



ASX ANNOUNCEMENT

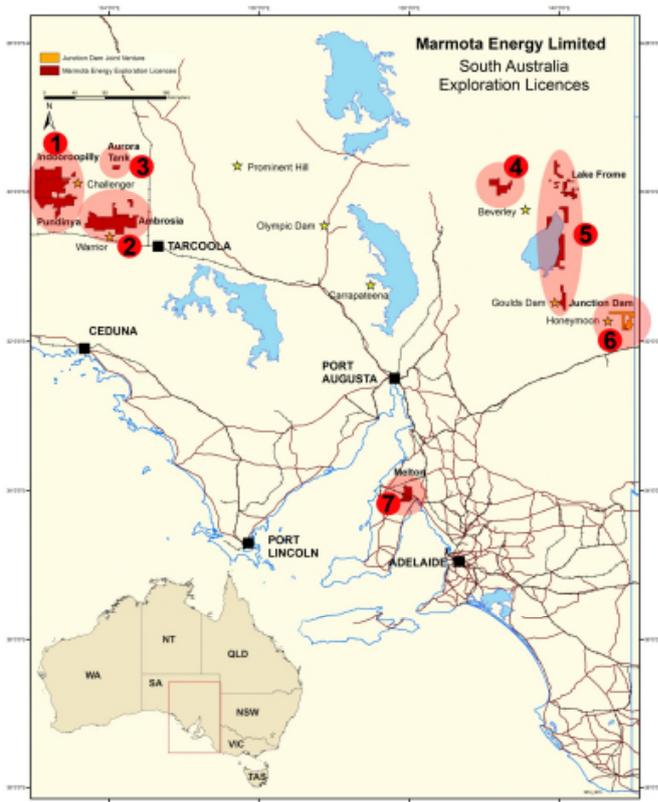
30 January 2015

QUARTERLY ACTIVITIES REPORT DECEMBER QUARTER 2014

HIGHLIGHTS:

- **Junction Dam uranium project:**
 - Lithological analysis and bottle-roll leach tests conducted and demonstrate that Saffron deposit is well suited to in-situ recovery (ISR) mining method
- **Melton copper-gold project:**
 - Historic electromagnetic (EM) data acquired indicates possibility of conductive sulphide bodies that may host copper mineralisation
 - More detailed airborne EM survey to be undertaken in January 2015
- **Corporate activities:**
 - Strategic review of tenements completed with a narrower focus to be taken
 - Non-renounceable rights issue undertaken raising approximately \$0.21 million

Exploration Activities



PROJECT - Junction Dam uranium project (Area 6)

Tenements and interest

- EL4510 (Junction Dam) (100% of uranium)
- EL5124 (Mulyungarie) (100%)

Commodity focus

- Uranium

Work undertaken during reporting period

- Marmota undertook a lithological analysis and bottle-roll uranium leach tests on previously sampled sonic drill core from within the mineralised zone at the Company's Saffron uranium deposit.
- The lithological analysis of the host sandstone (Eyre Formation) shows the Saffron uranium deposit is suitable for In-Situ Recovery (ISR) mining. It was concluded that 61% of the intersected mineralisation was contained in clean, fine to coarse grained sands, which are ideally suited to ISR mining. A further 26% of the intersected mineralisation was moderately amenable to ISR mining because of the higher clay content. These results are consistent with industry standard values for total uranium recovery by ISR methods of around 70%.
- Well permits received for the establishment of water monitoring bores and a pumping test hole which will be undertaken in 2015 as part of progressing the tenement status of the Saffron uranium deposit to a Retention Lease (RL).

Future exploration focus

- The exploration undertaken during the Quarter, as detailed above, is work that is required to progress the Saffron deposit to an RL. Marmota will continue with these assessments and other work required for an RL to be issued. In particular it will review the results of the bottle-roll uranium leach tests (results obtained in January 2015 – see ASX Release of 28 January 2015). Planning for the installation of water monitoring bores and a pumping test will be undertaken during the next Quarter. The aim of the water bores is to provide aquifer pressure and chemical data for the mineralised interval, overlying and underlying intervals, and a lateral pressure gradient across the study site. Once those bores and pumping test hole are in place, the data obtained will be analysed to assist in understanding the permeability and the hydrological characteristics of the Eyre Formation in the potential mining area.

PROJECT - New South Wales

Tenements and interest

- Expression of Interest Area (100%)

Commodity focus

- Uranium

Work undertaken during reporting period

- During the September Quarter, Marmota was given consent under section 13(3) of the NSW *Mining Act 1992* to apply for an exploration licence for Group 11 minerals (uranium) covering some of the areas near Broken Hill in which it showed an expression of interest for uranium exploration. During the December Quarter Marmota continued its review of the application process and whether to move forward with the next stage.

Future exploration focus

- Marmota will determine whether to submit an application for an exploration licence for the area of consent.

PROJECT – Melton copper-gold project (Area 7)

Tenements and interest

- EL4648 (West Melton) (100%)
- EL5122 (Melton) (Marmota 75%, Monax Mining Limited [ASX:MOX] 25%)
- EL5209 (North Melton) (Marmota 75%, Monax Mining Limited [ASX:MOX] 25%)

Commodity focus

- Copper - gold

Work undertaken during reporting period

- Planning of an airborne electromagnetic (EM) survey to be undertaken in January 2015 was commenced during the Quarter.
- The EM survey covers the Champion prospect as well as the Melton Central target area. To obtain the best results the survey will be flown in an E-W direction, with a line spacing of 100 metres.
- A previous historical regional airborne EM (GeoTEM) survey which was conducted by BHP in 1998 and covered the Melton copper project area was reviewed by Marmota's independent geophysicist. That historical data indicated there was some compelling evidence of conductive responses from basement lithologies, highlighting the possibility of conductive sulphide bodies that may host copper mineralisation.
- The regional historical survey provided confidence that Marmota's proposed more detailed airborne EM survey should identify EM responses from basement targets more precisely.

Future exploration focus

- was conducted by Marmota in January 2015. The data from the airborne EM survey (which was conducted in January 2015 – see ASX Release of 22 January 2015) will be processed and reviewed during the March Quarter with a view to determining the optimal drilling program to be conducted in the first half of 2015.

PROJECT - Aurora Tank JV (Area 3)

Tenements and interest

- EL4433 (Aurora Tank) (Marmota 100%, Apollo Minerals Limited Group [ASX:AON] earning up to 75%)

Commodity focus

- Gold and IOCG (Iron oxide copper gold)

Work undertaken during reporting period

- Apollo Minerals has advised that the activities they undertook during the Quarter included:
 - Site preparation of access track and drill pad;
 - RC drilling 2 holes totaling 386 metres;
 - Collection and geochemical assay of 138 composite samples, including additional repeats; and
 - Petrology and geochronology analysis of RC chips.

Future exploration focus

- Apollo is currently planning the 2015 work program and no detailed plan has been advised to Marmota at this stage.

PROJECT - Central Gawler Craton (Area 2)

Tenements and interest

- EL4510 (Ambrosia) (100%)
- EL4526 (Pundinya) (100%)
- EL5195 (Muckanippie) (100%)

Commodity focus

- Multi commodity potential (gold, copper, nickel, zinc, uranium)

Work undertaken during reporting period

- Geophysical review of data acquired over the Durkin nickel prospect was undertaken. Assessments were commenced of the efficacy of a possible electrical based geophysical survey at Durkin, whether it be electromagnetic (EM) or induced polarisation (IP). This included whether a surface or downhole survey would be the best method for such a survey if conducted.

Future exploration focus

- Review of all results from past work on the Durkin prospect is continuing to determine what future exploration activity is warranted.

PROJECT - Western Gawler Craton (Area 1)

Tenements and interests

- EL4702 (Indooroopilly) (100%)
- EL4995 (Mt Christie) (100%)
- EL5060 (Lake Anthony) (100%)
- EL5377 (Cudyea) (100%)

Commodity focus

- Multi commodity potential (gold, iron ore, uranium, tungsten)

Work undertaken during reporting period

- Nil

Future exploration focus

- Reviewing past work and determining what future exploration activity is warranted.

PROJECT - Western Spur (Area 4)

Tenements and interest

- EL4528 (Western Spur) (100%)

Commodity focus

- Iron ore and uranium

Work undertaken during reporting period

- Nil

Future exploration focus

- Reviewing past work and determining what future exploration activity is warranted.

PROJECT - Lake Frome Region (Area 5)

Tenements and interest

- EL4254 (Lake Callabonna Nth), EL4255 (Lake Callabonna Sth), EL4276 (Poontana), EL4319 (Mudguard Swamp West), EL4320 (Lake Frome), EL4383 (Billeroo), EL4412 (Moolawatana), EL4521 (Yandama Creek), EL4572 (Mulligan Hill), EL4625 (Christmas Bore), EL5275 (Woolatchi), EL5318 (Old Moolawatana) (100%)

Commodity focus

- Uranium

Work undertaken during reporting period

- Nil

Future exploration focus

- Reviewing past work and determining what future exploration activity is warranted.

Corporate Activities

During the Quarter Marmota completed a review of its tenement holdings and determined to reduce its focus to the Junction Dam uranium project, Melton copper project, Aurora Tank gold project and the Durkin nickel (Pundinya) project. The remaining tenements will be rationalised through sale, farm-out or joint venture where possible, otherwise they will be relinquished. As part of this review Marmota's interest in the applications for exploration licences at Rudall East in Western Australia was terminated during the Quarter. In relation to the other tenements, discussions with a number of parties expressing interest were commenced and will be pursued during the next Quarter.

During the Quarter, Marmota conducted a capital raising by way of a non-renounceable rights issue ("Entitlement Issue" or "Offer") at an issue price of \$0.01 (1.0 cent) per share on the basis of one (1) new share for every four (4) ordinary shares held. Under the offer, a maximum of 65,939,809 ordinary shares were available to be issued to raise up to \$0.66M (before expenses). The Offer closed on 3 December 2014 and, including additional shares applied for, shareholders subscribed for a total of 21,067,446 shares totalling approximately \$0.21 million. Marmota will look to place the shortfall of 44,872,624 shares in the next Quarter.

The Company held its AGM on 25 November 2014 at which all resolutions were passed.

For further information please contact:

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Managing Director

Marmota Energy Limited

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(08) 8245 4000

Competent Persons Statement

Information in this report relating to Exploration Results is based on information compiled by Mr. Daniel Gray as Senior Project Geologist for Marmota Energy Limited, who is a Member of the Australasian Institute of Geoscientists, and who is a full-time employee of the Company. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Gray consents to the inclusion of the information in the form and context in which it appears.

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 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(168)	(303)
(b) development	-	-
(c) production	-	-
(d) administration	(239)	(396)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	10	18
1.5 Interest and other costs of finance paid	(6)	(6)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Other - termination payment	-	(162)
Net Operating Cash Flows	(403)	(849)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1)	(1)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	4	4
1.12 Other (provide details if material)	-	-
Net investing cash flows	3	3
1.13 Total operating and investing cash flows (carried forward)	(400)	(846)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(400)	(846)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	211	211
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) - Costs associated with issues of shares	(26)	(26)
	Net financing cash flows	185	185
	Net increase (decrease) in cash held	(215)	(661)
1.20	Cash at beginning of quarter/year to date	1,127	1,573
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	912	912

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 and 1.7	167
1.24	Aggregate amount of loans to the parties included in item 1.10	-

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 and payments to a related party for shared facilities and staff.

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

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

\$58,479 contributed by Apollo Minerals Limited for exploration under joint venture agreement, for all minerals on EL 4433.

+ See chapter 19 for defined terms.

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	150
4.2 Development	-
4.3 Production	-
4.4 Administration	200
Total	350

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	862	277
5.2 Deposits at call	50	850
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	912	1,127

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	ELA 2014/00213 (subsequent licence application for EL4412)	100%	100%
		ELA 2014/00224 (subsequent licence application for EL4433)	100%	100%
		EL5519 (formerly ELA 2014/00184)	Granted	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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	284,826,681	284,826,681		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	21,067,446	21,067,446		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	10,533,755 1,270,000 250,000 225,000 100,000	10,533,755 - - - -	<i>Exercise price</i> \$0.02 \$0.018 \$0.1016 \$0.073 \$0.036	<i>Expiry date</i> 09/12/15 16/12/19 05/03/15 29/07/16 24/07/17
7.8 Issued during quarter	10,533,755 1,270,000	10,533,755	\$0.02 \$0.018	09/12/15 16/12/19
7.9 Exercised during quarter				
7.10 Expired during quarter	125,000	-	\$0.083	21/12/15
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.12	Unsecured notes (totals only)		
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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: 30/1/15

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.

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+ See chapter 19 for defined terms.

Schedule of Tenement holdings

as at 31 December 2014

South Australia

Project name	Tenement	No	Tenure holder / applicant	Details	Nature of Company's interest %
Junction Dam	Junction Dam	EL 4509	Teck Australia Pty Ltd 51%, Variscan Mines 39.2%, Eaglehawk Geological Consulting Pty Ltd 9.8%	JV with Teck Australia, Variscan Mines & Eaglehawk Geological Consulting	100% of the uranium mineral rights
Melton	Melton	EL 5122	Marmosa P/L	JV with Monax Mining	75% of all minerals
	North Melton	EL 5209	Marmota Energy	JV with Monax Mining	75% of all minerals
	West Melton	EL 4648	Marmota Energy		100%
Ambrosia	Ambrosia	EL 4510	Marmosa P/L		100%
	Muckanippie	EL 5195	Marmota Energy		100%
Pundinya	Pundinya	EL 4526	Marmota Energy		100%
Western Spur	Western Spur	EL 4528	Marmota Energy		100%
Aurora Tank	Aurora Tank	EL 4433	Marmota Energy	JV with Southern Exploration	100%
	Aurora Tank	ELA 2014/00224 (subsequent licence application)	Marmota Energy		100%
Indooroopilly - Lake Anthony	Indooroopilly	EL 4702	Marmota Energy		100%
	Mt Christie	EL 4995	Marmota Energy		100%
	Lake Anthony	EL 5060	Marmota Energy		100%
	Cudyea	EL5377	Marmota Energy		100%
Lake Frome	Lake Callabonna North	EL5416	Marmota Energy		100%
	Lake Callabonna South	EL5415	Marmota Energy		100%
	Poontana	EL 5438	Marmota Energy		100%
	Mudguard Swamp West	EL5489	Marmota Energy		100%
	Lake Frome	EL 5490	Marmota Energy		100%
	Billeroo	EL 5519	Marmota Energy		100%
	Moolawatana	EL 4412	Marmota Energy		100%
	Moolawatana	ELA 2014/00213 (subsequent licence application)	Marmota Energy		100%
	Yandama Creek	EL 4521	Marmota Energy		100%
	Mulligan Hill	EL 4572	Marmota Energy		100%
	Christmas Bore	EL 4625	Marmota Energy		100%
	Woolatchi	EL 5275	Marmota Energy		100%
Old Moolawatana	EL 5318	Marmota Energy		100%	
Mulyungarie	Mulyungarie	EL 5124	Marmosa P/L		100%

Marmosa Pty Ltd is a wholly owned subsidiary of Marmota Energy Limited