



ASX ANNOUNCEMENT

31 July 2015

QUARTERLY ACTIVITY REPORT

JUNE QUARTER 2015

HIGHLIGHTS

Corporate activities

- Section 249D and EGM to remove Robert Kennedy from Board
- Election of Dr Colin Rose to Board: new Chair
- Highly experienced geologist, Peter Thompson, appointed to Board
- Costs cut
 - Non-exec director fees have been slashed: focus on exploration
 - Operating costs cut: **saving around \$700,000 per annum¹**
- New premises ... perfect to our needs
- New Capital coming in:
 - \$200,000 from sophisticated investors +
 - Share Purchase Plan (29 June to 10 July 2015): **doubly oversubscribed**

New Gold exploration program

- Marmota has a dominant tenement holding around the Challenger gold mine
- Highly prospective tenements + massively underexplored
- Exploration commenced in last week of June:
 - Key target zones identified
 - Calcrete sampling already underway: to define drilling targets
- Adopting same techniques as used to find Challenger

Aurora Tank gold project

- Joint Venture with Apollo Minerals
- 1,750m reverse circulation (RC) drilling program intersecting shallow gold mineralisation

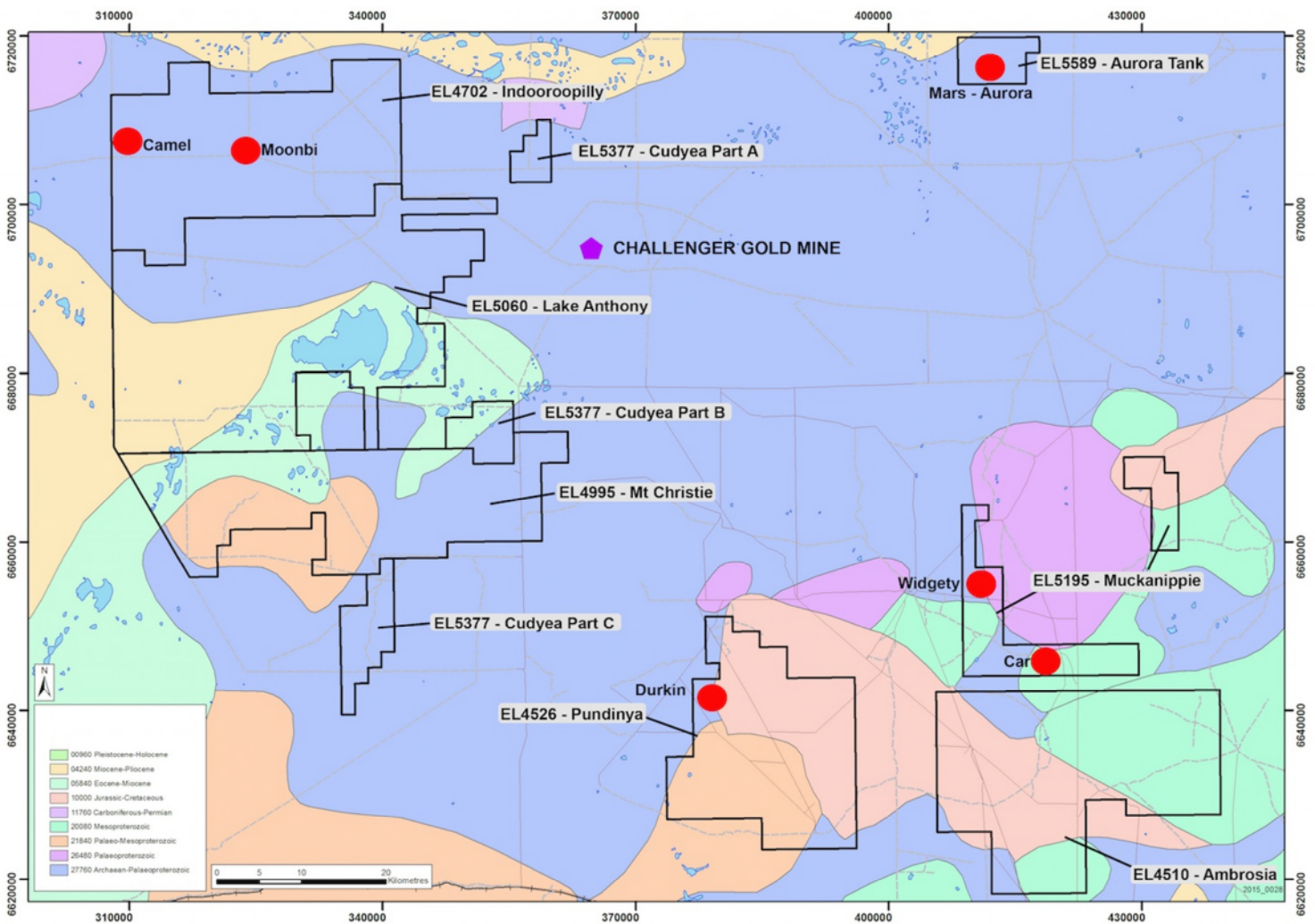
¹ New financial year (estimate), compared to year to June 2015

Exploration Activities during Quarter

Gold Exploration: West Gawler Craton

Tenement	Name	MEU Holding
EL4510	Ambrosia	100%
EL4526	Pundinya	100%
EL5195	Muckanippie	100%
EL4702	Indooroopilly	100%
EL4995	Mt Christie	100%
EL5060	Lake Anthony	100%
EL5377	Cudyea	100%

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



Work undertaken during reporting period

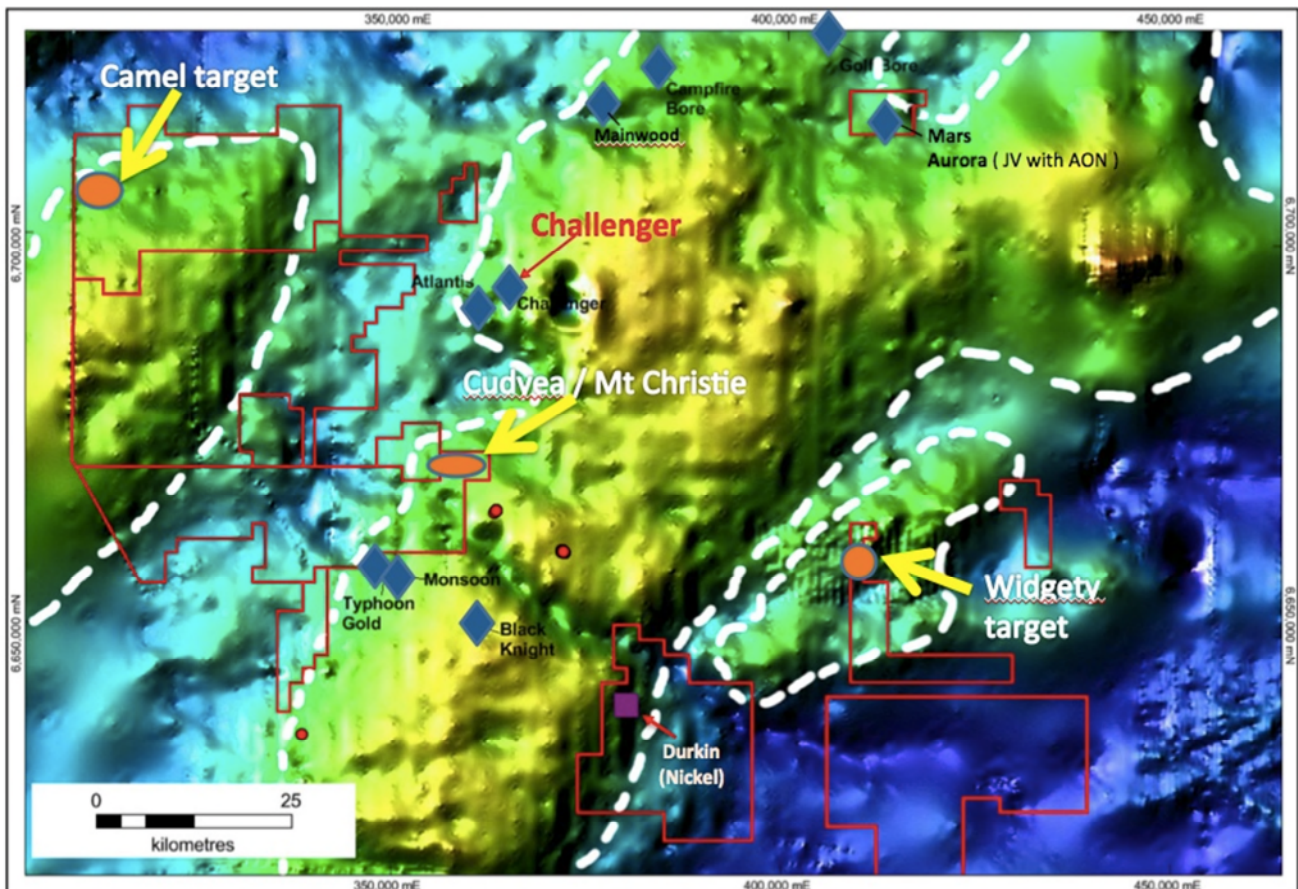
- Identified 3 key target areas: more to follow ...
- Part 1: Targeting known anomalies around Challenger
 - Camel target
 - Widgety target

Camel and Widgety have an existing geochemical gold anomaly identified with up to 60ppb gold (5ppb is considered anomalous) highlighted from previous sampling.

- Part 2: Testing high prospectivity areas that have no (or very little) data coverage, *starting at*:
 - Cudyea central / Mt Christie east
- Calcrete sampling programs commenced to highlight areas of gold anomalism with the potential for Challenger style Gold mineralisation.
- Adopting same techniques as used to find the Challenger gold mine.

Future exploration focus

First calcrete sampling results are expected to be available in the July to September quarter. Once results are received from the 3 main target areas, the data will be analysed to determine a drilling program at high priority targets, currently scheduled to commence within the quarter.



For more detail, please see: [ASX Release: 6 July 2015]

Aurora Tank JV gold project

Tenement	Name	MEU Holding
EL5589	Aurora Tank	Marmota 75%; Apollo Minerals Limited [ASX:AON] 25% earning up to 75%

Gold and IOCG (Iron oxide copper gold)

Work undertaken during reporting period

- Drilling program consisting of 35 RC drill holes totaling 1750m conducted by Apollo Minerals [see Apollo Minerals ASX Release: 18 May 2015]
- Results received from the drilling program highlighted encouraging results. These include:

16m at 1.0 g/t Gold from 20m, including 12m at 1.3 g/t Gold from 20m [see Apollo Minerals ASX Release: 9 June 2015].

Future exploration focus

- Step out and extensional drilling to follow

Junction Dam uranium project

Tenement	Name	MEU Holding
EL4510	Junction Dam	100% of uranium
EL5124	Mulyungarie	100%

Uranium

Work undertaken during reporting period

- Marmota undertook a prospectivity analysis on the Junction Dam region. Data has been evaluated with the expansion potential of the project being the key focus.

Future exploration focus

- Uranium is on back-burner pending uplift in market conditions.

Other

1. Munglinup Option (Western Australia)

E74/517, E74/518, E74/523, E74/531, E74/538, E74/544 and E74/545 (WA tenements)
OPTION TO ACQUIRE tenements from Sol Jar Properties: gold, nickel and graphite

Work undertaken during reporting period

A program of three reverse circulation (“RC”) holes totalling approximately 500 metres on WA minerals Exploration Licence E74/544 was undertaken during the Quarter by Marmota under its option agreement with Sol Jar Property Pty Ltd (for Marmota to potentially acquire the Munglinup Project) [ASX Release: 13 March 2015]

- Marmota elected **not to exercise** the option to acquire the Munglinup Project
- Marmota will have **no further involvement** (or costs) with the Munglinup Project [ASX Release: 12 June 2015]

2. Grant from DSD

MEU successfully obtained grant from DSD [Department of State Development (South Australia): July to Dec 2015] towards funding geologist work

Corporate Activities

As a result of receiving a Notice under s.249D of the Corporations Act 2001, the Company held an extraordinary General Meeting on 1 May 2015 seeking to remove Mr Robert Kennedy from the Board. All resolutions put to the Meeting were overwhelmingly passed by shareholders. Dr Colin Rose was elected to the Board by shareholders and became the company’s new Chair.

Glenn Davis resigned as a director on 24 June 2015. Effective 30 June 2015, Virginia Suttell ceased acting as Company Secretary. Mr David Williams (MD) has additionally been appointed Company Secretary (as of 1 July 2015).

Highly-experienced geologist, Peter Thompson, was appointed to the Board. Peter was in charge of a team of 22 geoscientists at St Barbara Ltd, and has held senior positions with Anaconda, Western Mining, etc. Our Board now has technical expertise and technical direction.

In early June, the company moved to new physical premises that are perfect to our needs.

During the Quarter, Marmota successfully brought in new capital to the Company via:

- i) A \$200,000 Share Placement to sophisticated investors at 1.0c per share [ASX Release: 18 May 2015]
- ii) A Share Purchase Plan (“SPP”) to eligible shareholders, commenced on 29 June 2015 (and closed on 10 July 2015). The SPP was doubly over-subscribed with \$451,000 being raised at 0.95c per share [ASX Release: 16 July 2015].

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Competent Persons Statement

Information in this exploration update relating to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Peter Thompson, who is a Member of the Australasian Institute of Mining and Metallurgy. 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 Thompson consents to the inclusion in this report of the matters based on his 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")

30 June 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(169)	(656)
(b) development	-	-
(c) production	-	-
(d) administration	(197)	(850)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	24
1.5 Interest and other costs of finance paid	-	(6)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Other - termination payment	-	(162)
Net Operating Cash Flows	(364)	(1,650)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(1)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	(17)
1.11 Loans repaid by other entities	-	4
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	(14)
1.13 Total operating and investing cash flows (carried forward)	(364)	(1,664)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(364)	(1,664)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	200	411
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	(20)	(78)
	Net financing cash flows	180	333
	Net increase (decrease) in cash held	(184)	(1,331)
1.20	Cash at beginning of quarter/year to date	426	1,573
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter*	242	242

* SPP concluded after the end of the Quarter raised \$451,000

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	136
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 former and current non-executive directors' fees and executive director's salary (including SGC superannuation), legal fees paid to a legal firm in which a former 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

\$98,400 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	150
Total	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	203	393
5.2 Deposits at call	39	33
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	242*	426

* SPP concluded after the end of the Quarter raised \$451,000

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	Lake Frome Project			
	EL4521	Relinquished	100%	0%
	EL4572	Relinquished	100%	0%
	EL4625	Relinquished	100%	0%
	EL5275	Relinquished	100%	0%
	EL5318	Relinquished	100%	0%
	EL5415	Relinquished	100%	0%
	EL5416	Relinquished	100%	0%
	EL5438	Relinquished	100%	0%
	EL5489	Relinquished	100%	0%
	EL5490	Relinquished	100%	0%
	EL5519	Relinquished	100%	0%
	EL5570	Relinquished	100%	0%
6.2 Interests in mining tenements acquired or increased	No Change			

+ 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	305,849,806	305,849,806		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	21,000,000	21,000,000		
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>	10,510,630 1,270,000 225,000 100,000	10,510,630 - - -	<i>Exercise price</i> \$0.02 \$0.018 \$0.073 \$0.036	<i>Expiry date</i> 09/12/15 16/12/19 29/07/16 24/07/17
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				

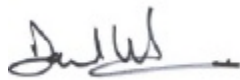
+ See chapter 19 for defined terms.

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: Date: 31/7/15
(~~Director~~/Company secretary)

Print name: David Williams.....

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 30 June 2015

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
	Junction Dam	ELA 2015/00052 (subsequent licence application)	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%
	Ambrosia	ELA 2015/00053 (subsequent licence application)	Marmosa P/L		100%
	Muckanippie	EL 5195	Marmota Energy		100%
Pundinya	Pundinya	EL 4526	Marmota Energy		100%
	Pundinya	ELA 2015/00062 (subsequent licence application)	Marmota Energy		100%
Western Spur	Western Spur	EL 4528	Marmota Energy		100%
	Western Spur	ELA 2015/00065 (subsequent licence application)	Marmota Energy		100%
Aurora Tank	Aurora Tank	EL5589	Marmota Energy 75%; Southern Exploration 25%	JV with Southern Exploration	75% of all minerals
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%
Mulyungarie	Mulyungarie	EL 5124	Marmosa P/L		100%

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