ASX ANNOUNCEMENT 12 January 2018

Aurora Tank Gold

First diamond drilling yields more high-grade gold

Marmota Limited (ASX: MEU) ("Marmota")

Marmota is very pleased to announce that it has received assay results from the first diamond drilling at Aurora Tank in November 2017. Six diamond core holes were drilled, each to depths of approximately 50m from surface. Excellent grades including **5m @ 9 g/t gold** from 43m (including **1m @ 17g/t**) were returned in Hole 2; **2m @ 9 g/t gold** from 31m (including **1m @ 16.5 g/t gold**) in Hole 4; **1m @ 4.5 g/t** from 37m in Hole 5, **1.3m @ 4.1 g/t** from 23.7m in Hole 6, and **9m @ 2.4 g/t** from 16m in Hole 1. All holes intersected significant mineralisation greater than 1g/t gold, demonstrating geological continuity of mineralisation and frequent high-grade intersections.

Due to the soft and friable nature of weathered rock at Goshawk, some core was not able to be recovered during drilling, including over some anticipated high grade zones. The soft and friable nature of the weathered rock also points to the opportunity for low-cost open-pit mining of the Goshawk deposit.

In addition to the assays received, the diamond drill core will be used to obtain geotechnical, petrological and further metallurgical data, all of which will assist in the evaluation of Goshawk as a mining proposition. Please see Table 1 for more detail.

Background

- Aurora Tank (EL 5589) is located 50km NE of the Challenger Gold Mine (ASX:WPG); the latter has produced over 1 million ounces of gold (more than $1.7 billion at current prices)
- Aurora Tank is 100% owned by Marmota
- In September 2016, Marmota carried out its first drilling program at Aurora Tank (Goshawk).
- In September 2017, Marmota reported **outstanding 1m intersections** including **101 g/t gold** (with duplicate samples at 85 g/t and 93 g/t, averaging 93 g/t). Highlights include:

▪	2m at	**67** g/t	gold	from 32m	– Hole 17AT021	(incl	1m @ **93** g/t	gold from 32m)
▪	5m at	**13** g/t	gold	from 41m	– Hole 17AT022	(incl	1m @ **44** g/t	gold from 45m)
▪	4m at	**14** g/t	gold	from 32m	– Hole 17AT011	(incl	1m @ **42** g/t	gold from 33m)
▪	10m at	**6** g/t	gold	from 17m	– Hole 17AT042	(incl	1m @ **42** g/t	gold from 18m)
▪	4m at	**9** g/t	gold	from 28m	– Hole 17AT026	(incl	1m @ **26** g/t	gold from 31m)
▪	3m at	**10** g/t	gold	from 22m	– Hole 17AT035	(incl	1m @ **19** g/t	gold from 23m)
▪	3m at	**12** g/t	gold	from 29m	– Hole 17AT045	(incl	1m @ **20** g/t	gold from 30m)
▪	3m at	**11** g/t	gold	from 22m	– Hole 16AT019	(incl	1m @ **23** g/t	gold from 22m)
▪	4m at	**9** g/t	gold	from 25m	– Hole 16AT043	(incl	1m @ **34** g/t	gold from 27m)
▪	1m at	**30** g/t	gold	from 17m	– Hole 17AT029			
▪	1m at	**23** g/t	gold	from 35m	– Hole 16AT061			
▪	1m at	**20** g/t	gold	from 17m	– Hole 17AT024			
▪	1m at	**22** g/t	gold	from 20m	– Hole 17AT044			

- Significant gold mineralisation over 500m strike length
- More than 117 intersections greater than 1 g/t gold
- Mineralisation close to surface (consistently within 50m of surface)
- Marmota is now exploring different avenues to bring Aurora Tank into production.
- On 30 October 2017, Marmota reported the first metallurgical testwork from Aurora Tank returned **94% to 97% gold recoveries**.
- On 24 November 2017, Marmota and WPG announced forming a strategic alliance to investigate the development of Marmota's Aurora Tank gold project and the treatment of Aurora Tank gold ore through WPG's Challenger plant.

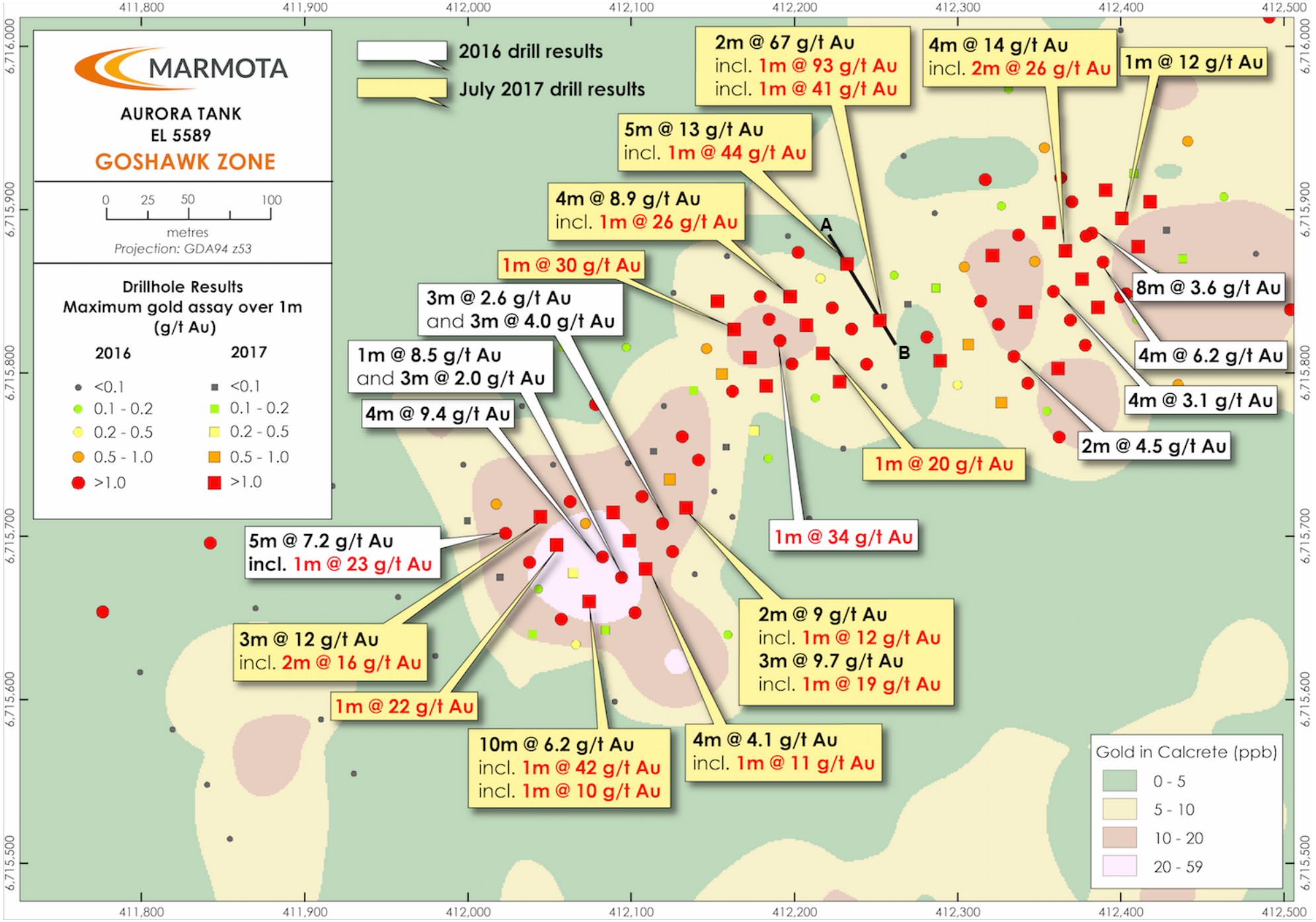

Figure 1: **Aurora Tank – Best Aircore/RC downhole gold results at Goshawk Prospect**

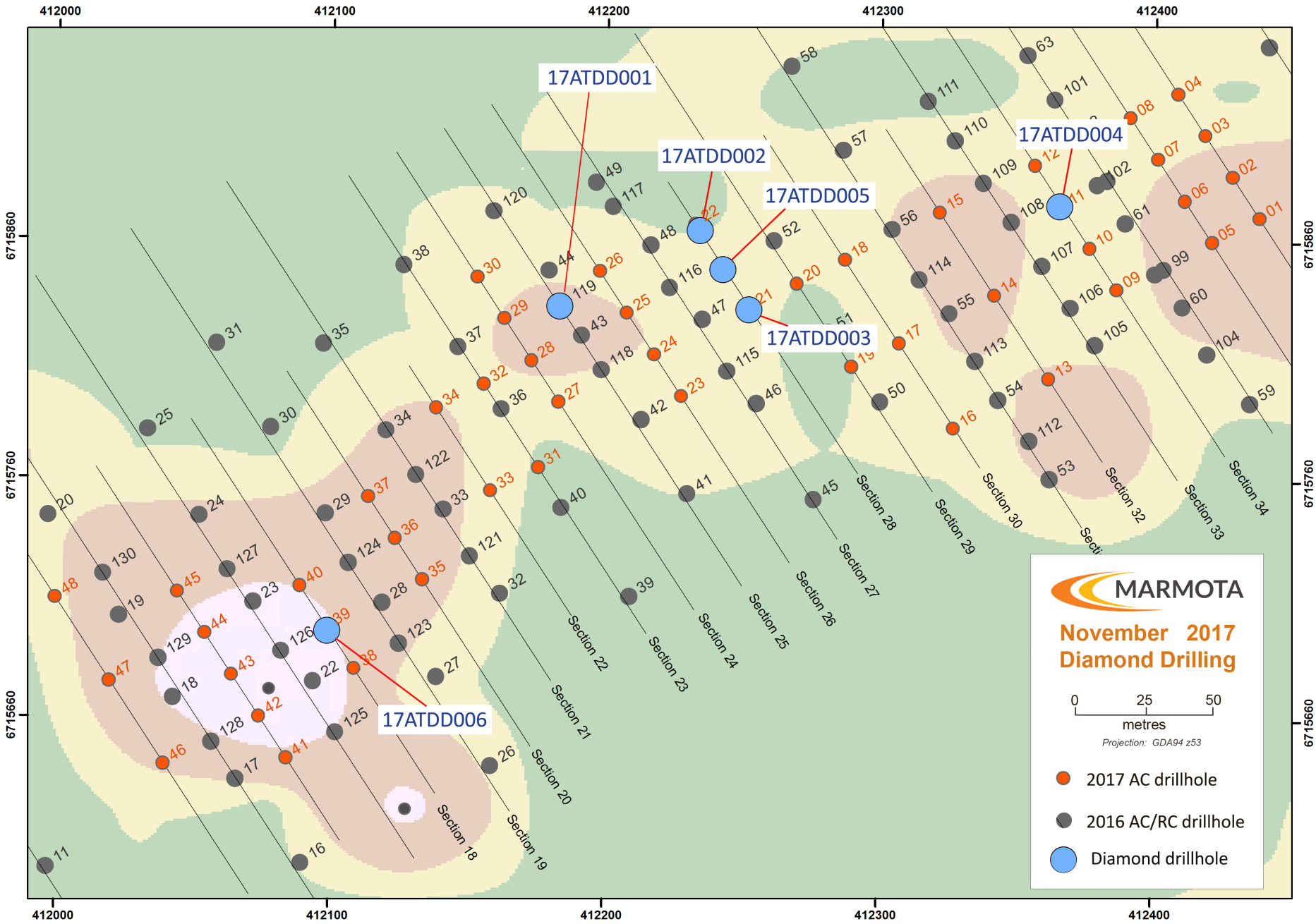

Figure 2: **Diamond Drill Holes at Aurora Tank (November 2017)**

Table 1 November 2017 – Diamond Drilling Significant Gold Intersections > 1.0 g/t Au

Hole ID	Easting	Northing	DIP	AZM	EOH	Depth From (m)	Depth To (m)	Intercept Width (m)	Au g/t
17ATDD001	412,184	6,715,832	-73	150	57.7	16	25	**9 m**	**2.4**
including						21	24	**3 m**	**3.3**
and						28	29	**1 m**	1.6
17ATDD002	412,232	6,715,867	-60	150	51.7	40	41	**1 m**	1.0
and						43	48	**5 m**	**9.0**
including						43	44	**1 m**	**16.7**
including						45	46	**1 m**	**7.3**
including						47	48	**1 m**	**11.0**
17ATDD003	412,253	6,715,830	-60	150	45.7	24	25	**1 m**	1.1
and						30.4	31.35	**1 m**	1.8
17ATDD004	412,364	6,715,874	-60	150	45.9	14	15	**1 m**	**2.3**
and						31	33	**2 m**	**9.0**
including						32	33	**1 m**	**16.5**
17ATDD005	412,242	6,715,849	-60	150	56.4	37	38	**1 m**	**4.5**
17ATDD006	412,097	6,715,698	-60	150	55.5	23.7	25	**1.3 m**	**4.2**
and						49.8	51	**1.2 m**	**2.0**

Goshawk drill collar locations are shown in Figure 2

[Intersections over 5 g/t gold in **red**]

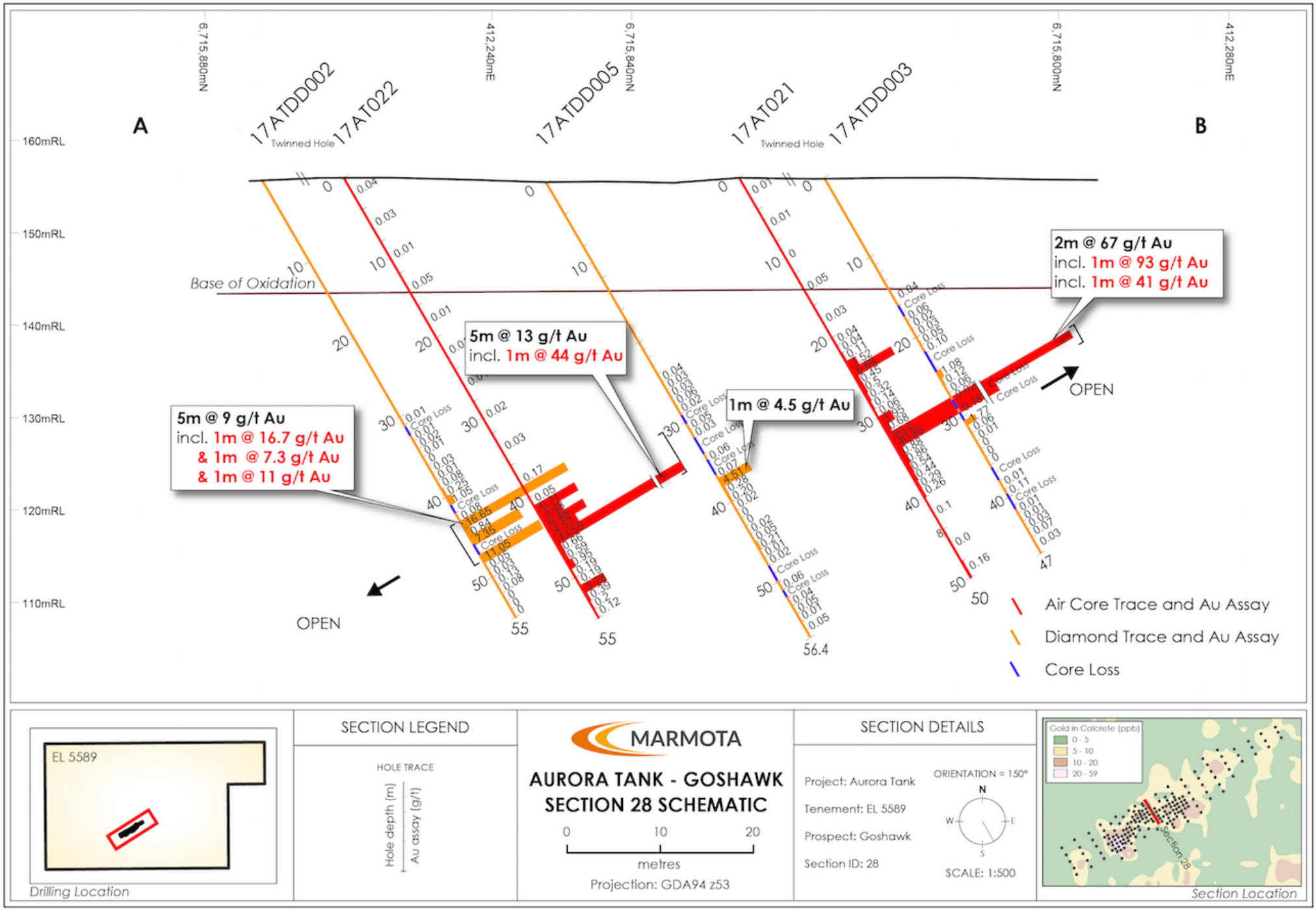

Figure 3: Cross section 28: marked A–B on Figure 1

Notes on Diamond core drilling Program

1. Diamond core drilling was designed primarily to obtain core from the first 50m from surface in the regolith zone (*i.e.* the softer accumulation zone above the deeper rock layer). The relatively soft regolith made recovery of diamond core difficult due to break-up of the softer material during drilling, and in some sections, substantial core loss occurred in the drilling process. In some holes, core loss occurred over zones of primary interest. Where core loss occurred, no assay results were possible. While the soft regolith conditions in the drilling zone made recovery of drill core difficult, on the upside — in particular as the Company's focus shifts to production — those same relatively soft conditions have the practical advantage of reducing the likely costs of open pit mining.

2. The program has successfully provided sufficient material to achieve its primary objectives, namely:
   To provide high quality geological and mining information; to provide samples of fresh bedrock for detailed logging and petrological description of rock types and associated mineral system elements; to provide high-quality samples for density and geotechnical measurements and metallurgical testwork; to determine true orientation of geological structures and underlying geology; and to assist planning further holes targeting deeper primary mineralization.

3. Comparison of Diamond core results to previous AC/RC drilling results: Given the small number of diamond core holes (6) and the loss of core in relevant sections of some holes, there is insufficient data to make a robust statistical comparison between diamond drilling and AC/RC results in adjacent or nearby holes. In some diamond holes (*e.g.* Hole 1), grades obtained from the diamond drilling are 4 times higher than adjacent RC holes over significant 10m long intervals (e.g. 0.5 g/t from RC drilling came back as 2.4 g/t over 10m interval in adjacent diamond hole). In other diamond holes, grades were lower than adjacent AC holes. More important than these swings and roundabouts is the continued presence of high-grade intersections in every drill program (irrespective of the methodology used), and the geological continuity of mineralisation.

4. Aqua regia versus Fire assays
   The diamond core was assayed using both Aqua Regia (AR) and Fire Assay (FA) methodologies.
   Figure 4 compares the Aqua Regia gold results to the Fire Assay gold results and shows near perfect correlation and consistency between the two alternative measures.

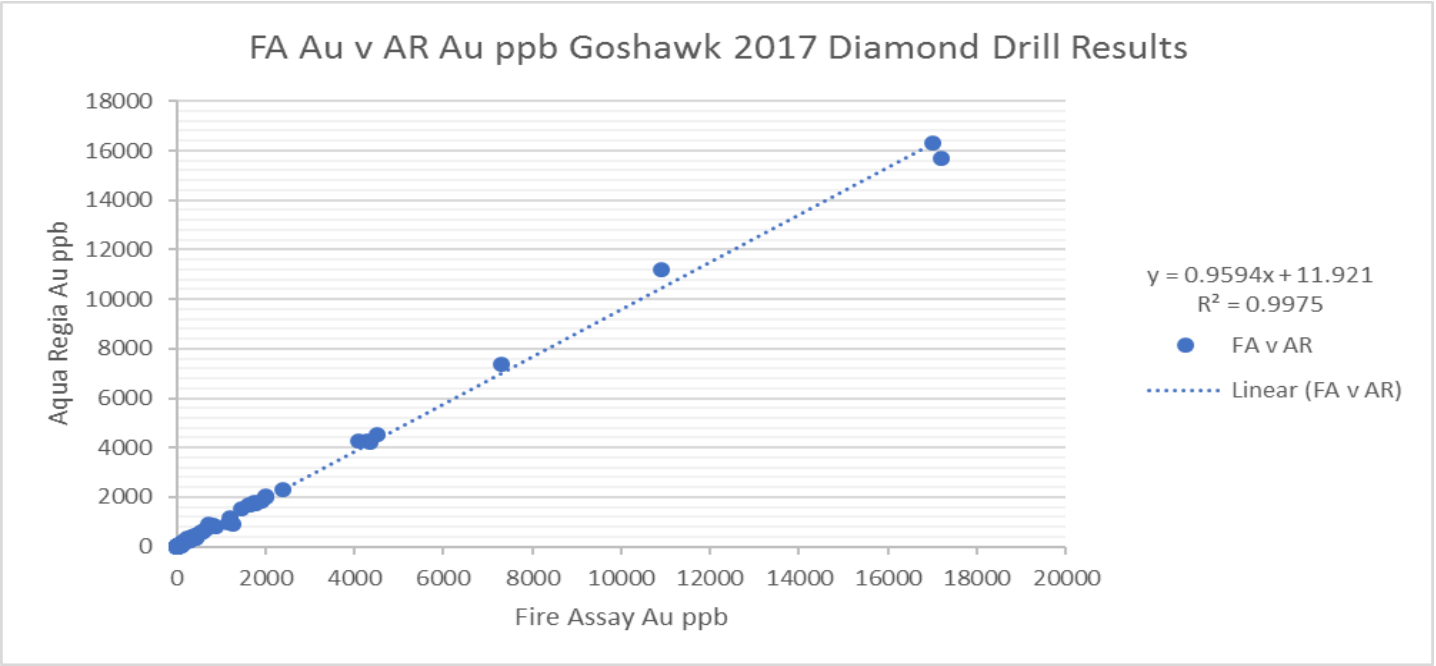

Figure 4: **Fire Assay vs Aqua regia (Gold ppb) for Diamond drill results**

Forward Program: Aurora Tank – What's Next?

- The new diamond drilling assays provide additional evidence of frequent high-grade intersections, geological continuity of mineralisation, and are open on multiple cross sections.
- Density, petrology and further metallurgical studies are planned or underway on remaining diamond drill core. A JORC compliant estimate of gold Resources within 50 metres from surface over the 500m long mineralised zone is underway.
- The intersections, which are all close to the surface, show evidence of frequent high-grade intersections and geological continuity of mineralisation. Further RC drilling is required to determine if these high-grade intersections also point to significant mineralisation at depth.

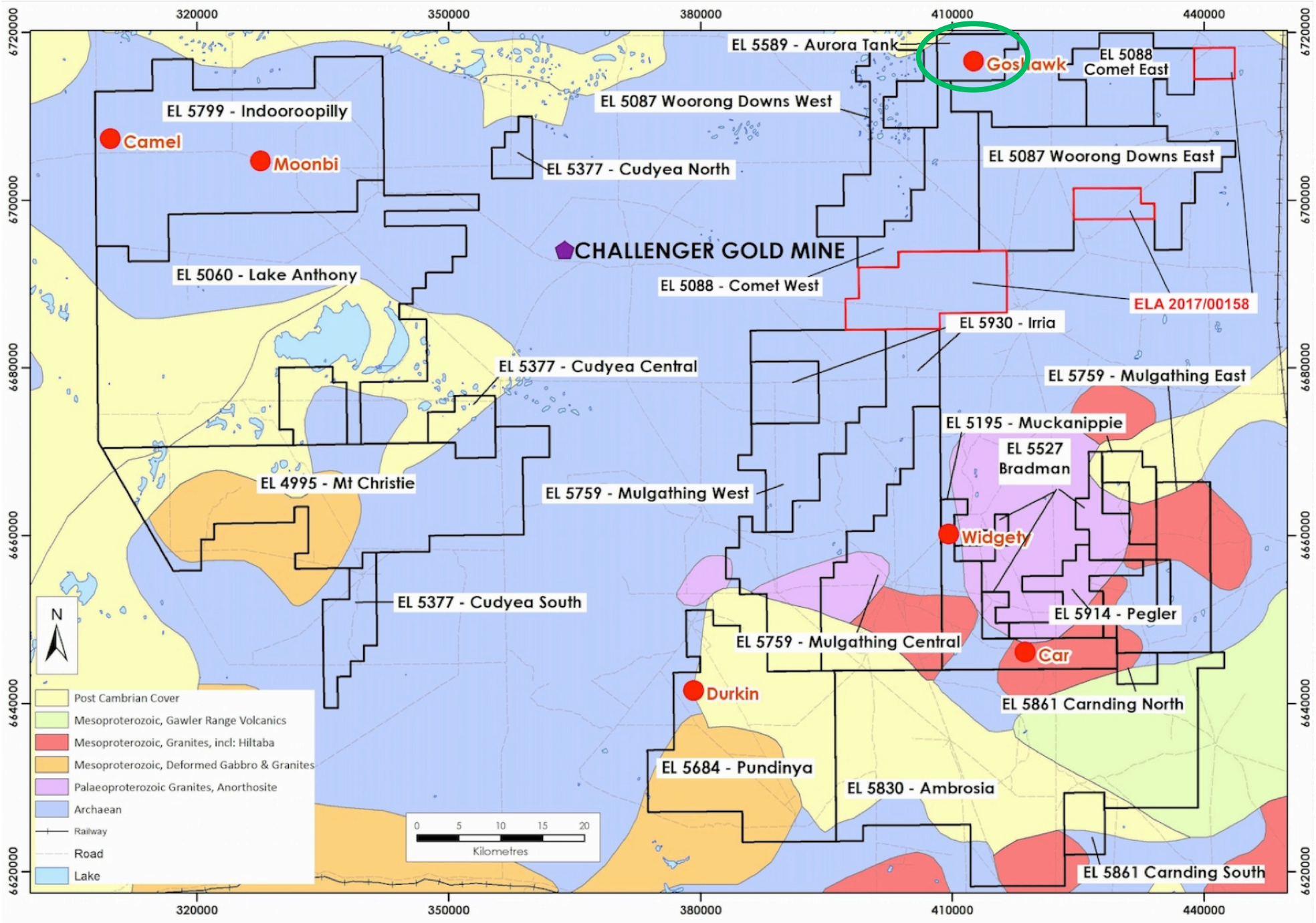

Figure 5: **Marmota's Gawler Craton tenements around the Challenger Gold Mine**
Aurora Tank circled in green; new tenements in red

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About Marmota Limited

Marmota Limited (ASX: MEU) is a South Australian mining exploration company, focused on gold, copper and uranium. Gold exploration is centred on the Company's dominant tenement holding in the highly prospective and significantly underexplored Gawler Craton, near the Challenger gold mine, in the Woomera Prohibited Defence Area. The Company's copper project is based at the Melton project on the Yorke Peninsula. The Company's uranium project is at Junction Dam adjacent to the Honeymoon mine.

For more information, please visit: www.marmota.com.au

Competent Persons Statement

Information in this Release relating to Exploration Results is based on information compiled by Dr Kevin Wills, who is a Fellow 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.

Where results from previous announcements are quoted, Marmota confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

APPENDIX 1

JORC Code, 2012 Edition – Table 1 report

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• 6 diamond drill holes were drilled to collect HQ3 core samples from the Goshawk prospect area. • ¼ core samples were collected at 1m average intervals using a brick cutting saw. Sample length only deviated where it was required in order to compensate for core loss. • Samples were an average weight of 1 kg which were pulverized to produce sub samples for lab assay (samples pulverized to produce a 30 g sample for Aqua Regia Digest and Fire Assay). Samples were analysed by Inductively Coupled Mass Spectrometry. • Only laboratory assay results were used to compile the table of intersections that appears in the report.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Drill method consists of HQ triple tube at an inclination of 60 degrees. Hole diameters are 149 mm.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Samples were logged and sample recovery estimated on site by a geologist. Qualitative assessment of sample recovery was recorded. • Additional measures were used in the field to try and improve recovery including but not restricted to the use of muds to firm up core. • Sample recoveries were low at intermittent intervals and core loss is reported in the mineralised zone: it is likely that mineralised intervals were not recovered due to core loss.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All samples were geologically logged by the on-site geologist. The holes have not yet been geotechnically logged. • Geological logging is qualitative. Core trays were photographed at the completion of the exploration program prior to core cutting. • 100% of any reported intersections in this announcement have had geological logging completed.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• 1m (average) samples averaging 1 kg were collected for laboratory assay. ¼ core samples were collected by cutting with a brick saw • N/A Laboratory sample preparation includes drying and pulverizing of submitted sample to target of p80 at 75 um. • No samples checked for size after pulverizing failed to meet sizing target in the sample batches relevant to the report. • Samples were digested using both Aqua Regia and Fire Assay. Samples were introduced into the sample stream by the Company, while the laboratory completed repeat assays on various samples. • Standard samples were introduced into the sample stream laboratory. • Both Company and laboratory introduced duplicate samples indicate acceptable analytical accuracy and precision. • Laboratory analytical charge sizes are standard sizes and considered adequate for the material being assayed.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Bureau Veritas Minerals in Adelaide was used for analytical work. Samples were analysed in the following manner: o Aqua Regia Digest: Analysed by Inductively Coupled Plasma Mass Spectrometry for Au, Ag, As, Cu, B and S o Fire Assay was Analysed by Inductively Coupled Plasma Mass Spectrometry for Au • For laboratory samples, the Company analysed each sample using two different digest methods and the same analytical method to determine precision of results. The laboratory introduced additional QA/QC samples (blanks, standards, checks) at a ratio of greater than 1 QA/QC sample for every 10 drill samples. • Both the Company and laboratory introduced QA/QC samples that indicate acceptable levels of accuracy and precision have been established.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• A Company geologist has checked the calculation of the quoted intersections in addition to the Competent Person. • N/A No adjustments have been made to the assay data.

Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole coordinate information was collected using a digital GPS system with an autonomous accuracy of +/-0.5 metres utilising GDA 94 Zone 53. • Area is proximately flat lying and topographic control uses SRTM 90 DEM.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill holes were advanced along traverses setup perpendicular to the orientation of the geochemical anomaly. • N/A • No composite Sampling has been applied
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill lines were orientated to cover previously drilled mineralisation and traverses crossed the width of the mineralised zone, therefore a sampling bias should not have occurred.
Sample security	• *The measures taken to ensure sample security.*	• Laboratory samples were cut and transported to the laboratory by Challenger Geological staff.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audit of data has been completed to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Aurora Tank (EL 5589) is 100% owned by Marmota Limited. EL 5589 is located approximately 100 km southwest of Coober Pedy in South Australia. • There are no third party agreements, non-government royalties, historical sites or environmental issues. • Exploration is conducted within lands of the Antakirinja Matu-Yankunytjatjara Native Title Determination Area. • The tenement is in good standing.

Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration in the Commonwealth Hill region has been carried out by a number of exploration companies previously including;
		  • Kennecott Explorations (Australia) Pty Ltd (1968-69)
		  • Dampier Mining Co. Ltd (1978-79)
		  • Afmeco Pty Ltd (1980-83)
		  • Stockdale Prospecting Ltd (1986-87)
		  • SADME (1996-97)
		  • Minotaur Gold NL (1993-99)
		  • Redport Ltd (1997-2002)
		  • Apollo Minerals (2013-15)

Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Goshawk zone of Aurora Tank is situated in the Christie Domain of the western Gawler Craton. The Christie Domain is largely underlain by late Archaean Mulgathing Complex which comprises of meta-sedimentary successions interlayered with Banded Iron Formations (BIF), chert, carbonates and calc-silicates. • Marmota is targeting Challenger-style Late Archaean gold whilst being open for occurrence of a variety of other mineralisation styles which may also exist in the tenement area.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• The required information on drill holes is incorporated into Appendix 2 to the ASX Release.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Any intersections are calculated by simple averaging of 1 m assays. In situations where core loss occurred within mineralised intervals, weighted averages have been applied. • Where aggregated intercepts are presented in the report, they may include shorter lengths of high grade mineralisation; these shorter lengths are also tabulated. • No metal equivalents are reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Drill coverage is not currently considered sufficient to establish true widths due to uncertainty regarding mineralisation dip and strike. • Mineralisation intersections are downhole lengths; true width is unknown.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• See figures in release attached.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Cut-off of 1.0 g/t gold was applied in reviewing assay results and deemed to be appropriate at this stage in reporting of exploration results. • Reporting is considered balanced.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• See attached ASX Release. Geological observations are included in that report.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• See attached release. • Marmota is currently reviewing results received to date from this drilling campaign and considering additional work programs including resampling mineralised zones at sub1m intervals, additional infill drilling and metallurgical testwork.

APPENDIX 2

Goshawk November 2017: Diamond Drillhole collar summary

Hole ID	Easting (MGA94 z53)	Northing (MGA94 z53)	RL	Dip	Azimuth (Mag)	EOH Depth
17ATDD001	412,184.0	6,715,832	153.8	-73	150	57.7
17ATDD002	412,232.0	6,715,867	153.7	-60	150	51.7
17ATDD003	412,253.0	6,715,830	153.86	-60	150	45.7
17ATDD004	412,364.0	6,715,874	153.72	-60	150	45.9
17ATDD005	412,242.7	6,715,849	153.71	-60	150	56.4
17ATDD006	412,097.7	6,715,698	154.32	-60	150	55.5