Shareholder Update

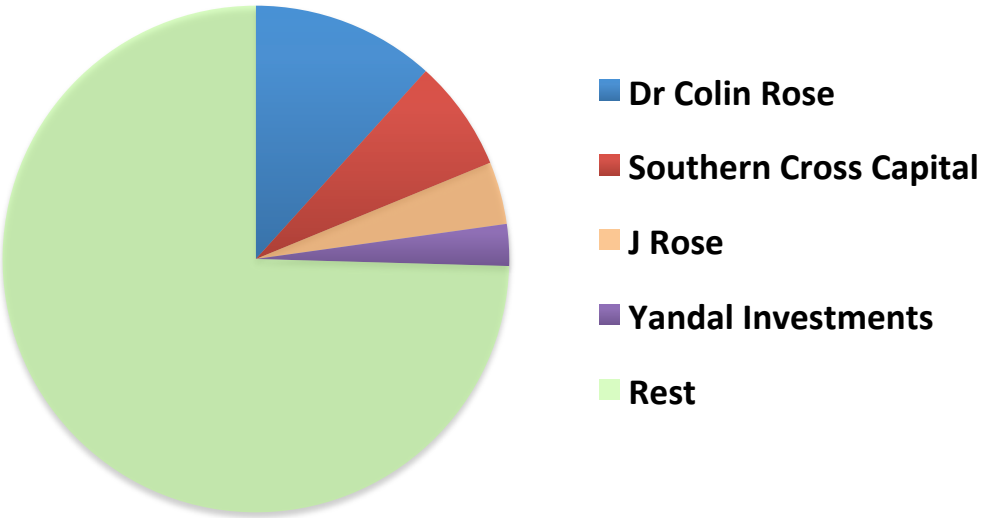
September 2016

Corporate Snapshot

ASX: MEU

Capital Structure	
Shares on issue	413m
Listed options	0
Unlisted options	~ 3 m
Market Cap (at 1.6 cents per share)	~ $6.6 m
Cash (as at 30 June 2016)	$630,000
Zero Debt	

Largest Shareholders



New Board & Management	
Chairman (non-exec)	Dr Colin Rose
Managing Director / CoSec	David Williams
Technical Director (non-exec)	Peter Thompson

Top Shareholders	
Top 20	~ 46%
Top 50	~ 58%
Top 100	~ 72%

Marmota runs the entire non-exec Board for a cash cost of $17,001 p.a.

Lower costs **Less dilution** **More exploration**

* As at 30 June 2016

Multi-commodity exposure

Copper

- Exploration Target (June 2016) [1,2]:

  1 to 4 million tonnes at average grade between 1.0% and 1.5% copper

Gold

- Seeking next Challenger

  Over 5,000 km^2 of lightly explored ground around Challenger

Uranium

- 5.4 million pounds U_3O_8 Inferred Resource [3]
- Exploration Target: 22-33 million pounds U_3O_8 [1,4]

1. Exploration targets are partly conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain that further exploration will result in the estimation of a Mineral Resource.
2. See MEU:ASX 16 June 2016
3. See MEU:ASX 18 July 2013
4. See MEU:ASX 9 July 2012

GOLD

Seeking the next Challenger …

About Challenger

- Opened in 2002 as an open-pit mine
- Now high-grade narrow-vein underground
- At opening: one of Australia's most profitable gold mines [1]
- Over 1 million ounces of gold already produced[2] (A$1.7 billion at current prices)
- Discovered by drilling calcrete gold anomalies

Challenger Pit
Source: Kingsgate Consolidated Limited

[1] *cf*. Southern Gold Annual Report 2009 p. 11
[2] Kingsgate Consolidated Limited: ASX Release dated 26 November 2014

Our goal: Find the next Challenger …

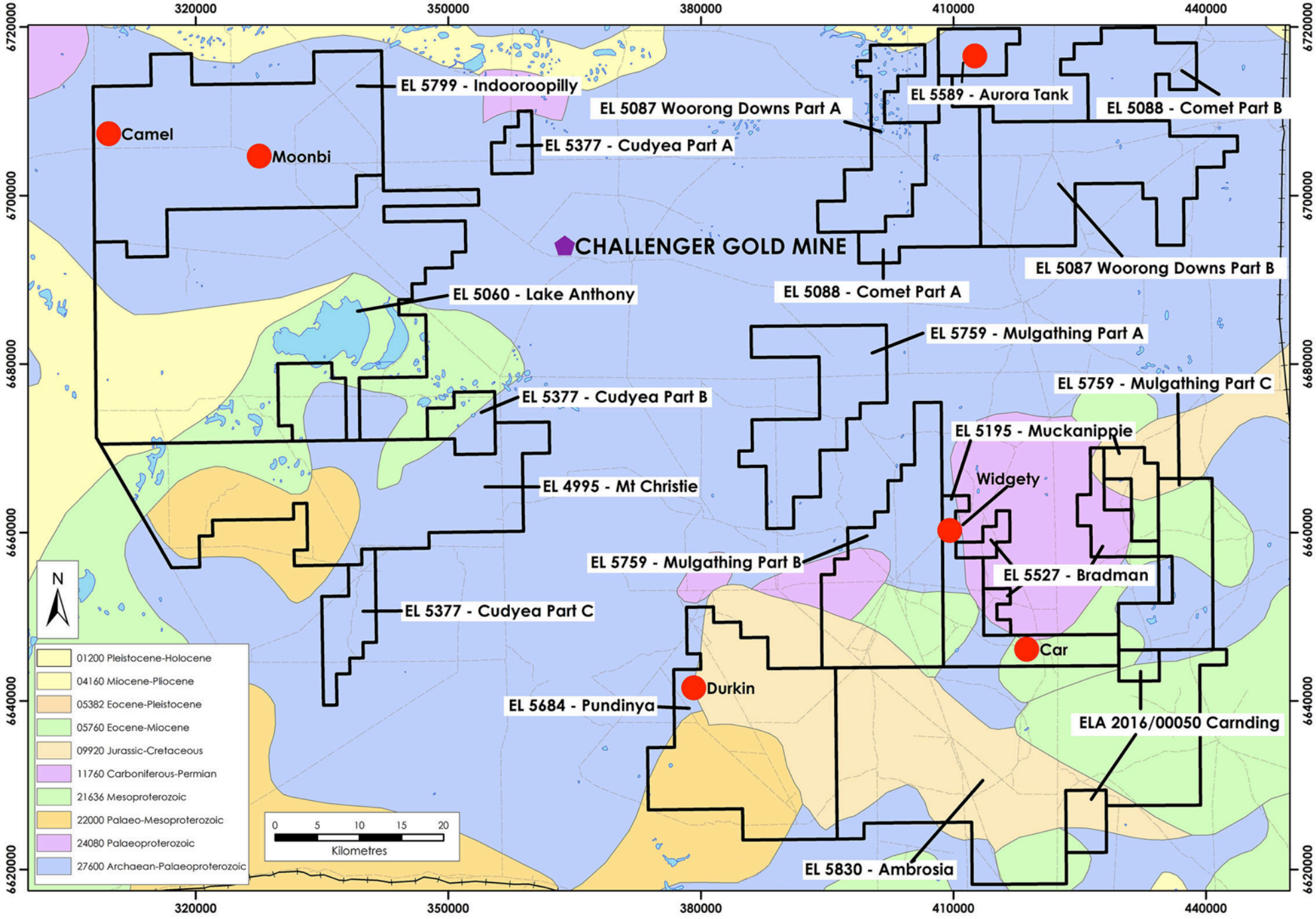
Step 1: Consolidate

Marmota has judiciously been **consolidating and expanding** our

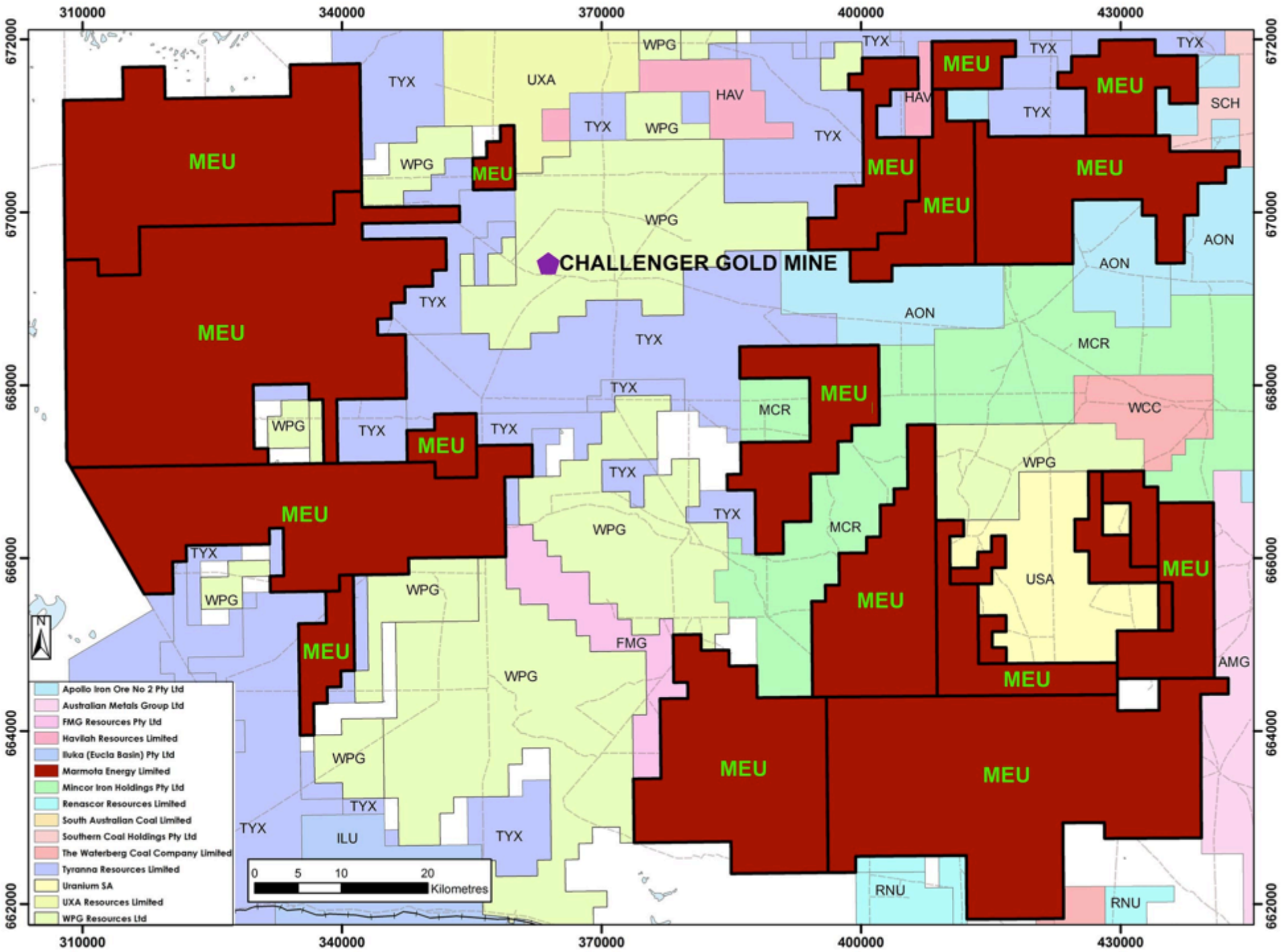
DOMINANT tenement holding around Challenger

- **See diagrams**: next 2 pages
- MEU tenements now cover over **5,000 km^2** of highly prospective ground around the Challenger gold mine

MEU Tenements around Challenger



MEU, Challenger and Neighbours



Our goal: Find the next Challenger …

Step 2: Bring in the geo who found Challenger

In March, we were delighted to bring in Dr Kevin Wills … the geologist who designed the programs that discovered Challenger …

… to head up Marmota's new exploration team.

Our goal: Find the next Challenger …

Step 3: Release the Potential

Marmota's tenements are:

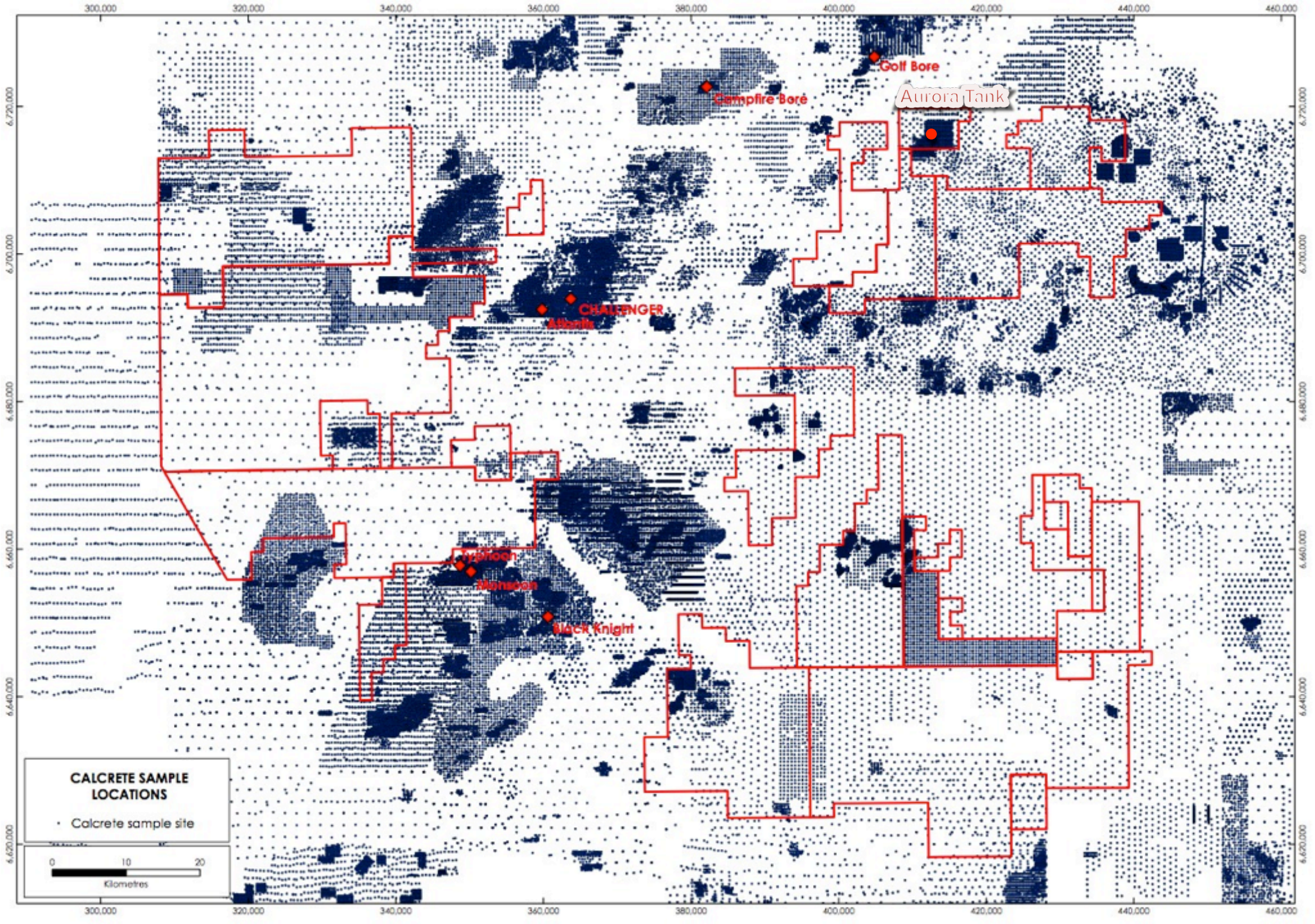
- **Significantly underexplored** = more potential

  (not old ground that has already been overworked): see next diagram

- Woomera prohibited area: desirable area of exploration focus [1]
- Highly **prospective** geology
  - Christie Mulgathing mobile belt
  - Similarities to WA gold fields
  - Significantly underdrilled in comparison to WA goldfields

[1] Bloomberg (19 June 2015): Bombed, Blasted, Nuked: Outback may yield $27 billion in minerals, http://www.bloomberg.com/news/articles/2015-06-19/riches-buried-below-rocket-range-draw-miners-seeking-27-billion

Calcrete sampling in the Gawler Craton



We have only just started with the NEW exploration team…

But since March, we have already identified …

7

new anomalous gold-in-calcrete zones

(And, so far, these ones are all reproducible)

Marmota is double-checking all gold-in-calcrete anomalies via infill sampling

The best happens undercover

Most of Marmota's Gawler Craton ground is blanketed by a thin veneer of residual or transported surface cover.

This is an **advantage** because:

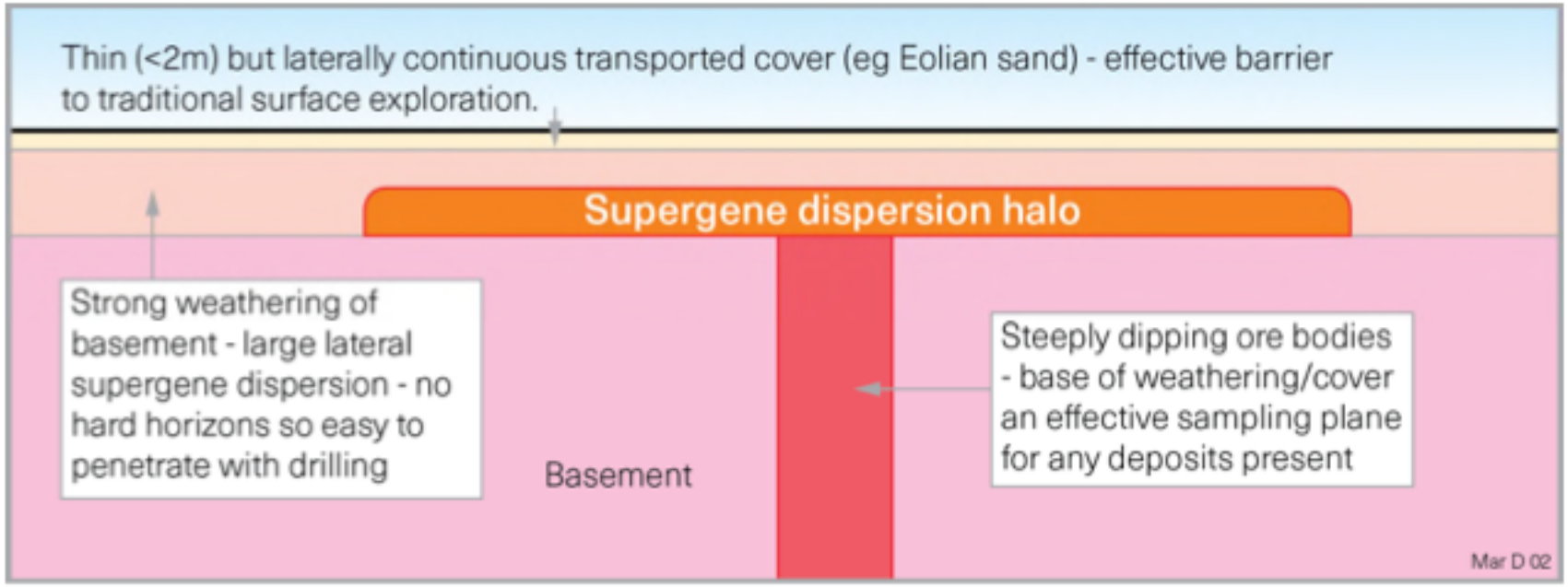
- It means the old-timers / prospectors would not have been able to find whatever riches may be lying underneath

- Thin layer of soft cover = cheap to drill

Hronsky's Perfect Under-cover Exploration Scenario

" One of the most attractive search spaces has a thin veneer of cover overlying a zone of supergene weathering which penetrates basement. "

Jon Hronsky [1]



After Jon Hronsky (2016)

The perfect under-cover exploration scenario

[1] Hronsky, Jon (2016), from presentation at: *Australian Earth Sciences Convention*, Adelaide, 27–30 June 2016

Hronsky's Perfect Under-cover Exploration Scenario …

Marmota's Gawler Craton scenario is *even better*, because over and above Hronsky's 'perfect' scenario of:

1. Thin veneer of cover
2. Strongly weathered basement without hard horizons (easy to drill)
3. Large secondary dispersion haloes overlying mineralisation

… our ground additionally has:

wide-spread near surface calcrete
… which helps detect buried secondary dispersion haloes
… which is a guide to the underlying mineralisation.

Cover reduces Gold-in-Calcrete Readings (but not the prize)

Smaller numbers can be hiding BIG prizes

Transported cover reduces the grade and size of surface gold-in-calcrete anomalies.

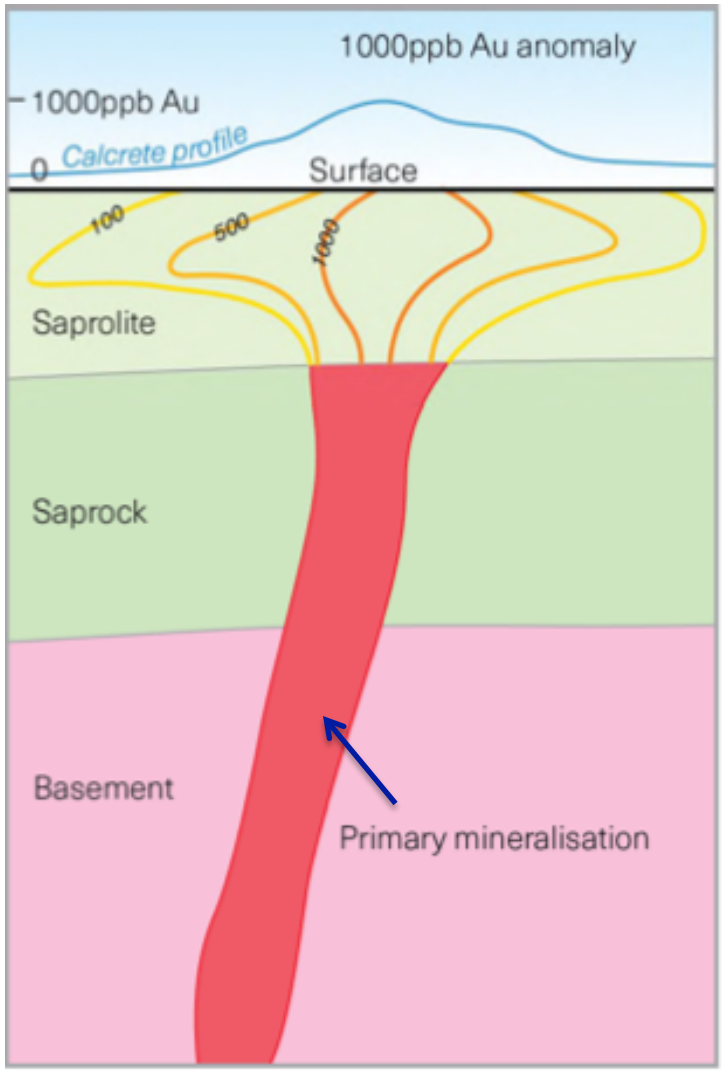
So, if there is a layer of cover:

Even smaller gold-in-calcrete anomaly clusters may indicate big prizes underneath

Gold-in-calcrete anomalies depend on thickness of cover

Gold-in-Calcrete:
Peak 500 to 1000ppb Au
but generally 0 to 100ppb

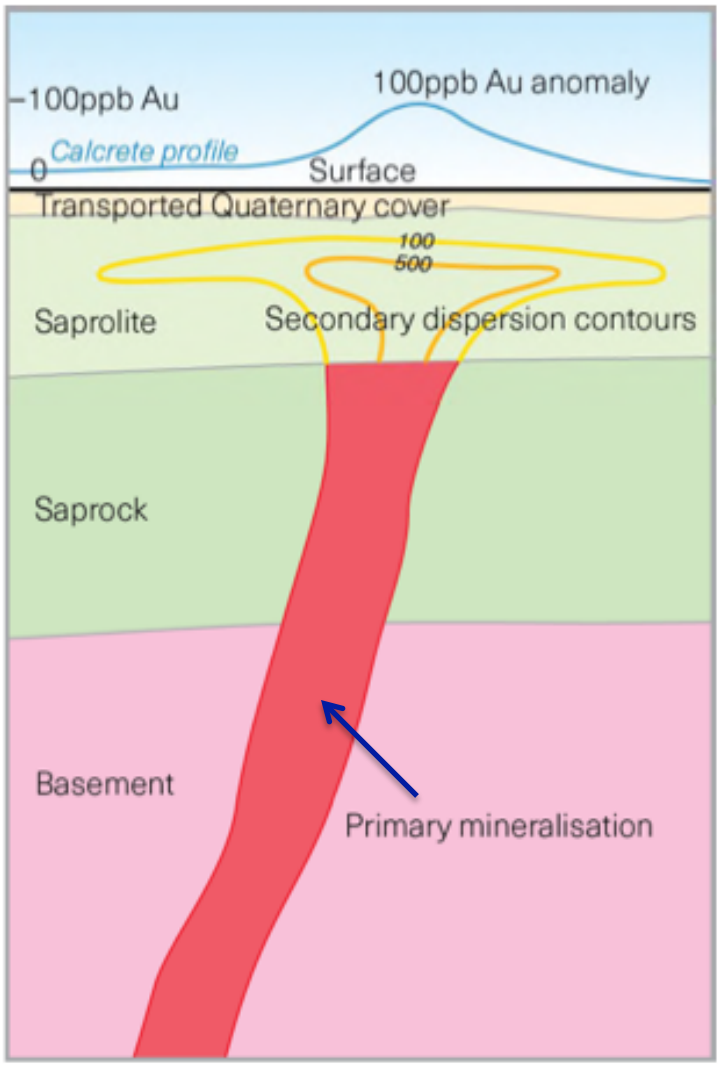
No cover



Type (a) **Weathered basement at/near surface**
Gold present near surface e.g. Challenger

Gold-in-Calcrete:
Generally 0 to 100ppb

With minor cover

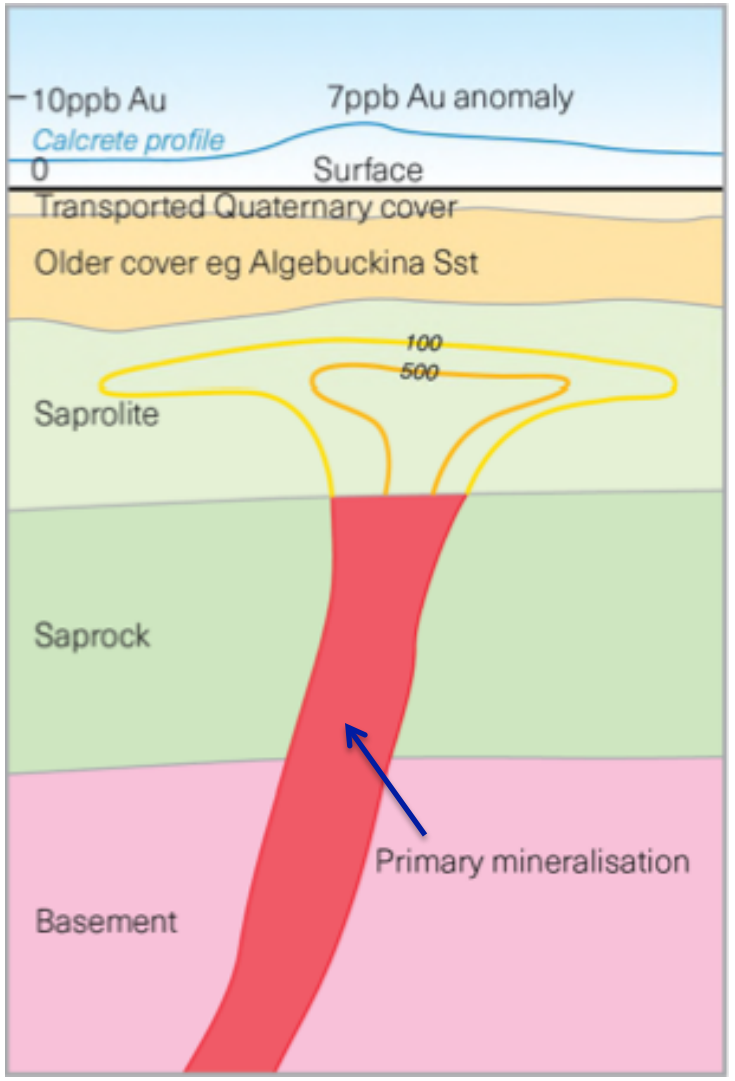


Type (b) **Mineralisation under thin transported Quaternary cover**

Gold-in-calcrete … continued

With Mesozoic cover

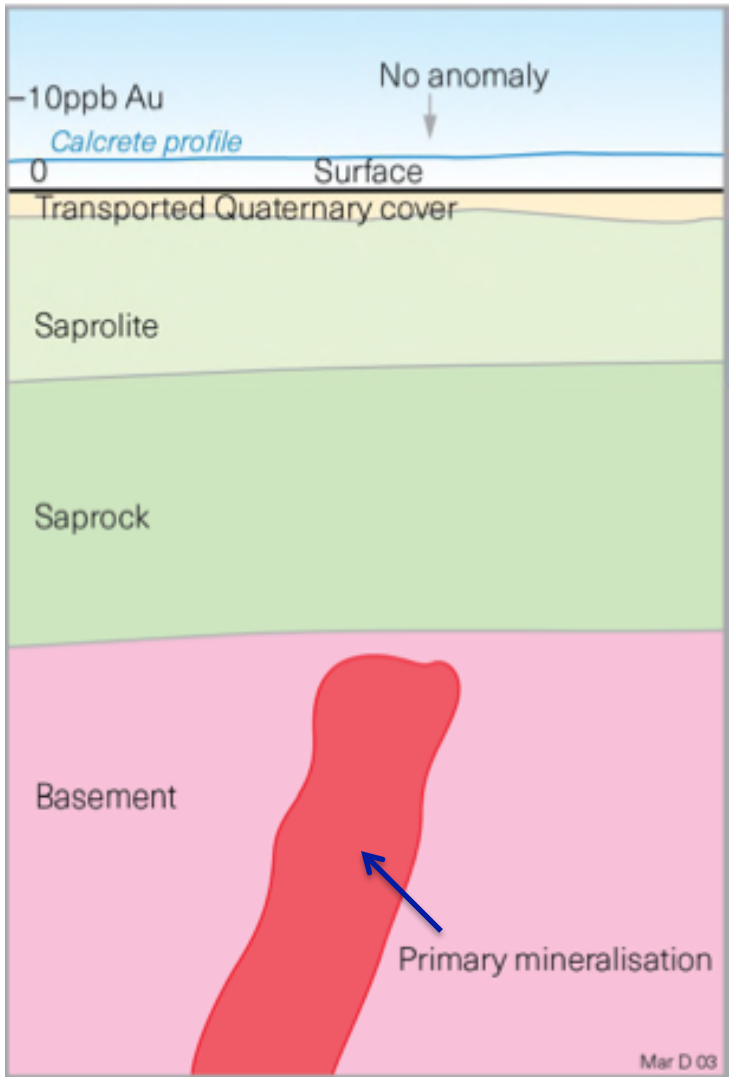
Gold-in-Calcrete:
Generally to 10ppb



Type (c) **Mineralisation under Mesozoic cover**

Blind

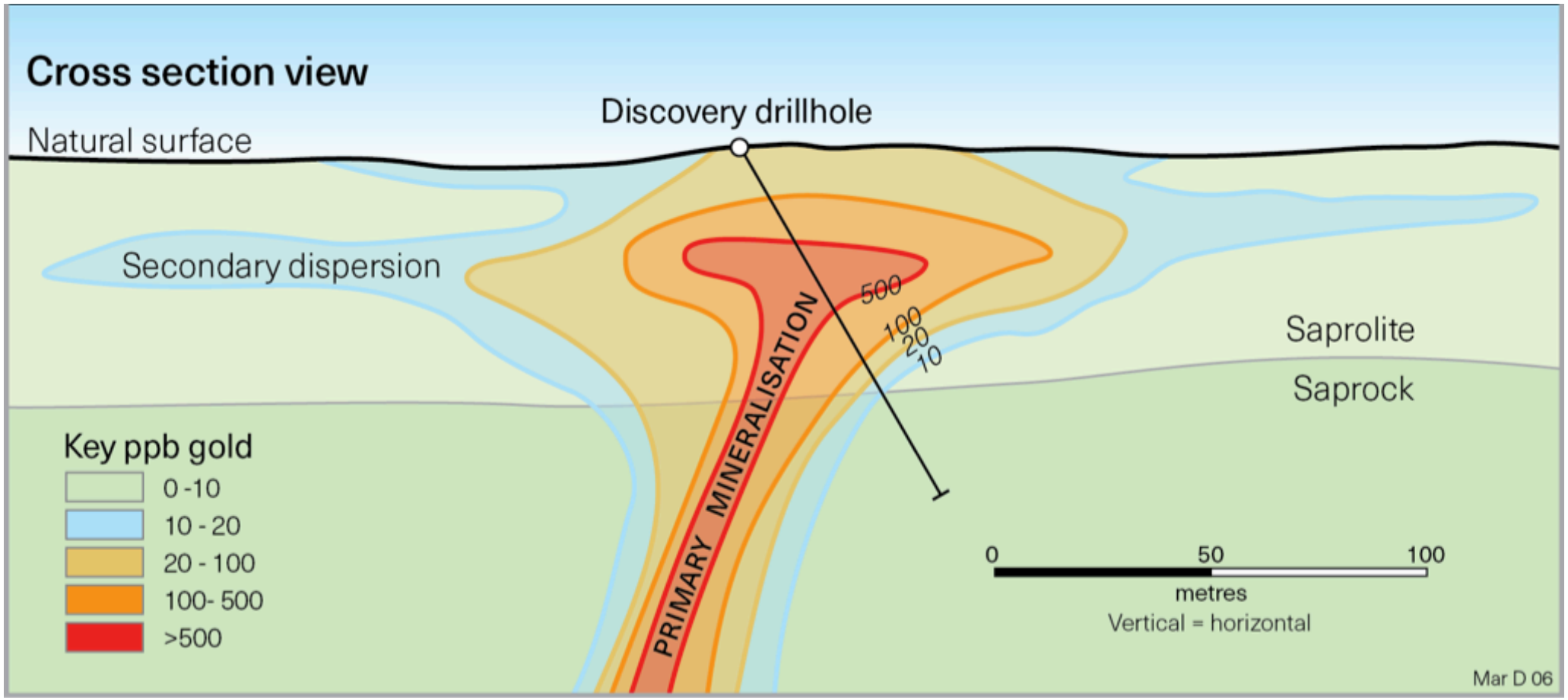
Gold-in-Calcrete:
None



Type (d) **Blind mineralisation**

The First Law of Secondary Dispersion

- The “First Law” says: grades decrease as you move away from the primary mineralisation
- Shallow grid drilling to 50 metres depth provides a 3D understanding of the geometry of gold dispersion
- Then: follow the grade increases to find the orebody



Model of geochemical dispersion around Western Gawler Craton gold mineralisation

Now drilling: Aurora Tank

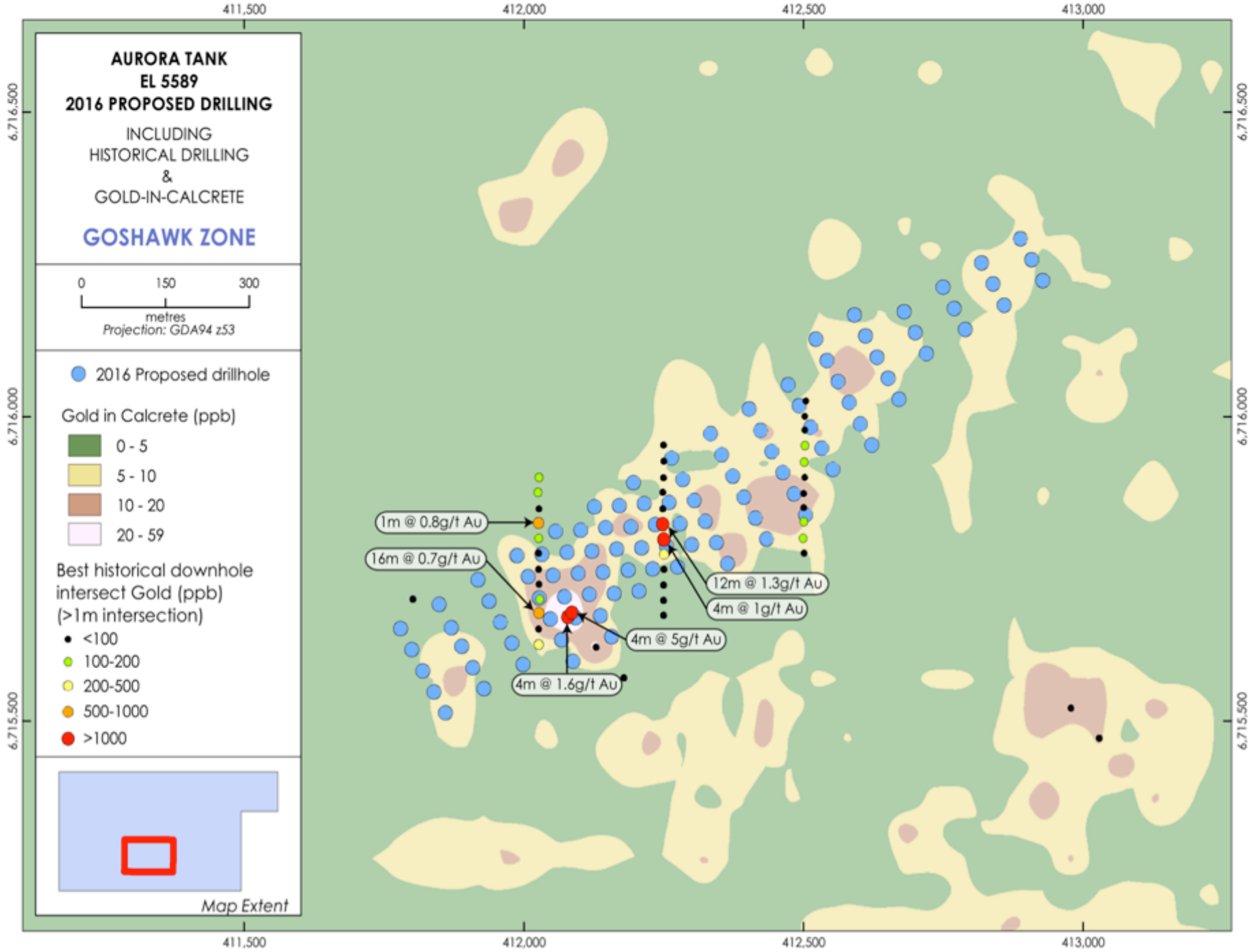
Aurora Tank is situated about 50km NE of Challenger

- Drilling to test the Goshawk Prospect at Aurora Tank with the intention of fully defining geochemical dispersion from gold mineralisation
- 98 angled aircore drill holes at approx. 50 metre depths
- Total drilling (approximately): 4,900m
- **Drilling started:** on 4 September
- **Duration:** about 3 weeks

Goshawk Drill Grid

- 98 aircore holes
- ~50m depths
- Total: ~4,900m

Started: 4 Sept
Duration: 3 weeks



COPPER

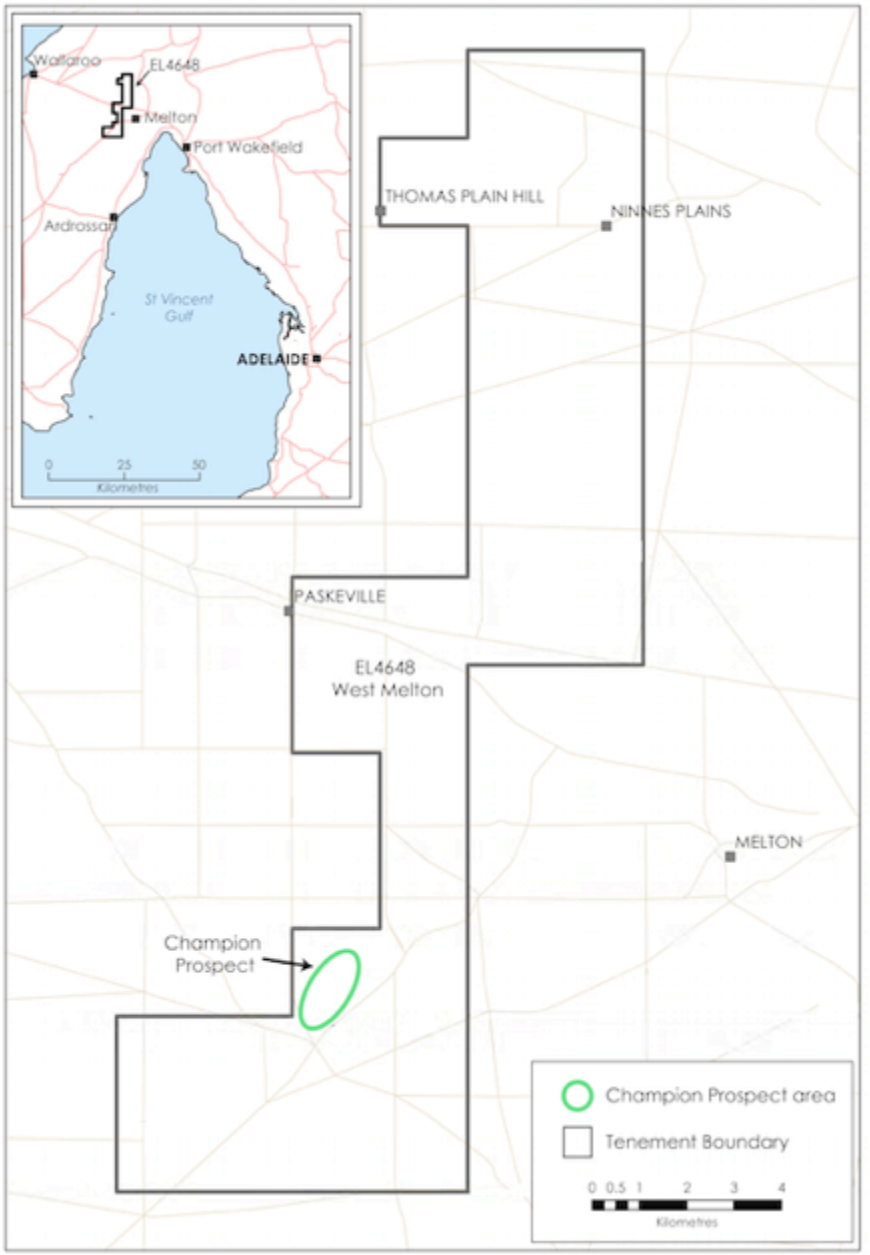
Champion Prospect — Copper Coast, Yorke Peninsula

First Exploration Target[1] (June 2016)

1 to 4 million tonnes
at grade between **1.0% and 1.5% copper**

The Exploration Target:

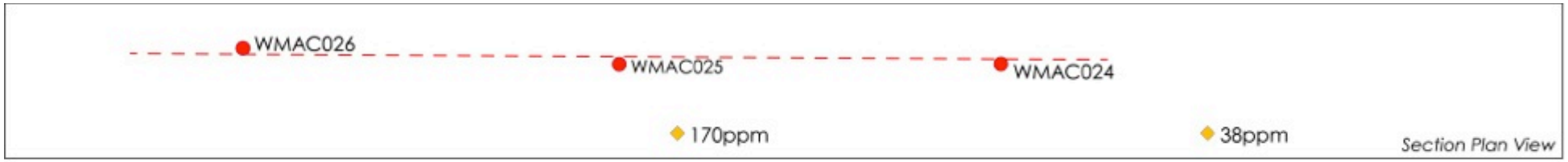
- … has 8 open intersections in the areas drilled
- … only includes secondary mineralisation close to the surface; intersected sulphides have not been been included in the estimate

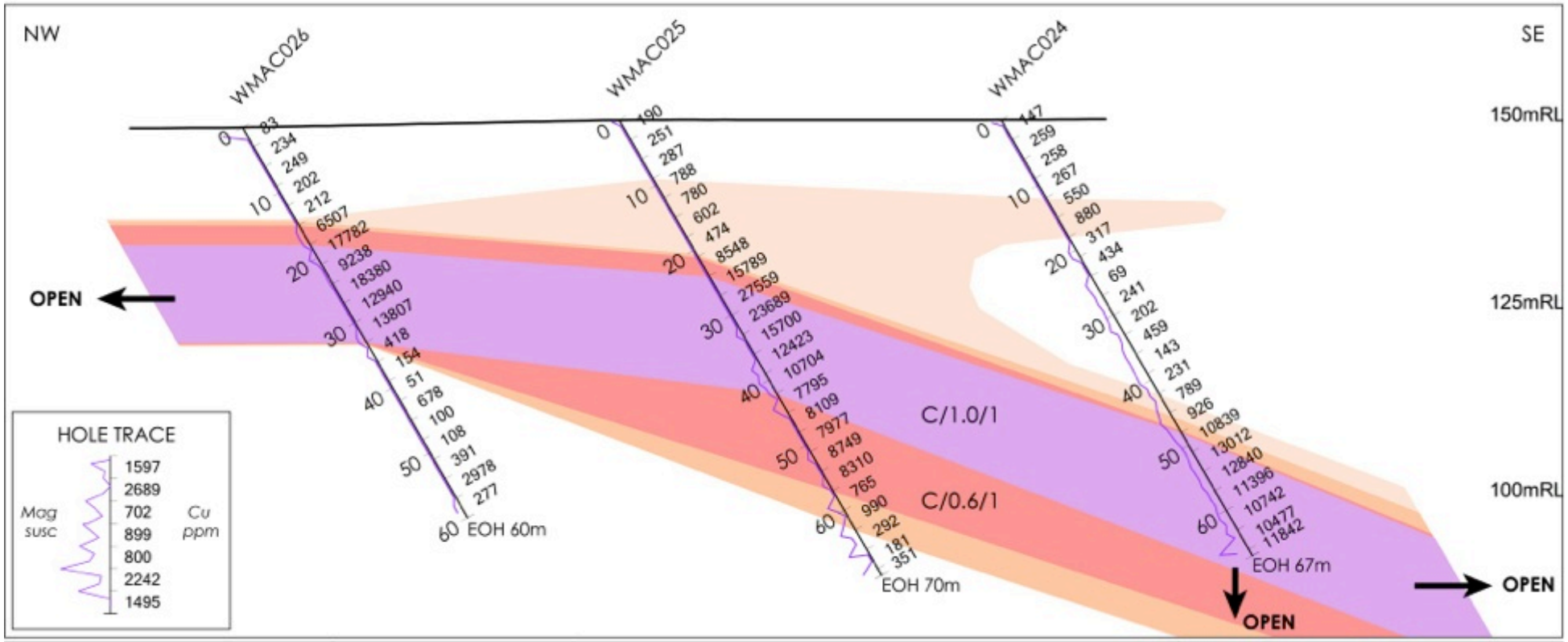


1. See MEU:ASX 16 June 2016

Champion Prospect

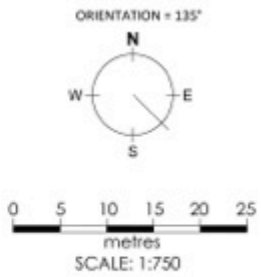
Section Line C





MARMOTA ENERGY

CHAMPION PROSPECT
EL4648
LINE C



SECTION LEGEND

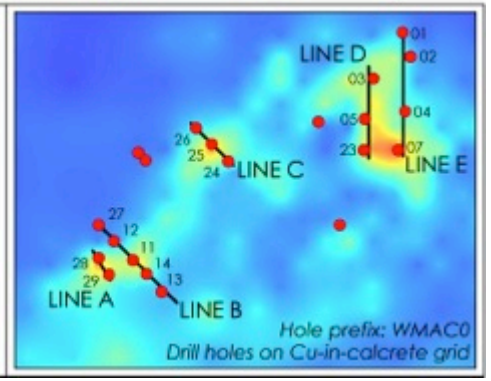
- 0.05-0.1% Cu
- 0.1-0.6% Cu
- 0.6-1% Cu
- >1% Cu

SECTION PLAN LEGEND

- Drill collar
- Calcrete sample (with Cu ppm)
- Section trace

PERIMETER REFERENCE

C/0.6/1 Section ID/grade/ref no.

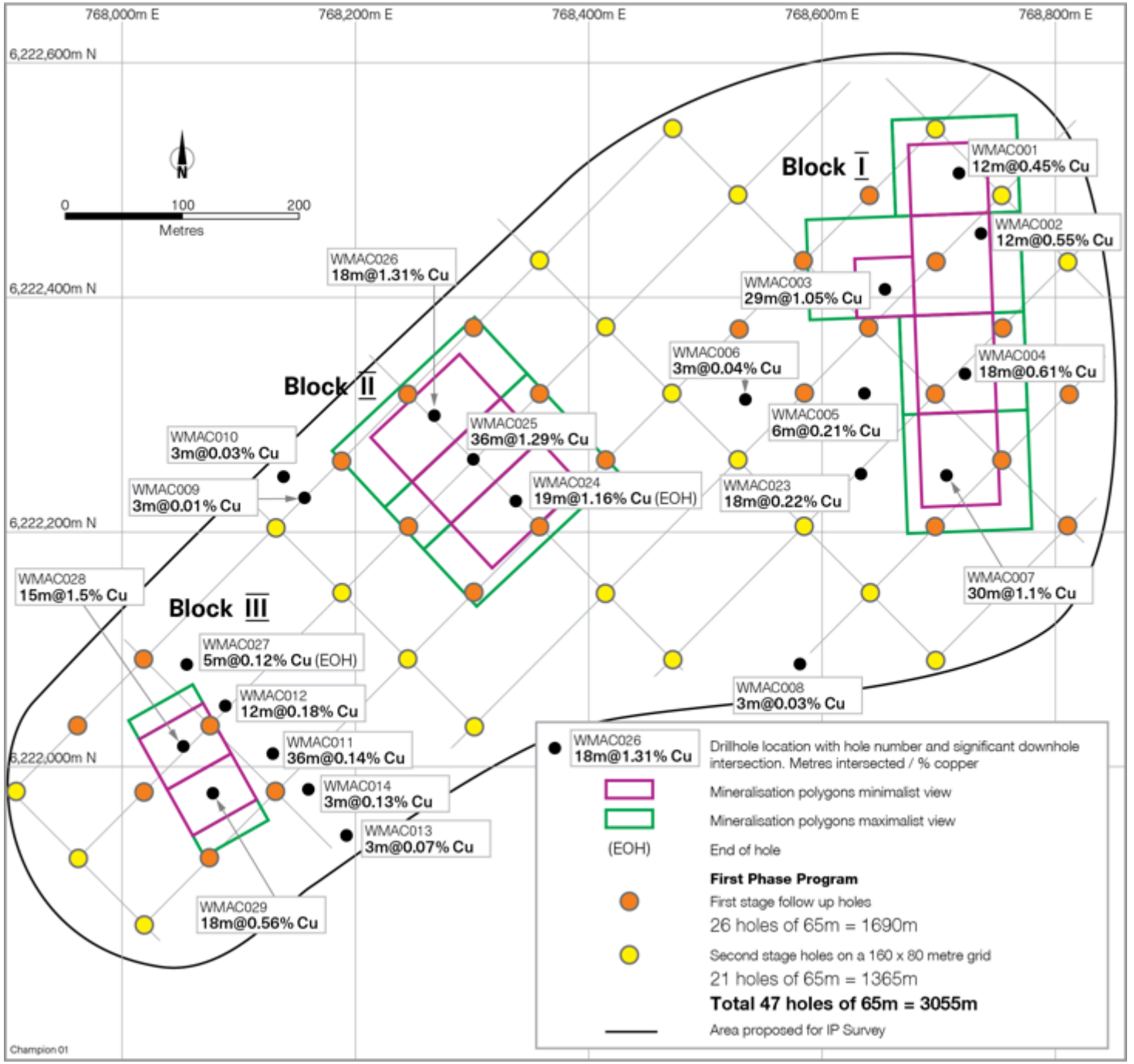


Champion Prospect

Exploration Target (Blocks I, II and III)

and

Proposed First Phase Drilling Program



Drilling program should result in an Inferred Resource being able to be reported in accordance with the JORC Code.

URANIUM

(currently on backburner)

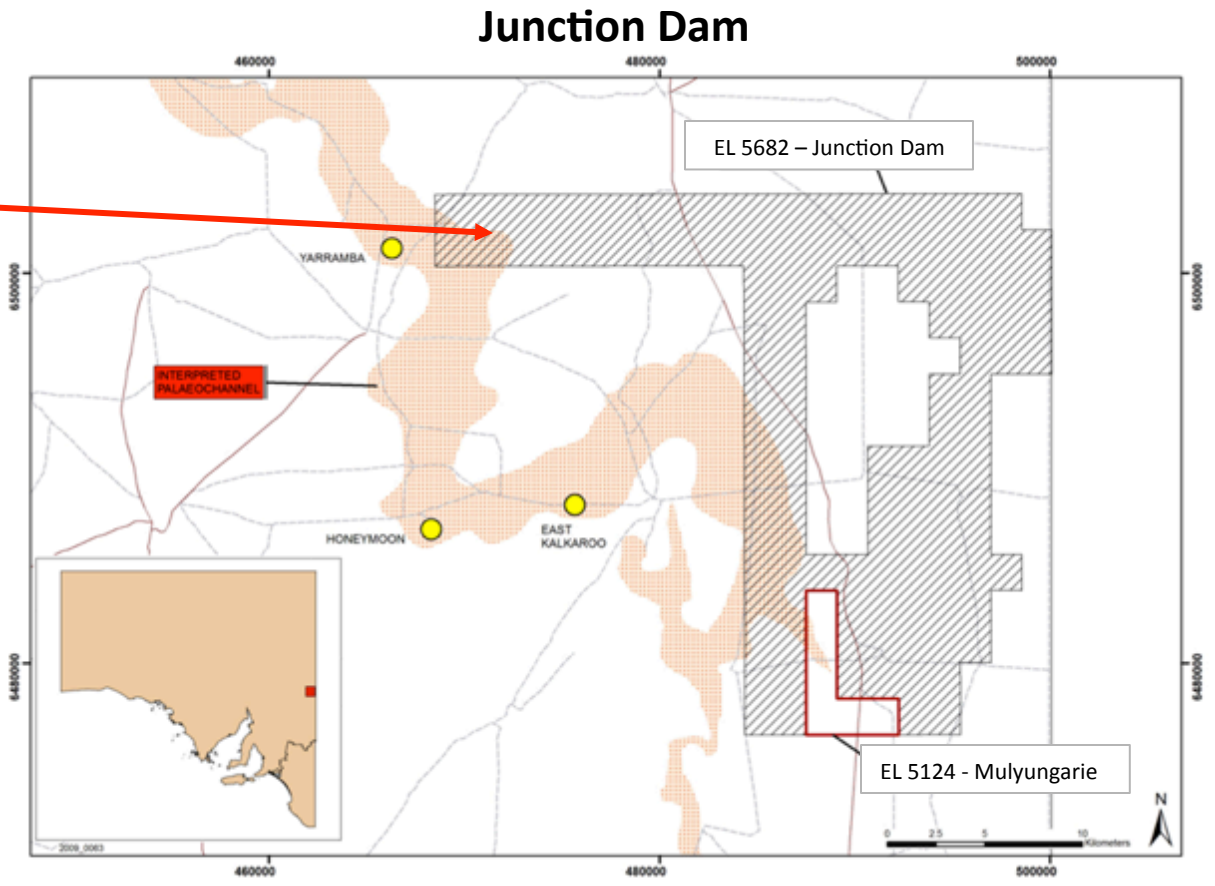
Update: The Honeymoon plant has recently been sold.
Interesting space to watch …

Junction Dam Located 10km from Honeymoon mine

Permitted uranium mines in SA

- ★ Olympic Dam (operating)
- ★ Beverley/Four Mile (operating)
- ★ Honeymoon (care & maintenance; recently sold)

Marmota holds 100% of the rights to uranium on the Junction Dam tenement

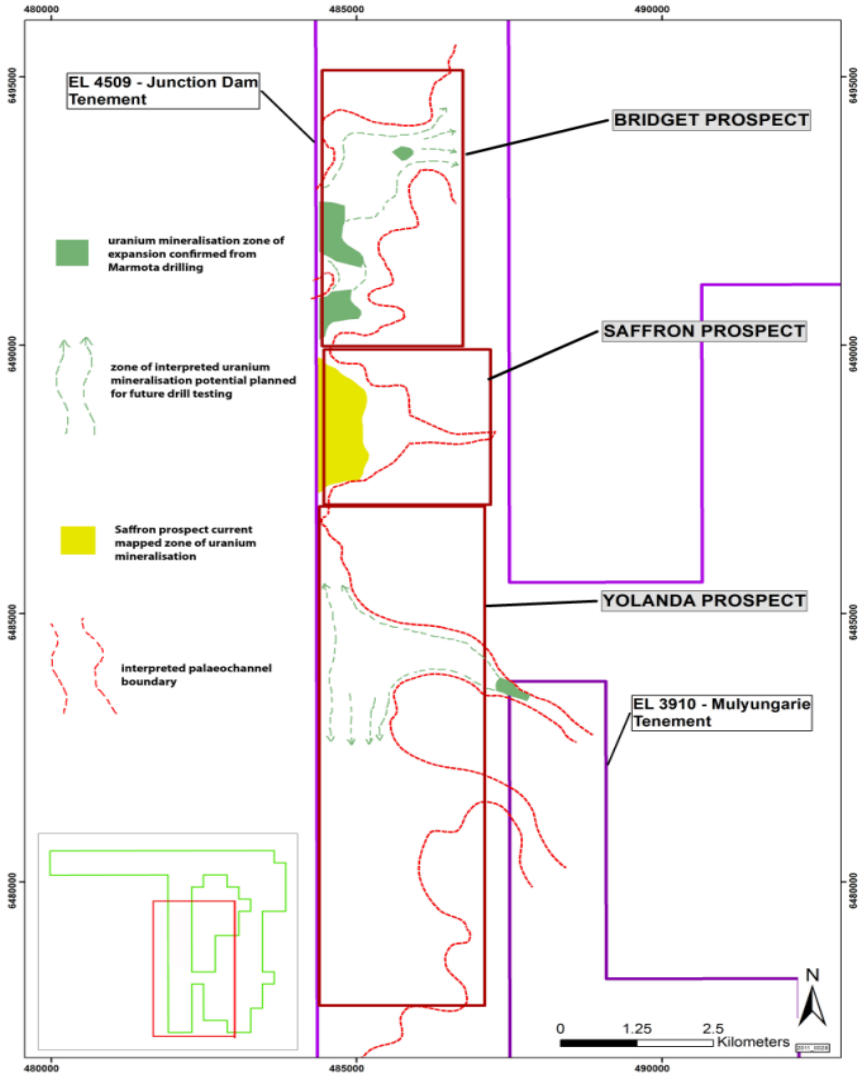


Junction Dam: Resource and Targets

Resource

- Inferred resource of * **5.4 million pounds** with average grade of 557ppm U_3O_8 (see ASX: 18 July 2013)

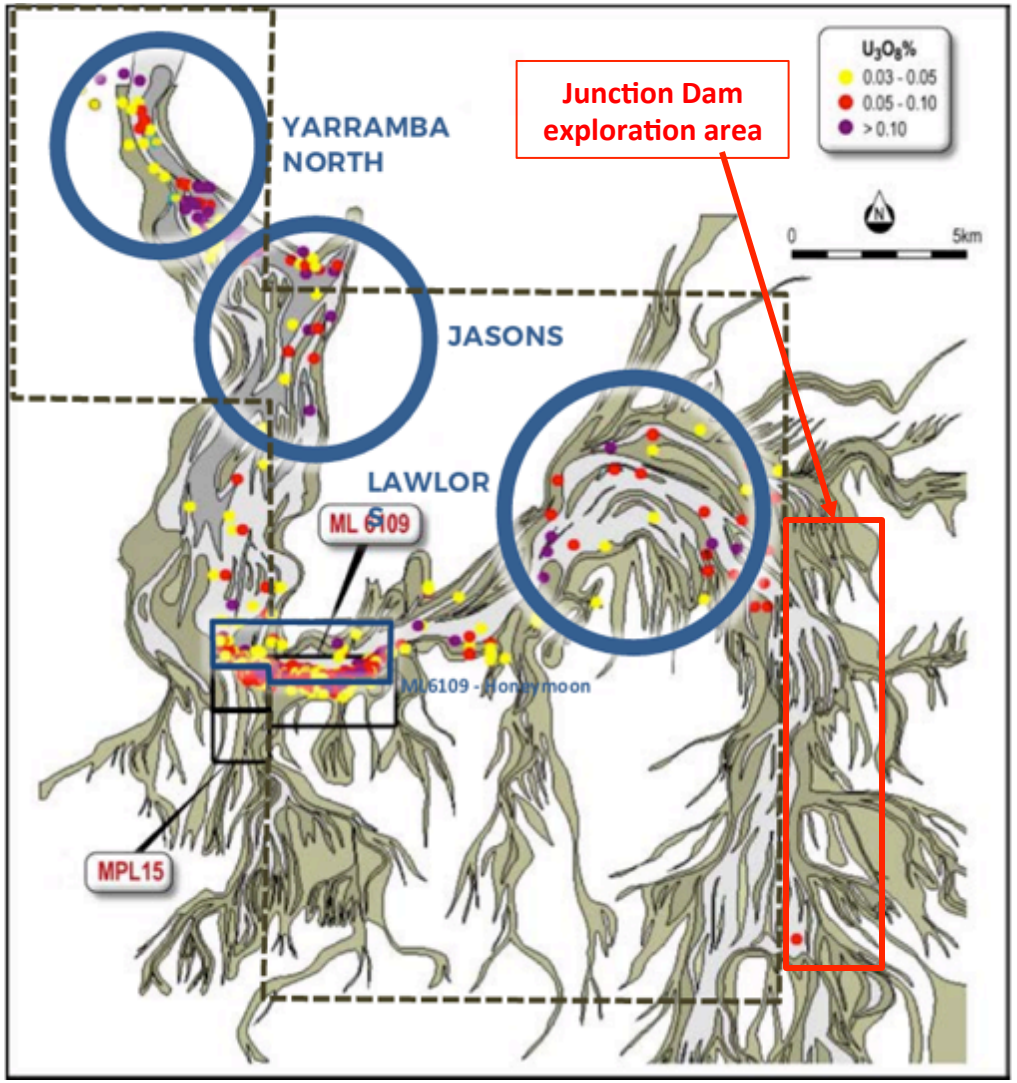
- Overall Exploration Target of **22–33 million pounds** U_3O_8
  (Saffron deposit with Bridget and Yolanda prospects: see ASX: 9 July 2012)



* Upward revision of the Saffron deposit inferred resource size as indicated above follows the application of an average positive disequilibrium factor of 1.63. This is an indicative result and further assessment is underway. It is uncertain if further exploration work or feasibility studies will result in the determination of an Ore Reserve.

Honeymoon Mine

- Honeymoon Mine is 10 km west of Junction Dam
- Honeymoon Mine was developed by Uranium One and initially Mitsui with nameplate capacity of 880,000 lbs pa
  - Commissioned in 2011
  - Put on care and maintenance in 2013
  - Never achieved nameplate; got to 500,000 lbs pa
- Uranium One recently sold the Honeymoon Mine to Boss Resources who are looking to re-open.



Honeymoon Mine Strategy

- To run economically efficiently, the Honeymoon Mine needs to double its nameplate capacity.
- Marmota personnel have viewed the plant and been in the data room: Marmota believes the capacity can be doubled and the additional uranium then required best met by including the uranium in Marmota's Junction Dam.
- Interesting space to watch … especially if market conditions improve.

Disclaimer

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Cautionary Statement
The estimates of exploration target sizes mentioned above should not be misunderstood or misconstrued as estimates of Mineral Resources. The estimates of exploration target sizes are conceptual in nature and there has been insufficient results received from drilling completed to date to estimate a Mineral Resource compliant with the JORC Code (2004) guidelines. Furthermore, it is uncertain if further exploration will result in the determination of a Mineral Resource.

Forward Looking Statement
This report may contain forward looking statements that are subject to risk factors which are based on MEU's expectations relating to future events. Forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside the control of MEU, which could cause actual results to differ materially from such statements. MEU makes no undertaking to update or revise the forward-looking statements made in this report to reflect events or circumstances after the date of this release.

Competent Persons Statement
Information in this exploration update relating to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Dr Kevin Wills, 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." Dr Wills consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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