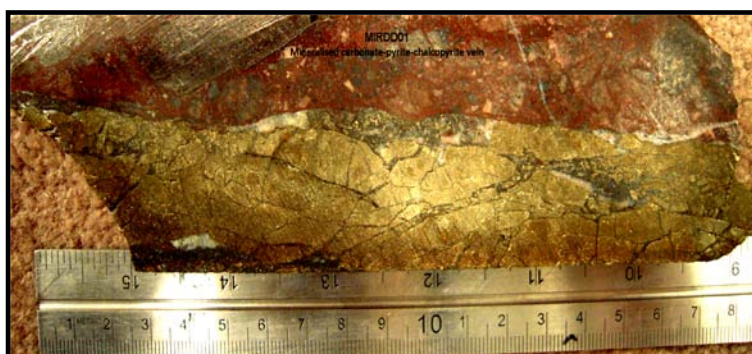


Figure 13: Example of copper mineralisation (chalcopyrite) observed in Miranda drill hole MIRDD01 during Phase 1 drilling.

West Melton Copper-Gold Project (SA)

(Marmota Energy 100%)

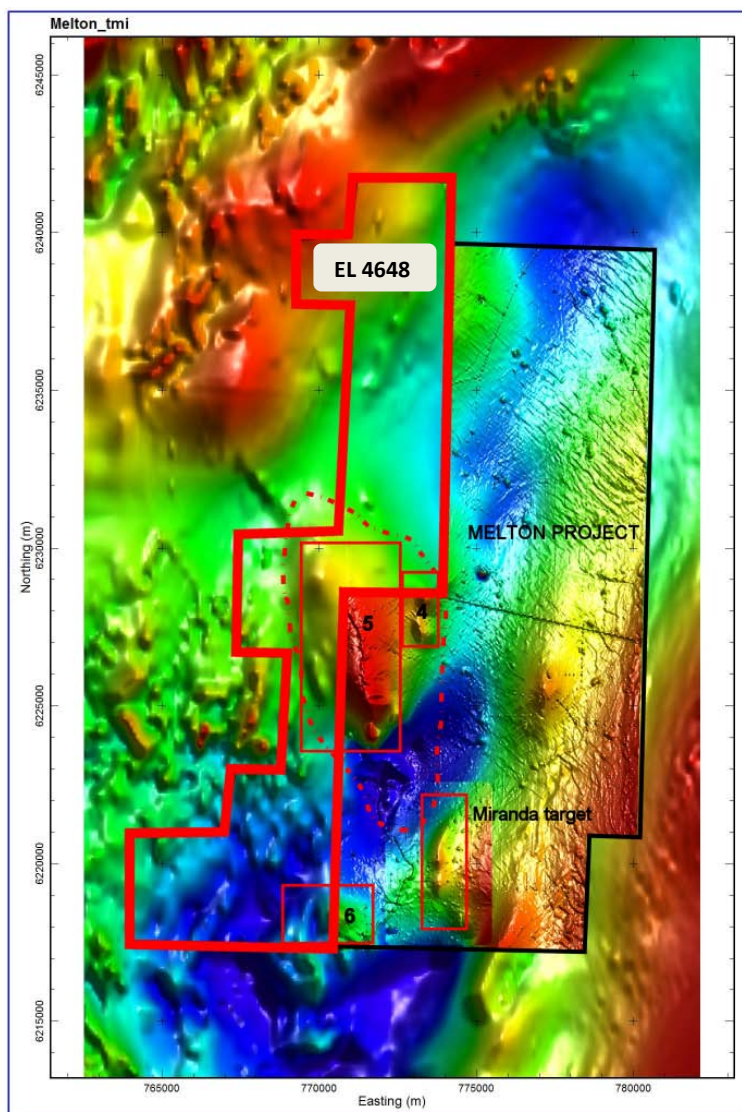
Marmota has moved to increase its tenement footprint on Yorke Peninsula, obtaining a new tenement (EL 4648) immediately adjoining the Melton project 100% owned by Marmota (Figure 14).

Large north westerly 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 extends for approximately 10 kilometres.

High resolution magnetic data acquisition is scheduled to commence in mid May 2011 (area highlighted by red boundary). It is anticipated that this new data will better define features 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 14: New exploration licence (EL 4648) immediately adjoining the Melton tenement. Large magnetic anomalies trending to the north-west contain targets 4 and 5 planned to be tested in future phases of drilling.

EL 4648 is 100% owned by Marmota.



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**

Proposed Forward Program

Drilling is underway at the Melton copper – gold project where broad zones of low grade copper were intercepted by Marmota during Phase 1 in early 2010,

Ground EM surveys were completed at Junction Dam over the 'Bridget Target'. The results will be utilised for planning processes in preparation for Phase 3 drill testing planned to commence early April 2011.

| Timing | Project | Project |
|------------------------|--------------------------|---|
| December 2010 | Melton | Downhole geophysical logging of MIRDD01 and MIRDD04 |
| January 2011 | Melton | Processing of Downhole geophysical logging of MIRDD01 and MIRDD04 |
| January 2011 | Junction Dam | <ul style="list-style-type: none"> 'Bridget' target ground EM Assessment of 'Saffron' exploration results |
| January 2011 | Western Spur | Rock chip sampling of selected outcrops for iron mineralisation |
| March 2011 | Melton | Phase 2 drilling at 'Miranda' copper target |
| March 2011 | Big Blue - Nevada Gold | Maiden drill testing of Carlin - style gold targets |
| April 2011 | Junction Dam | Phase 3 drilling at 'Saffron' mineralisation and testing of 'Bridget' Target |
| Late April 2011 | Angel Wing – Nevada Gold | IP survey |
| May 2011 | West Melton | Airborne magnetic survey |



**Mr Dom Calandro
MANAGING DIRECTOR**

20 April 2011

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Marmota Energy Limited

ABN

38 119 270 816

Quarter ended ("current quarter")

31 March 2011

Consolidated statement of cash flows

| Cash flows related to operating activities | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|--|----------------------------|---------------------------------------|
| 1.1 | Receipts from product sales and related debtors | - | - |
| 1.2 | Payments for (a) exploration & evaluation | (436) | (1,768) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) administration | (261) | (697) |
| 1.3 | Dividends received | - | - |
| 1.4 | Interest and other items of a similar nature received | 18 | 413 |
| 1.5 | Interest and other costs of finance paid | - | (5) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Other (provide details if material) | | |
| | R & D Refund | - | 59 |
| | GST | 15 | 65 |
| | Exchange (Loss)/profit | - | (19) |
| | Cash Call JV | 220 | 220 |
| Net Operating Cash Flows | | (444) | (1,732) |
| Cash flows related to investing activities | | | |
| 1.8 | Payment for purchases of: (a) prospects | - | (350) |
| | (b) equity investments | - | - |
| | (c) other fixed assets | (63) | (122) |
| 1.9 | Proceeds from sale of: (a) prospects | - | - |
| | (b) equity investments | - | - |
| | (c) other fixed assets | - | - |
| 1.10 | Loans to other entities | 42 | 36 |
| 1.11 | Loans repaid by other entities | - | - |
| 1.12 | Other (provide details if material) | - | - |
| Net investing cash flows | | (21) | (436) |
| 1.13 | Total operating and investing cash flows (carried forward) | (465) | (2,168) |

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

| | | | |
|------|--|-------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | (465) | (2,168) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues of shares, options, etc. | 2 | 2 |
| 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 | - | - |
| | Net financing cash flows | 2 | 2 |
| | Net increase (decrease) in cash held | (463) | (2,166) |
| 1.20 | Cash at beginning of quarter/year to date | 7,744 | 9,447 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | - |
| 1.22 | Cash at end of quarter | 7,281 | 7,281 |

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 |
| | 354 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 |
| | 42 |

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, exploration costs reimbursed to a director related entity and payments to a related party for shared facilities and staff.

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

| |
|--|
| |
|--|

+ See chapter 19 for defined terms.

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

\$220,000 contributed by Monax Mining Limited for exploration under joint venture agreement, for all minerals on EL 4000 and EL 3911.

USD 19,956 Contributed by Ramelius Nevada LLC for exploration on Big Blue and Angel Wing projects in Nevada.

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 |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|--------------|
| 4.1 Exploration and evaluation | 1,000 |
| 4.2 Development | - |
| 4.3 Production | - |
| 4.4 Administration | 300 |
| Total | 1,300 |

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 | 761 | 674 |
| 5.2 Deposits at call | 6,520 | 7,070 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other (provide details) | - | - |
| Total: cash at end of quarter (item 1.22) | 7,281 | 7,744 |

+ See chapter 19 for defined terms.

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 4648 (formerly ELA 57/10) | Granted | 100% | 100% |
| | | EL 4702 (formerly ELA 217/10) | Granted | 100% | 100% |
| | | ELA 68/11 | Application | 0% | 100% |

+ See chapter 19 for defined terms.

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 (description) | | | | |
| 7.2 | Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | | | | |
| 7.3 | +Ordinary securities | 150,449,490 | 149,949,490 | | |
| 7.4 | Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs | | | | |
| 7.5 | +Convertible debt securities (description) | | | | |
| 7.6 | Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | | | | |
| 7.7 | Options (description and conversion factor) | 28,000,000 250,000 400,000 125,000 | - - - - | <i>Exercise price</i> \$0.40 \$0.04 \$0.1016 \$0.083 | <i>Expiry date</i> 11/07/12 23/12/13 05/03/15 21/12/15 |
| 7.8 | Issued during quarter | | | | |
| 7.9 | Exercised during quarter | 40,000 | 40,000 | \$0.04 | |
| 7.10 | Expired during quarter | | | | |
| 7.11 | Debentures (totals only) | | | | |

+ See chapter 19 for defined terms.

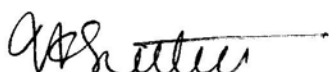
Appendix 5B

Mining exploration entity quarterly report

| | | | |
|------|-------------------------------------|--|--|
| 7.12 | Unsecured notes (totals only) | | |
|------|-------------------------------------|--|--|

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.



Sign here:
(~~Director~~/Company secretary)

Date: 20/4/2011

Print name: Virginia Suttell.....

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.

== == == == ==

+ See chapter 19 for defined terms.