



ASX ANNOUNCEMENT

23 July 2018

10 new Gold targets

First Reconnaissance Drilling To Commence

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

Marmota is very pleased to announce that its first reconnaissance drilling over 10 new gold targets and one polymetallic target is expected to **commence next week**.

This is the first substantial program of drill testing new gold targets in the NW Gawler Craton that has been carried out by any company over, at least, the last ten years.

RECONNAISSANCE DRILL PROGRAM

- **AC drill program:** up to 60 drill holes
- **Total AC drilling** (approximately): 3,000m
- **Hole depths:** to ~ 50m

- Drilling is anticipated to take around 2 to 3 weeks

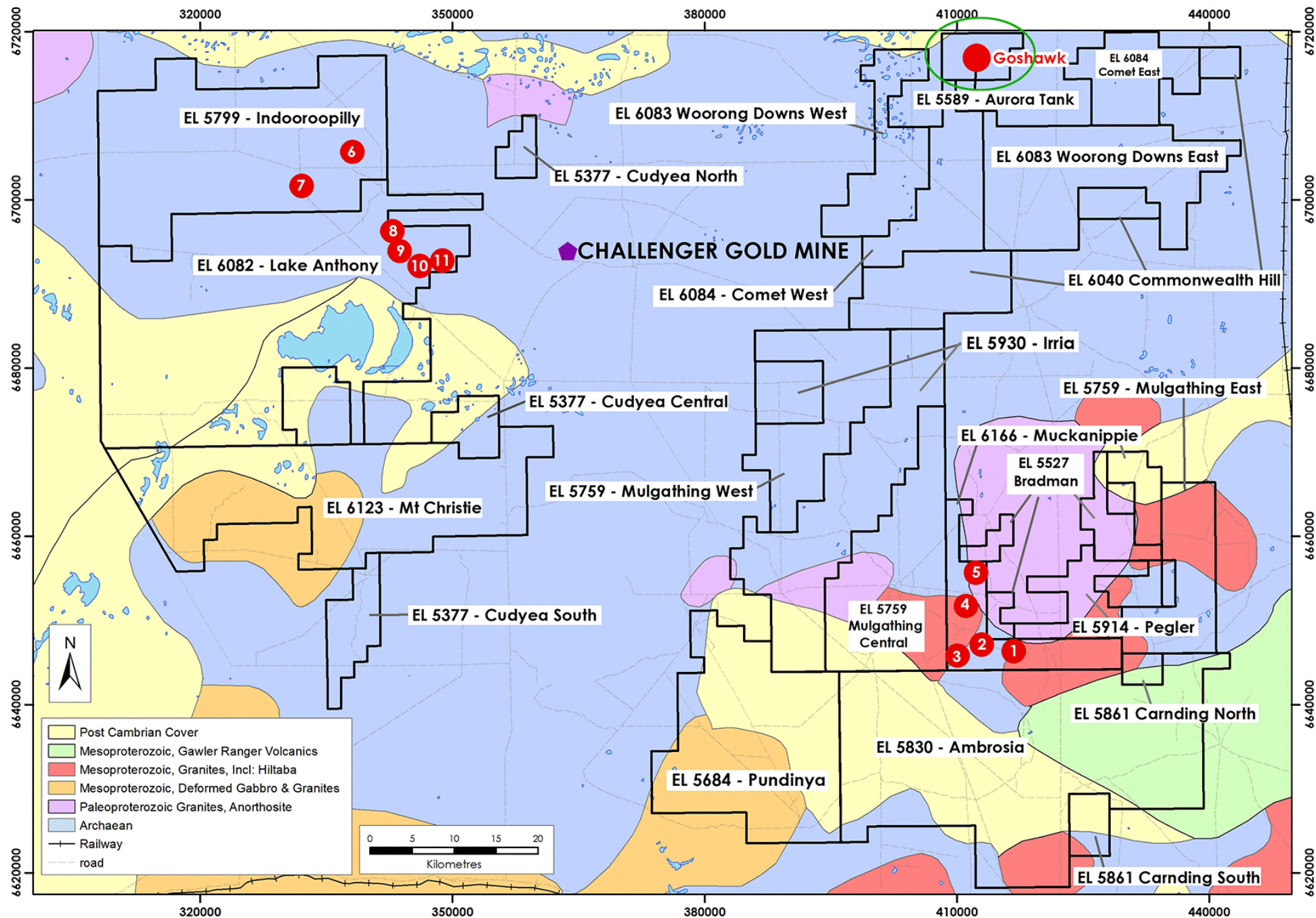


Figure 1: Location of new targets — Red circles numbered 1 to 11

Aurora Tank Gold discovery circled in green

Background

Over the last 2 years, Marmota has discovered a portfolio of 10 new gold-in-calcrete anomalous zones on our tenements surrounding the Challenger Gold mine. Each of these zones have been carefully refined and checked by follow-up infill sampling to define consistent anomalous zones of gold-in-calcrete. This is the same method which led to the discovery of both the Challenger Gold mine and Aurora Tank – via drill testing gold-in-calcrete anomalous zones. Ten of the new targets are gold targets; one target is a polymetallic target.

Rationale of program

Marmota plans to conduct its first reconnaissance drill test program over 10 new gold-in-calcrete targets we have identified over the last 2 years. The **objective of the program** is to detect gold mineralisation or secondary gold dispersion underneath the gold-in-calcrete anomalies discovered by Marmota.

If gold mineralisation or secondary gold dispersion is detected below any of the gold-in-calcrete anomalies, a more intensive follow-up drill program will be implemented – this would have the potential to lead to a new gold discovery.

There are too many targets to describe each in detail here. Instead, below, we provide a detailed look at two targets, namely: **Target 1** (CAR) and **Target 8** (Polynorth) ... that are of particular interest.

TARGET 1: 'CAR'

EL 6166 (Muckanippie)

The CAR prospect was originally identified by the Tarcoola Tallaringa Bedrock Drilling Project (a government research program) in 1991 when stratigraphic drill hole CAR 84 identified anomalous downhole gold. No further work was carried out at that time or since then. In early 2016, Marmota commenced a calcrete sampling program on a 400m spaced grid over the host Muckanippie tenement which resulted in a broad gold-in-calcrete anomaly being identified near the same historic drill hole CAR 84. In late 2016, Marmota carried out a more detailed 100 x100 metre infill calcrete sampling program, resulting in the gold-in-calcrete anomaly seen in Fig. 2 (see Fig. 3 for a detail view of the anomalous boxed area). In November 2017, the CAR target was cleared for drilling. In February 2018, Marmota completed a detailed ground magnetic survey over the target (with line spacing over the target area of 40 metres).

Referring to Fig. 1 above, Target 1 (CAR) appears to be located at a possible contact between Hiltaba suite granite and Gawler Range Volcanics. This creates the possibility that the target may be related to a Hiltaba age sub-volcanic or porphyry intrusive complex with large tonnage potential.

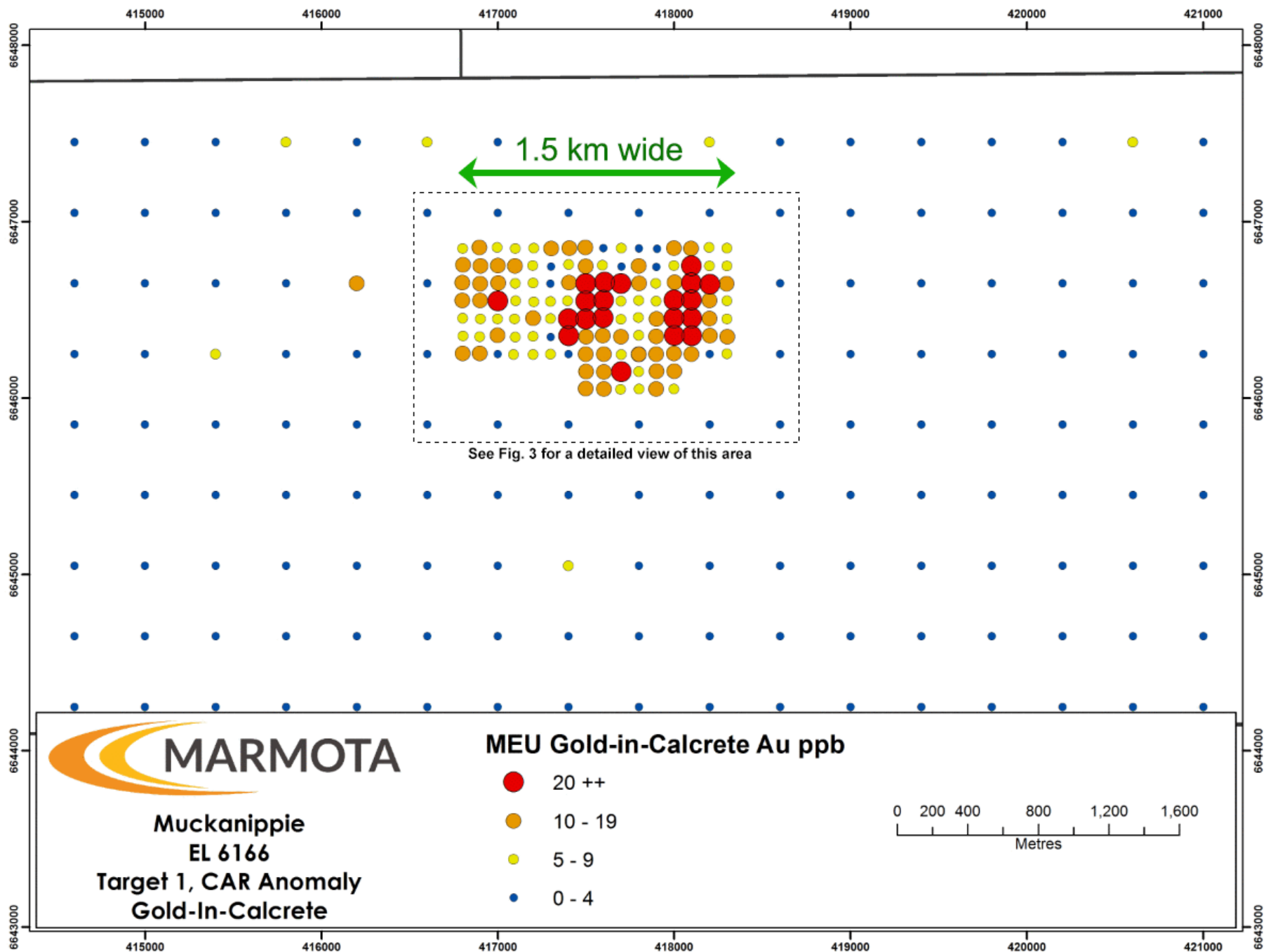


Figure 2: Target 1 (CAR): Gold-in-Calcrete anomaly on regional 400m spaced grid

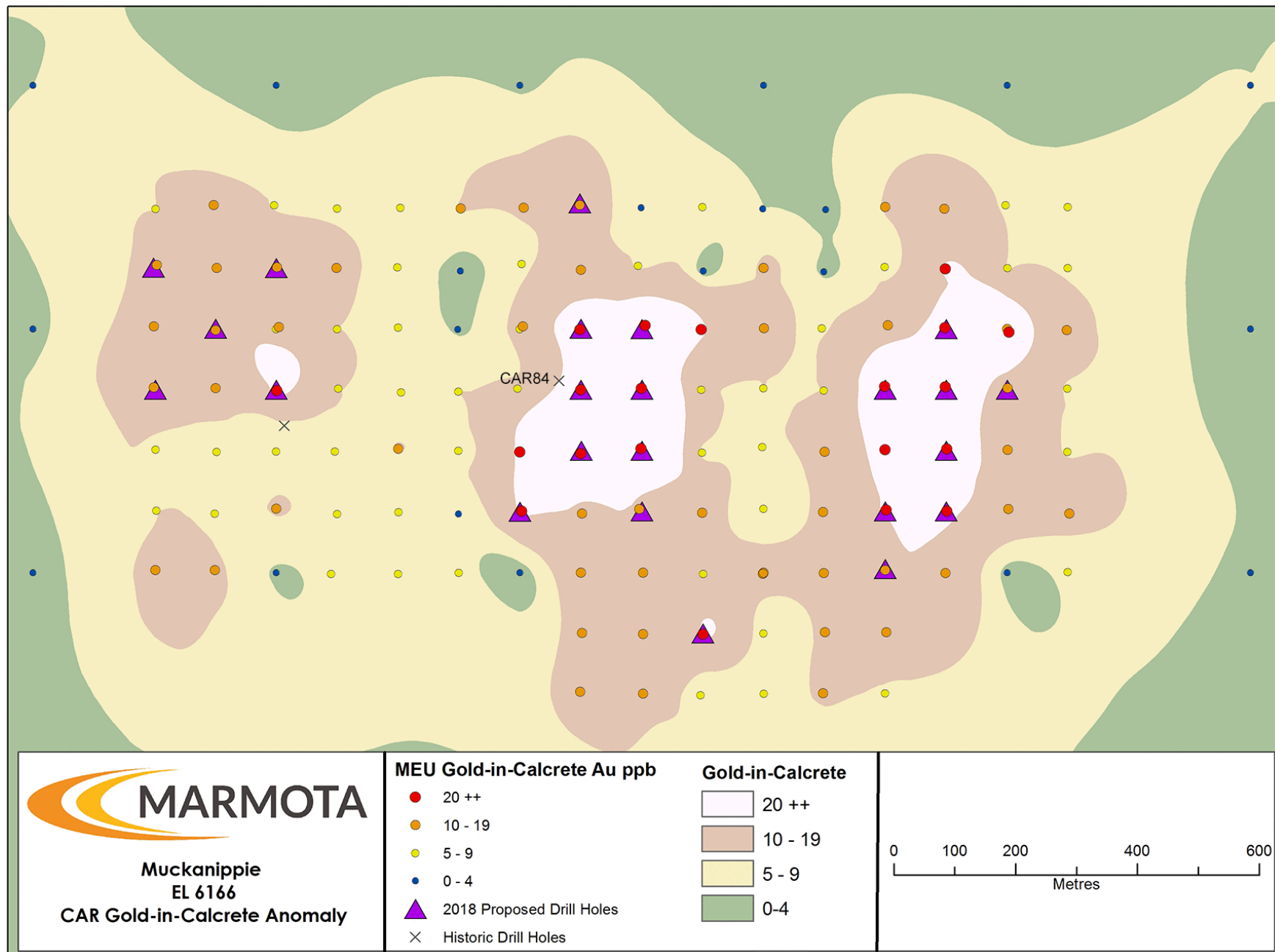


Figure 3: Target 1 (CAR) DETAIL VIEW of Dashed Rectangle in Fig. 2
Contoured Gold-in-Calcrete anomaly – with proposed drill holes ▲

Figure 4 shows a magnetics (TMI-RTP) image with the same proposed drill holes superimposed. It is apparent that the gold-in-calcrete anomalies (Fig. 3) are co-incident with magnetic lows in Fig. 4. The equidimensional nature of the calcrete anomalies is suggestive of an intrusive (rather than a shear zone) environment, which fits with the Hiltaba/Gawler Range Volcanics regional geology.

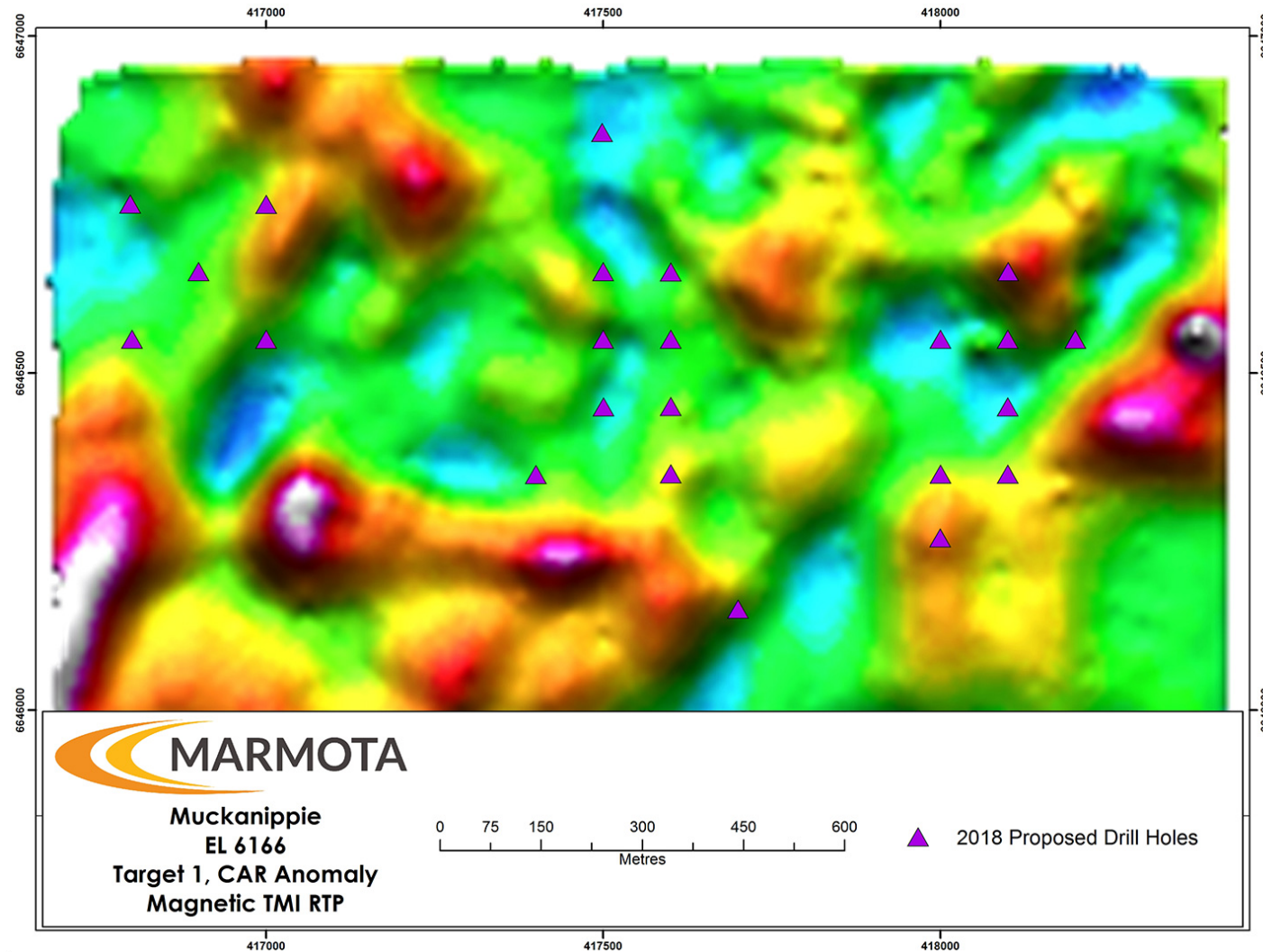


Figure 4: Target 1 (CAR) – TMI-RTP magnetics image with proposed drill holes ▲

TARGET 8: 'Polynorth'

EL 6082 (Lake Anthony)

The initial calcrete samples that led to the discovery of this anomaly were collected by Marmota in late 2015. Infill 100 x100m calcrete sampling was completed in 2016, and the target was cleared for drilling in late 2017.

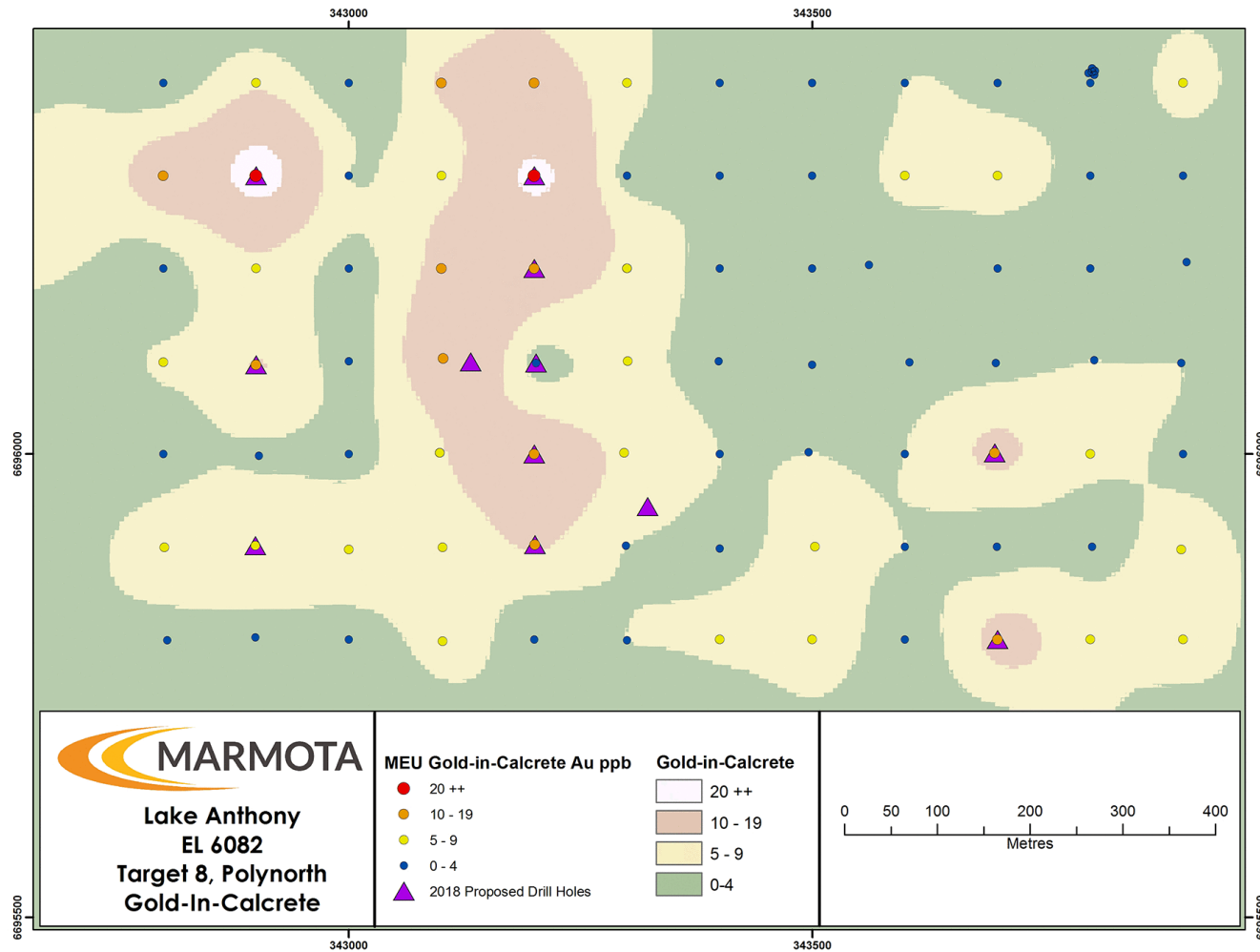


Figure 5: Target 8 (Polynorth) – Gold-in-Calcrete anomaly with proposed drill holes ▲

A coincident magnetic anomaly was detected in the regional magnetic (TMI RTP) data. In March 2018, Marmota completed a detailed ground-based magnetic survey: 40m line spacing was used and a TMI RTP image can be seen below in Fig. 6. It is worth noting that the magnetic anomaly is not quite coincidental with the gold-in-calcrete anomaly and the strike of both features is different. The anomaly appears to trend parallel to probable fold hinge zone trends in the metamorphic basement which wrap around the northern end of the associated magnetic anomaly. This is thought to be a structurally favourable location for gold mineralisation. Also, the linear nature of the anomaly is suggestive of a shear zone environment which fits with the Archaean Mulgathing Complex regional geological basement.

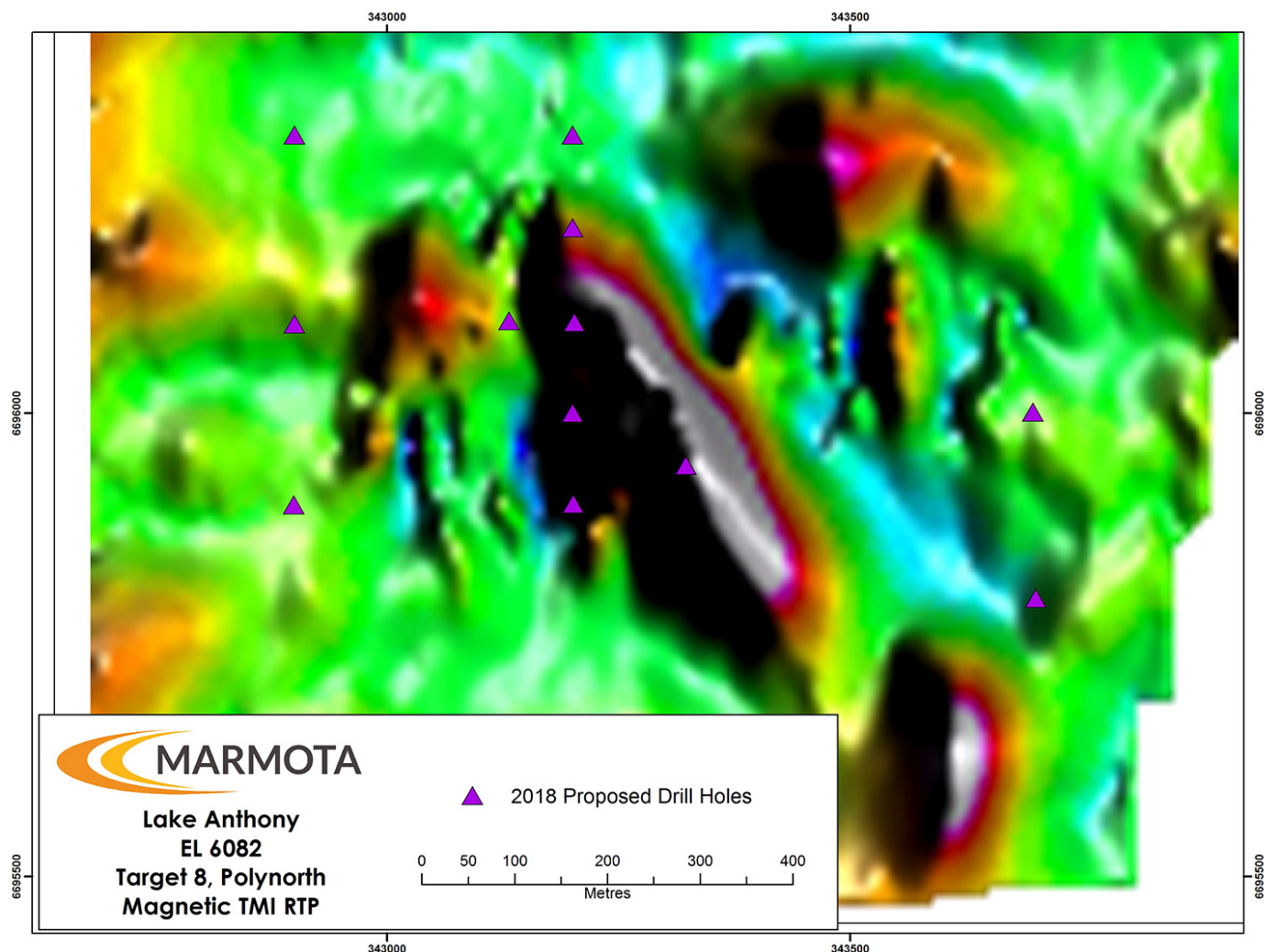


Figure 6: Target 8 (Polynorth) — magnetic (TMI RTP) image

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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.