DRILLING INTERCEPTS SULPHIDES AT DURKIN COPPER/NICKEL PROSPECT, GAWLER CRATON SOUTH AUSTRALIA

- **RC drilling progressing well at Durkin copper – nickel prospect**
- **Three drill holes intercept sulphides from shallow depth to end of hole from first pass drill testing of largest target covering Conductor 3**
- **Two holes drilled to maximum depth of rig capacity (300m) with holes ending in sulphides**
- **Depth and lateral extent of mineralisation is open in all directions**
- **Further targets remain to be drilled**

Durkin copper/nickel prospect (SA)

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

RC Drilling program update

Marmota Energy (ASX:MEU) is pleased to announce that first drilling of the largest target, which covers the zone containing 'Conductor 3' at the Durkin copper / nickel prospect located in South Australia's Gawler Craton has intercepted sulphides.

The second RC drill hole of the program (DRC006) has intercepted mafic rocks containing sulphides at a depth of approximately 28 metres, shallower than what was modeled. Drill holes DRC005 and DRC006 were drilled to a depth of 300 metres, the maximum capacity of the RC rig with both holes ending in sulphide mineralisation. Sulphide zones were intercepted in drill holes DRC005, DRC006 and DRC009 from shallow depths and were present throughout the extent of each drill hole.

The zone drill tested at 'Conductor 3' extends for approximately three kilometres in length (Figure1). Drilling at Conductor 3 is focusing on coincident dense, conductive and anomalous magnetic features shown in the model below by the grouped pink blocks.

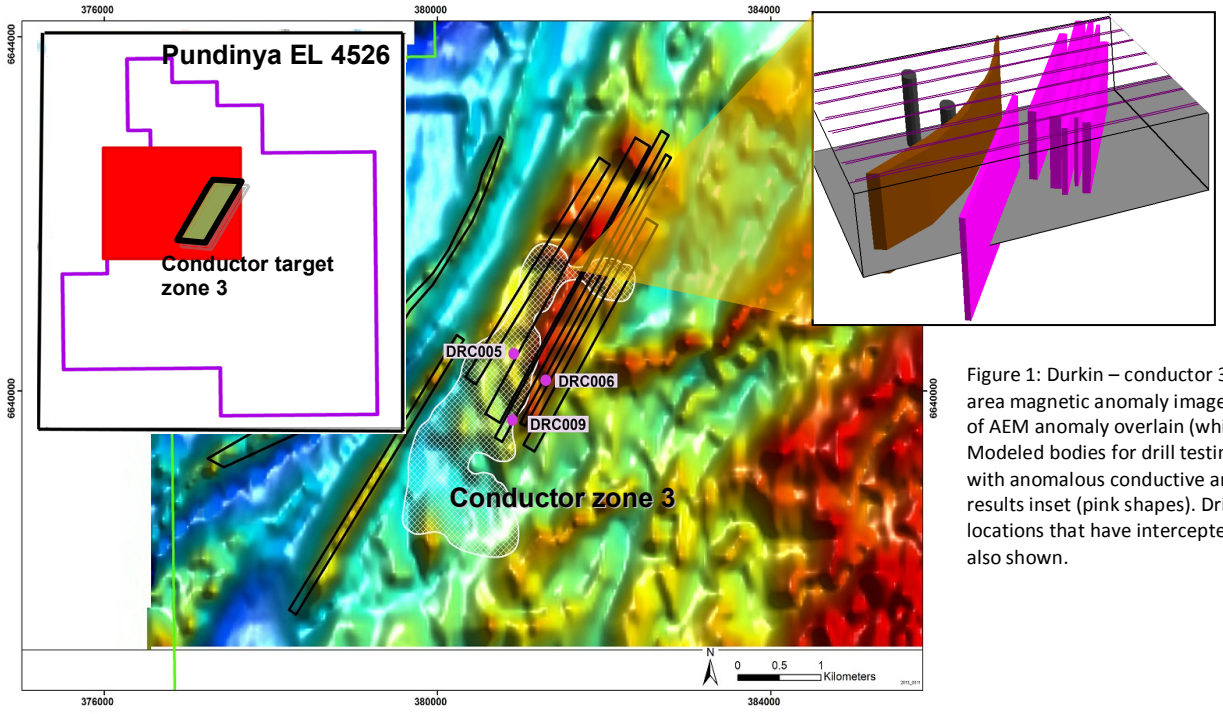

Figure 1: Durkin – conductor 3 target zone area magnetic anomaly image with outline of AEM anomaly overlain (white stipple). Modeled bodies for drill testing associated with anomalous conductive and gravity results inset (pink shapes). Drill hole locations that have intercepted sulphides also shown.

Figure 2: drill rig in operation at Durkin – Conductor 3 target zone.

The presence of mafic rocks bearing sulphides in these drill holes supports the geophysical modeling (Figure 1) completed at Conductor 3 that suggests a dense and magnetic body with an associated conductive response. The geophysical signatures observed are considered to represent a potential layered mafic - ultramafic body containing sulphide mineralisation. The depth and lateral extent of mineralisation is open in all directions.

Next target to be drilled

Drilling will now continue at Durkin with the rig moving to a target immediately west of the conductor 3 targeting a shallow coincident magnetic and conductive body within the Conductor 1 zone. This is also adjacent to the major shear zone that cuts through the area. Several targets remain to be drilled as part of this current first pass program. All samples from the drilling will be processed for laboratory assay.

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.

Dom Calandro
MANAGING DIRECTOR

17 April 2013

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. Samples from drilling to be submitted for laboratory assay.