



ASX ANNOUNCEMENT

9 April 2018

Aurora Tank Gold Discovery

2018 Drilling To Commence

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

Marmota is very pleased to announce that the first 2018 drilling at Aurora Tank is due to **commence next week**.

APRIL 2018 DRILL PROGRAM

- Aurora Tank: first 2018 drilling due to commence next week
 - RC drill program: 46 holes
 - **Total RC drilling** (approximately): 3,550m
 - **Hole depths:** from 50m to 195m
 - First targeting of primary mineralisation at Goshawk
 - All necessary approvals granted
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- Drilling is anticipated to take around 3 weeks
 - Hole locations are shown in **Figure 1 (Goshawk zone)** and **Figure 4 (Kingfisher zone)**

Aurora Tank: **Goshawk** and **Kingfisher**

Last month, Marmota was very first pleased to announce [see ASX:MEU 22 March 2018] the **first visible gold** from Aurora Tank (Goshawk). An important feature of that announcement was that the visible gold was typically hosted in hydrothermal vein quartz, and **the gold therefore regarded as being of primary (rather than remobilised) mineralisation style.**

Today, Marmota is very pleased to announce the first 2018 drilling program at Aurora Tank, and also the first program designed to target that primary mineralisation.

Drilling will focus primarily on the new gold discovery at the Goshawk zone at Aurora Tank (37 RC holes), with hole depths ranging from 50m to 195m. A number of shallower holes will be drilled to provide variography data – the variation in grade over short distances – which will assist in resource modelling.

The program will also include a small reconnaissance program at Kingfisher prospect (9 holes), which is located about 1km to the south of Goshawk.

Background

- Aurora Tank (EL 5589) is located 50km NE of the Challenger Gold Mine (ASX: WPG); the latter has produced over 1.2 million ounces of gold (more than \$2 billion at current prices)
- Aurora Tank is 100% owned by Marmota

GOSHAWK

- 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)
- In October 2017, the first metallurgical testwork at Aurora Tank **returned 94% to 97% gold recoveries** [ASX:MEU 30 Oct 2017]
- In November 2017, Marmota and WPG Resources (ASX:WPG) (owner of the nearby Challenger Gold processing plant) executed a Memorandum of Understanding (MoU) to investigate cooperating for the development of Marmota’s Aurora Tank gold project and the treatment of Aurora Tank gold ore through the Challenger plant [ASX:MEU 24 Nov 2017]
- In March 2018, Marmota reported the first visible gold at Aurora Tank [ASX:MEU 22 March 2018]
- The planned April/May 2018 Goshawk drill grid is illustrated in **Figure 1**.¹

¹ In Figure 1, where new drill holes may ‘appear’ to be located over previous holes at Goshawk, that is typically because the previous reconnaissance holes were not deep enough to reach the target that is now of apparent interest: such holes are being extended.

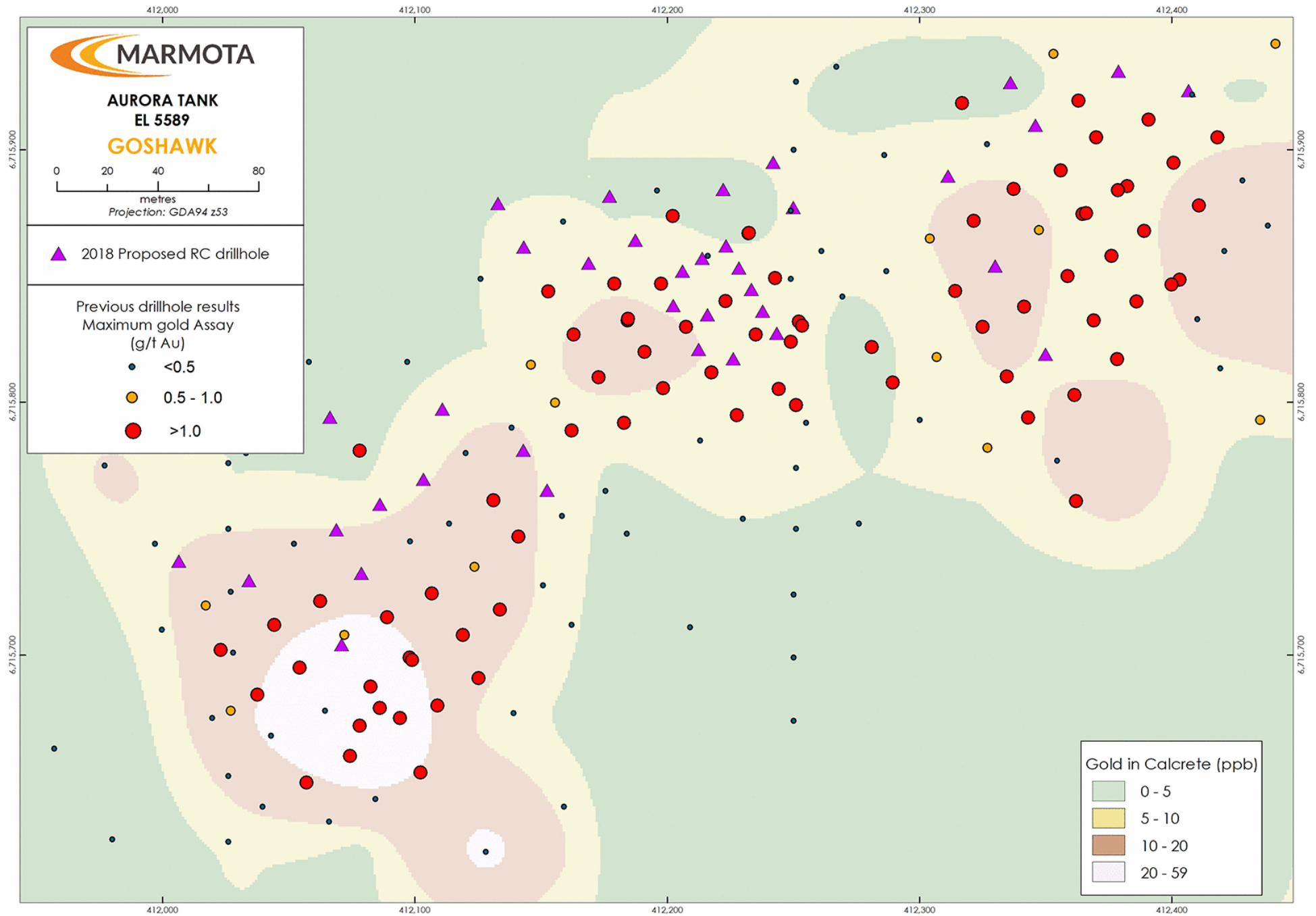


Figure 1: Goshawk: 37 planned RC holes – April 2018 Drill Grid ▲

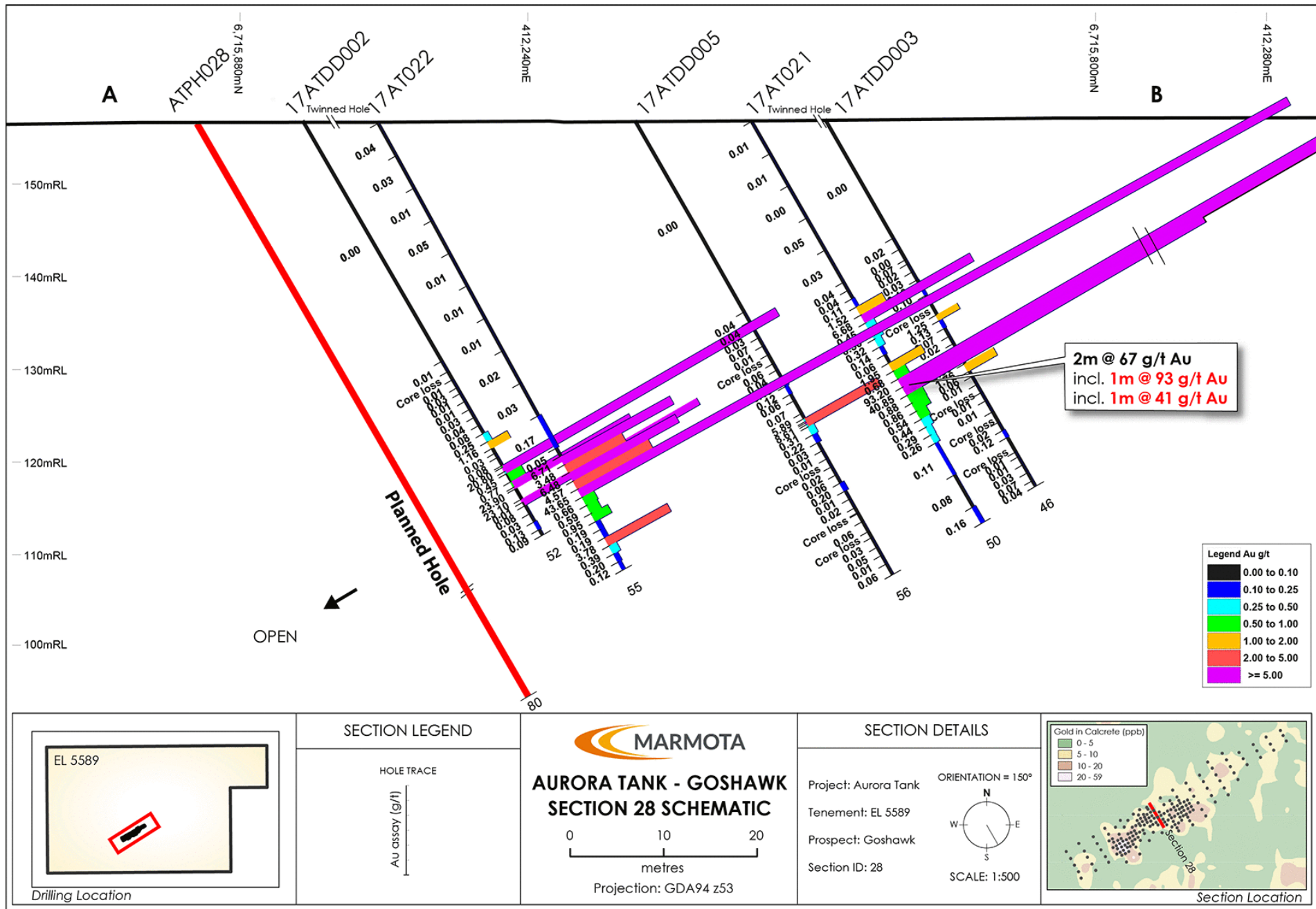


Figure 2: Illustrative detail of Section 28: existing drill holes + planned new hole (—)

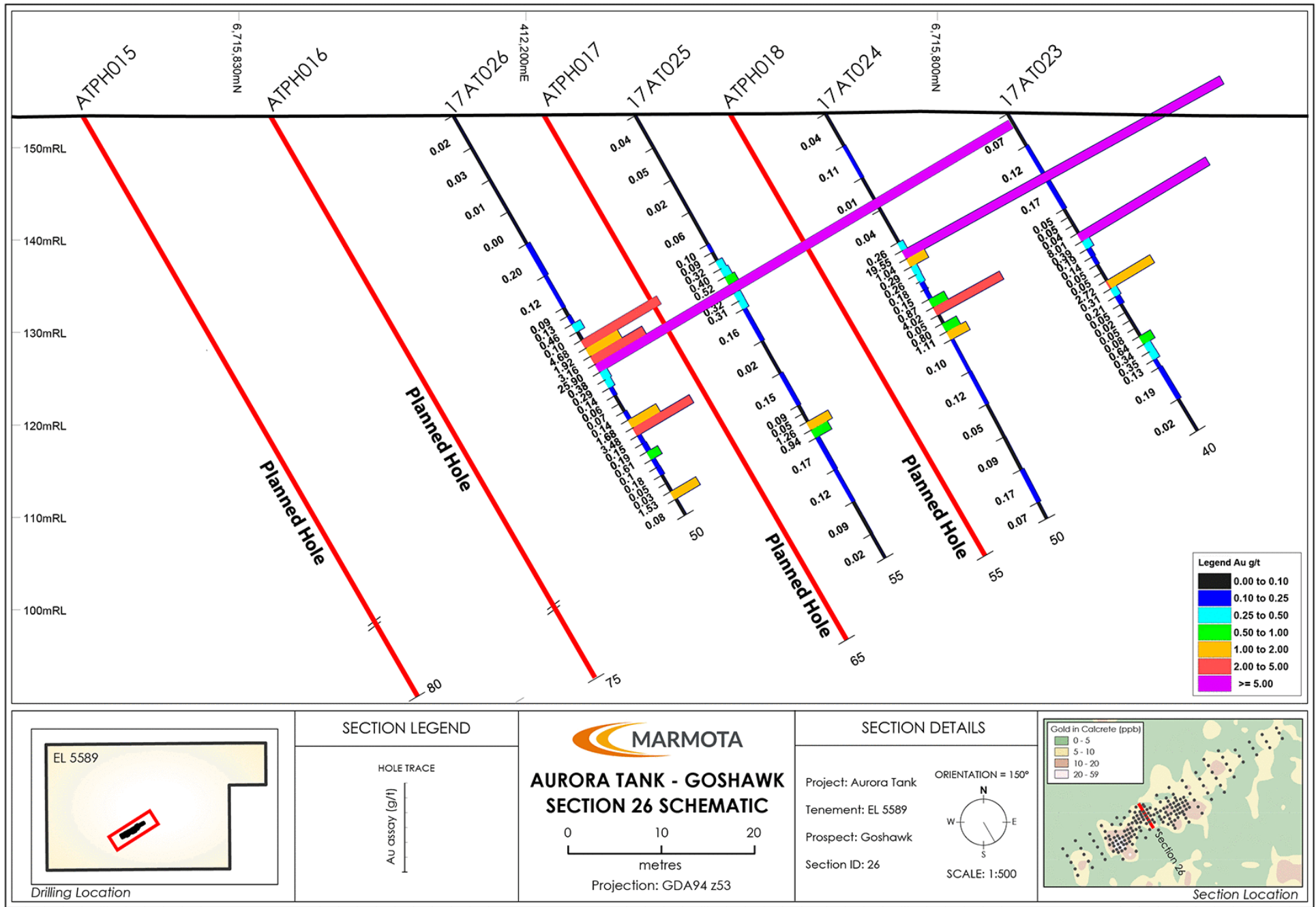


Figure 3: Detail of Section 26: existing drill holes + planned new holes (—)

KINGFISHER

Reconnaissance Drilling Program

- On the same Aurora Tank tenement, approximately 1km to the South of Goshawk, lies a zone that contains similar gold-in-calcrete anomalies to those at Goshawk.
- In September 2017 [see ASX:MEU 4 Sept 2017], 1m assays from the first reconnaissance drilling program at Kingfisher defined a zone of continuous mineralisation at the Southeast extreme of the drilling program over a strike length of at least 200m in an EastNorthEast orientation. The results warranted follow-up drilling.
- In March 2018, Marmota carried out the first detailed magnetic surveys over Goshawk, Kingfisher and two other new target zones on other tenements. That data is still arriving and being processed by consultant geophysicists. The initial data returned over the Kingfisher zone has shown that the best drilling results at Kingfisher to date appear to be located at the margins of a magnetic high, in a depleted magnetic zone (see Figure 4).
- Marmota is carrying out a small reconnaissance drilling over the inferred zone of potential interest (9 RC holes). In this same zone, calcrete samples have either not been obtainable or may not be statistically reliable due to low calcium content.
- Marmota's April 2018 Kingfisher reconnaissance program will consist of:
 - 9 vertical RC drill holes to about 50 metre depths
 - Total drilling: approximately 450 m
 - Proposed hole locations are shown in Fig. 4

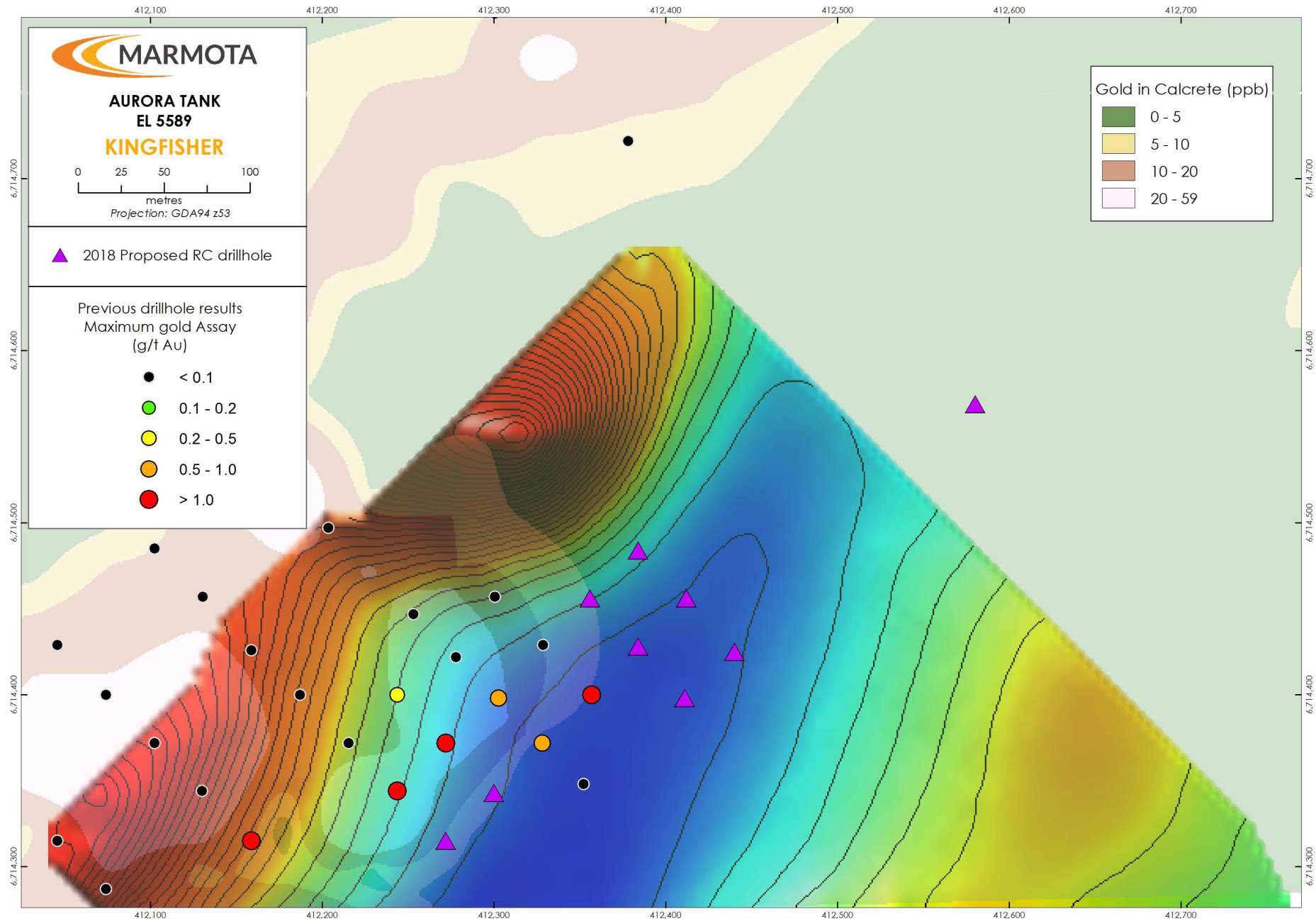


Figure 4: Kingfisher Proposed drill grid ▲

Superimposed on new March 2018 magnetic survey (foreground) and gold-in-calcrete contour map (background)

Commentary

Primary Gold and Timing of Drilling and Resource Estimation

1. Recent work has identified a plunge direction to the high grade mineralisation intercepted to date, and this interpretation combined with the primary nature of gold seen in the petrological study results in a significant change in the nature of the deposit and potential additional mineralisation.
2. The Company has previously announced its intent to carry out a JORC compliant estimate of gold Resources within the first 50m from surface at Aurora Tank (Goshawk zone). The recent confirmation of visible gold at Aurora Tank, importantly in what appears to be in the primary zone, has the potential to significantly change the scope of the Aurora Tank gold discovery. Moreover, given that the next stage of drilling (including targeting of primary mineralisation) is about to commence at Aurora Tank, it would not be optimal to expend funds on defining an initial estimate of the first 50m, only for that to be immediately out of date a few weeks later. In essence, the discovery of visible gold at Aurora Tank suggests that any JORC estimate process is in flux and currently premature. Given the recent discovery of visible gold in the primary zone, the next step is to first carry out the next round of drilling.
3. As a further (secondary) consideration, Marmota is an active participant in returning funds spent on exploration back to our shareholders via Government incentive programmes such as the EDI (Exploration Development Incentive) and forthcoming JMEI (Junior Minerals Exploration Incentive). Such government incentive structures have provided significant returns back to our long-term shareholders. These government incentive structures do not allow exploration expenditure to be allocated to these incentive programmes *once* a JORC estimate has been reported over a particular project. It follows that a premature JORC estimation process would thus have the unwelcome effect of unfairly precluding the Company's participation in such Government incentive programmes.
4. Marmota looks forward to making further announcements about the return of exploration funds via taxation credits to our shareholders in the weeks ahead.

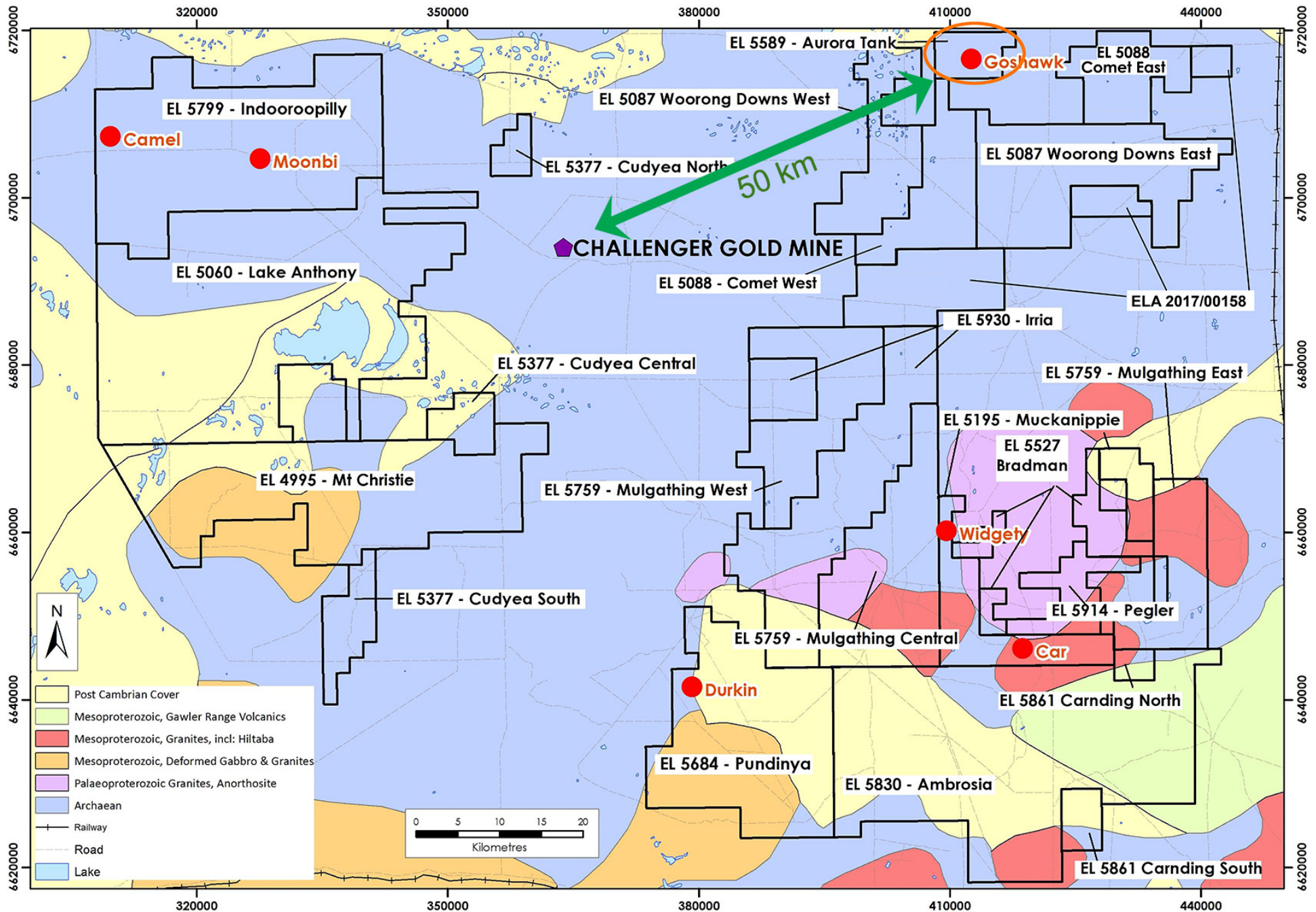


Figure 5: Marmota's Aurora Tank tenement and tenements around the Challenger Gold Mine

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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.