

## DURKIN COPPER/NICKEL PROSPECT EXPLORATION UPDATE

- Assay results for copper from rock chip samples significantly higher than previously reported Niton readings with assay results ranging up to 2050 ppm. Multiple sites with assays greater than 1000 ppm Cu.
- New ground gravity survey data highlights large gravity high zone coincident with defined Cu and Ni in calcrete anomaly.
- Additional significant anomalies identified from gravity data located beyond the current target zone. Airborne electromagnetic survey design altered to cover these additional anomalies.
- Drilling proposal submitted to the regulator for approval.

### Durkin copper/nickel prospect – Pundinya project

(Marmota Energy Limited (ASX: MEU) 100%)

Marmota Energy (ASX:MEU) is pleased to announce that it has received rock chip sample assay results from outcrop samples submitted for assay at the Durkin copper/nickel prospect.

Results are from several rock outcrop sites within the main target zone that extends for approximately 1.2 km. Further results are pending. This zone lies within a larger copper and nickel-in-calcrete anomaly previously defined that extends for more than 5km (Figure 3).

The maximum copper grade of 2050 ppm (0.2%) corresponds to sample that was submitted for assay that included the sample of bornite displayed in ASX announcement dated 21 September 2012. Multiple sites returned assay results greater than 1000 ppm Cu, significantly higher than previous reported maximum from Niton spot readings. These results are very encouraging and continue to reinforce the mineral potential of the prospect (Table 1).

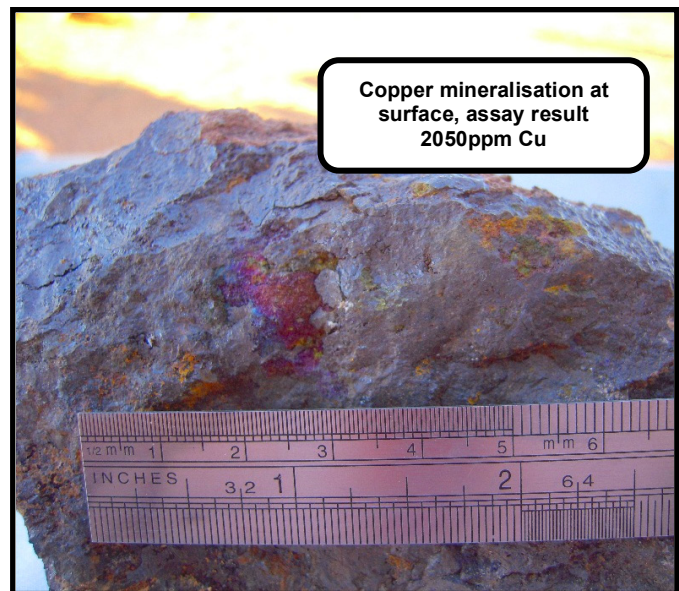


Figure 1: Previously reported outcrop sample containing bornite with assay result returning 2050 ppm Cu (Table 1). Further assay results awaited.

These results along with previously announced calcrete sample assays continue to strongly support the potential for copper – nickel mineralisation at Durkin. Assay results from rock chip samples also include grades for nickel of up to 730ppm, significantly higher than the previously reported maximum nickel-in-calcrete and Niton readings. Associated vectoring elements chromium and cobalt also returned maximum grades of up to 3931ppm and 71.2ppm respectively. The continued association of copper, nickel, cobalt and chromium is considered critical and a positive sign for the project as they are all very common in other Cu/Ni projects of this type. Further sampling is underway and will be concluded by mid December.

Rock chip and calcrete sampling results will be used to develop a detailed geochemical anomaly map specific to the current target zone. This will be combined with other datasets including geophysics (Figure 2) to target priority areas for drill testing.

The sampling zone is currently considered by the Company to be a high priority zone for drill testing and a drilling proposal has been submitted to the regulator for approval.

### Gravity survey results

High resolution ground gravity survey data over the project with a 500x500 metre fixed grid gravity station network has been completed across the Durkin Cu/Ni prospect. The survey results define a large gravity high coincident with the copper and nickel-in-calcrete anomaly (Figure 3). The gravity data will assist in mapping potential host intrusions and the sulphide bodies that usually have much higher densities (defined by red coloured zones in Figures 2 and 3) than those of the surrounding rocks. The resulting gravity anomalies will also be useful in defining the subsurface geometries of these bodies.

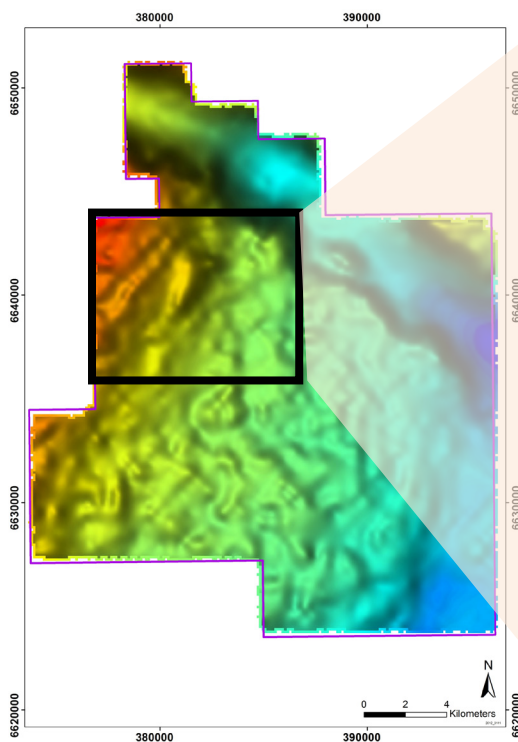


Figure 2: New Bouguer gravity anomaly map for Pundinya tenement with Durkin prospect area defined by black box.

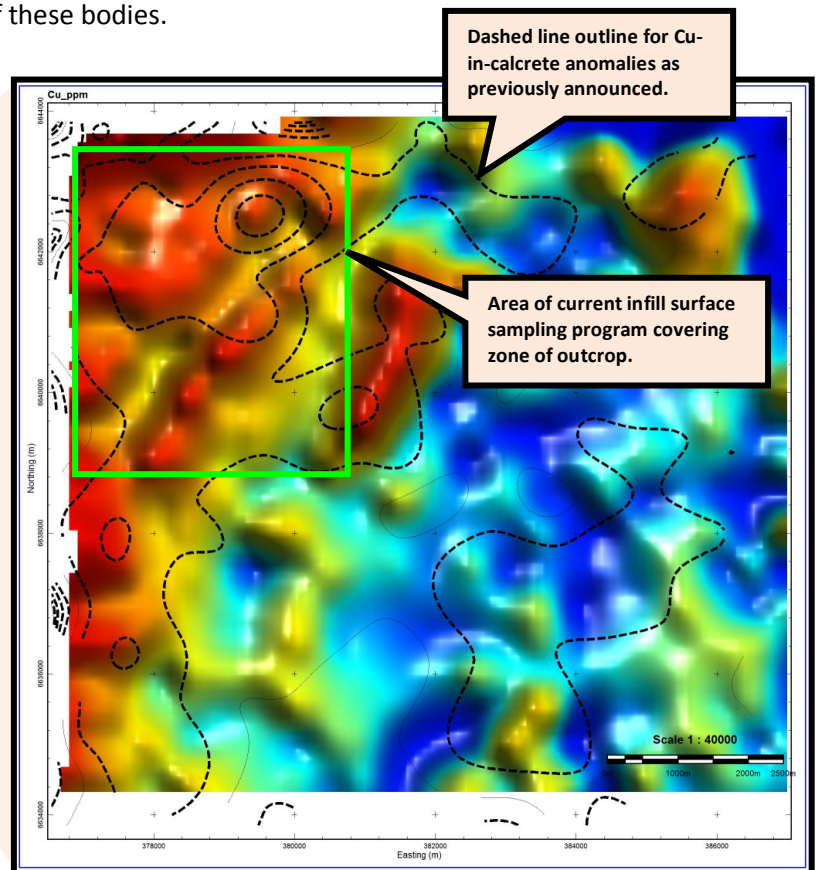


Figure 3: Durkin area new 1VD gravity image with outline of copper in calcrete anomaly overlain. High priority target area where infill calcrete sampling is underway highlighted by green box. Gravity high associated with rocks of higher density denoted by red colour.

The new survey replaces regional spaced historic gravity data acquired at an approximate 4 mile spacing during the 1970's pre GPS. Additional gravity anomalies east of the current defined target zone have also been identified. These gravity features are also coincident with interpreted unique structural features identified from airborne magnetic data.

The design of the airborne electromagnetic survey has been altered to now include these additional areas which the Company believes may also have potential for mineralisation.

### **Airborne Electromagnetic Survey**

Fugro Geophysics has been contracted to fly a high resolution airborne electromagnetic (AEM) survey over the northern half of the Pundinya tenement which hosts the Durkin prospect. The survey acquisition is approximately 50% complete and is expected to be completed by the end of the week.

The survey is also expected to provide vital information relating to the potential depth extent and shape of any conductive features which may represent mineralised bodies. Combining the gravity data with surface geochemistry and conductivity data over the target area will significantly improve the drill targeting.

### **Forward Exploration Plan**

The Company will continue to progress its exploration program at Durkin in preparation for drill testing of ranked targets, forward program to include:

- Completion of surface sampling program and laboratory analysis;
- Assessing and modeling of new gravity data;
- Completion of AEM survey, then processing and modeling of results;
- Compilation of surface sampling results to create a target zone specific geochemical anomaly map;
- Approvals for drilling by the regulator;
- Data and model results assessment for design of Stage 1 drilling program;
- Stage 1 Reverse Circulation (RC) drill testing of targets;
- Assessment of Stage 1 drilling results; and
- Result dependent follow-up Stage 2 drilling, diamond core holes.

*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 sufficient 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.*



**Mr Dom Calandro**  
**MANAGING DIRECTOR**

**19 November 2012**

*Cautionary Statement: Early stage exploration at the Durkin prospect is underway, there has been insufficient exploration to define the extent of exploration potential at the target area.*

Table1: Table of results from rock-chip samples.

| Eastings | Northing | Zone | Ag<br>(ppm) | Al<br>(ppm) | Co<br>(ppm) | Cr<br>(ppm) | Cu<br>(ppm) | Fe<br>(%) | Mn<br>(ppm) | Mo<br>(ppm) | Ni<br>(ppm)  | Pd<br>(ppb) | Ti<br>(ppm) | V<br>(ppm) | Zn<br>(ppm) |
|----------|----------|------|-------------|-------------|-------------|-------------|-------------|-----------|-------------|-------------|--------------|-------------|-------------|------------|-------------|
| 378880   | 6642662  | 53   | X           | 15291       | <b>39.1</b> | <b>3931</b> | 57.4        | 36.69     | 231         | 0.2         | <b>360.8</b> | X           | 471         | 86         | 294         |
| 378880   | 6642662  | 53   | X           | 7876        | <b>44.1</b> | <b>2194</b> | 47.1        | 30.12     | 189         | 0.1         | <b>367.9</b> | X           | 279         | 61         | 281         |
| 378833   | 6643454  | 53   | X           | 20239       | 3.6         | <b>934</b>  | 103.3       | 33.09     | 68          | 1           | 32.3         | 24          | 276         | 400        | 22          |
| 378508   | 6642331  | 53   | 0.43        | 11975       | 10.3        | 493         | <b>2050</b> | 37.83     | 48          | 16.4        | 32           | 13          | 291         | 72         | 89          |
| 378157   | 6643783  | 53   | X           | 29169       | 1.7         | 294         | 115.4       | 24.98     | 48          | 0.5         | 8.3          | X           | 56          | 85         | 14          |
| 378157   | 6643783  | 53   | X           | 11328       | 1.3         | 200         | 85.3        | 25.8      | 39          | 0.4         | 5.4          | X           | 387         | 230        | 11          |
| 377986   | 6642026  | 53   | 0.18        | 3877        | <b>65.2</b> | 135         | <b>1924</b> | 20.59     | 101         | 1.8         | 19           | X           | 169         | 53         | 388         |
| 377980   | 6641965  | 53   | 0.16        | 8444        | 69          | 123         | <b>1913</b> | 28.29     | 80          | 2           | 65           | X           | 120         | 27         | 518         |
| 378490   | 6642282  | 53   | X           | 5553        | 14.9        | 110         | 48.4        | 29.51     | 69          | 0.3         | <b>326.2</b> | X           | 188         | 30         | 205         |
| 378498   | 6642295  | 53   | X           | 10153       | 11.6        | 105         | 60.7        | 35.54     | 57          | 0.5         | <b>145.3</b> | X           | 254         | 32         | 196         |
| 378508   | 6642331  | 53   | 0.09        | 9784        | <b>57.7</b> | 77          | 775         | 35.33     | 138         | 2.9         | 96           | X           | 208         | 17         | 561         |
| 378518   | 6642352  | 53   | X           | 6173        | 8.2         | 77          | 29.8        | 30.01     | 61          | 0.5         | 83.6         | 17          | 151         | 24         | 89          |
| 378518   | 6642352  | 53   | X           | 4560        | 7.7         | 68          | 21.2        | 28.52     | 54          | 0.4         | 59.9         | 13          | 108         | 15         | 93          |
| 378518   | 6642352  | 53   | X           | 3826        | 6.1         | 58          | 18.8        | 30.21     | 74          | 0.3         | 42.9         | 10          | 155         | 11         | 39          |
| 378092   | 6642427  | 53   | 0.12        | 8376        | 18.3        | 53          | <b>1043</b> | 44.57     | 180         | 4.4         | 14           | X           | 148         | 26         | 63          |
| 378064   | 6642435  | 53   | 0.13        | 11121       | <b>71.2</b> | 52          | <b>1107</b> | 38.73     | 169         | 3.9         | 33           | 12          | 394         | 71         | 675         |
| 377500   | 6641350  | 53   | X           | 8765        | <b>45.0</b> | 41          | 105         | 38.31     | 510         | X           | <b>730</b>   | X           | X           | X          | 530         |
| 378486   | 6643263  | 53   | X           | 8636        | 10.3        | 32          | 39.8        | 32        | 204         | 0.5         | 65.1         | X           | 46          | 15         | 72          |
| 378011   | 6642053  | 53   | 0.15        | 2427        | <b>54.1</b> | 18          | <b>1835</b> | 9.76      | 107         | 1.6         | 14           | X           | 208         | 16         | 110         |

\* All analyses were undertaken by Genalysis Laboratory Services. The samples are pulverised to 85% passing 75 microns. An aqua-regia partial digest was used with multi-element assays based on ICP-OES (inductively coupled plasma optical (atomic) emission spectrometry) and ICP-MS (inductively coupled plasma mass spectrometry) methodology as appropriate.