



QUARTERLY ACTIVITY REPORT

MARCH QUARTER 2021

Aurora Tank Gold Discovery 100% owned

February assays yield best ever gold intersections

On 4 February 2021, Marmota reported detailed 1m assay results from the most recent Aurora Tank RC drilling program completed in September 2020. [ASX:MEU 4 Feb 2021]

The program yielded outstanding intersections including:

- Marmota's **highest grade** so far of **165 g/t gold** over 1m, located just 57m from surface ¹ [Hole 20ATRC324]
- **Strike along NW flank has increased three-fold in 1 year**
The last hole drilled at the top (north) of the NW flank [Hole 20ATRC313] yielded **30 g/t** over 1m and remains open.
- **First high-grade gold at depth**
Reconnaissance Hole 20ATRC303 designed to test for an extension to the west of the NW flank intersected **36 g/t** over 1m (**21g/t** over 2m) at a depth of 122m downhole². Follow up drilling is necessary.

New high-grade intercepts **over 10 g/t gold** include:

1m @ 165 g/t gold	(from 66m downhole)	in Hole 20ATRC324	(3m @ 61 g/t gold)
1m @ 41 g/t gold	(from 55m downhole)	in Hole 20ATRC224	(4m @ 13 g/t gold)
1m @ 36 g/t gold	(from 120m downhole)	in Hole 20ATRC303	(2m @ 21 g/t gold)
1m @ 30 g/t gold	(from 82m downhole)	in Hole 20ATRC313	(2m @ 16 g/t gold)
1m @ 14 g/t gold	(from 44m downhole)	in Hole 20ATRC223	(4m @ 7.8 g/t gold)
1m @ 13 g/t gold	(from 51m downhole)	in Hole 20ATRC245	(3m @ 9.7 g/t gold)
1m @ 13 g/t gold	(from 33m downhole)	in Hole 20ATRC242	(3m @ 8.8 g/t gold)
1m @ 12 g/t gold	(from 49m downhole)	in Hole 20ATRC222	(3m @ 7.3 g/t gold)
1m @ 12 g/t gold	(from 54m downhole)	in Hole 20ATRC227	
1m @ 14 g/t gold	(from 78m downhole)	in Hole 20ATRC235	

¹ 66m downhole.

² 122m downhole is approximately 104m below surface.

To ensure that the outstanding assay of 165g/t gold is not the result of a ‘nugget effect’, Marmota collected 5 separate spearings of the drilling sample bag and then assayed each spear sample separately by fire assay. Fire assays of the 5 separate spearings returned grades of **223 g/t**, **154 g/t**, **119 g/t**, **121 g/t** and **212 g/t** respectively, yielding an average of 165 g/t gold. Notably, every one of the 5 spearings returned grades over 100 g/t gold, and two of the five spears yielded assays over 200 g/t gold.

This is the fourth drilling program at Aurora Tank in which Marmota has intersected grades of ~ 100 g/t gold (or more) over 1m, and now **in 4 distinct areas**:

Grade	Location	Downhole depth	HoleID	Date of Result
93 g/t	Central east zone	32 m	17ATAC021	ASX:MEU 4 Sept 2017
105 g/t ³	Bottom of NW flank	38 m	18ATRC104	ASX:MEU 7 May 2019
120 g/t	South zone	21 m	ASX:MEU 19 Sept 2019	
165 g/t	New extension to NW flank	66 m	20ATRC324	ASX:MEU 4 Feb 2021

Figure 1 illustrates these results (table above) and the 4 different zones:

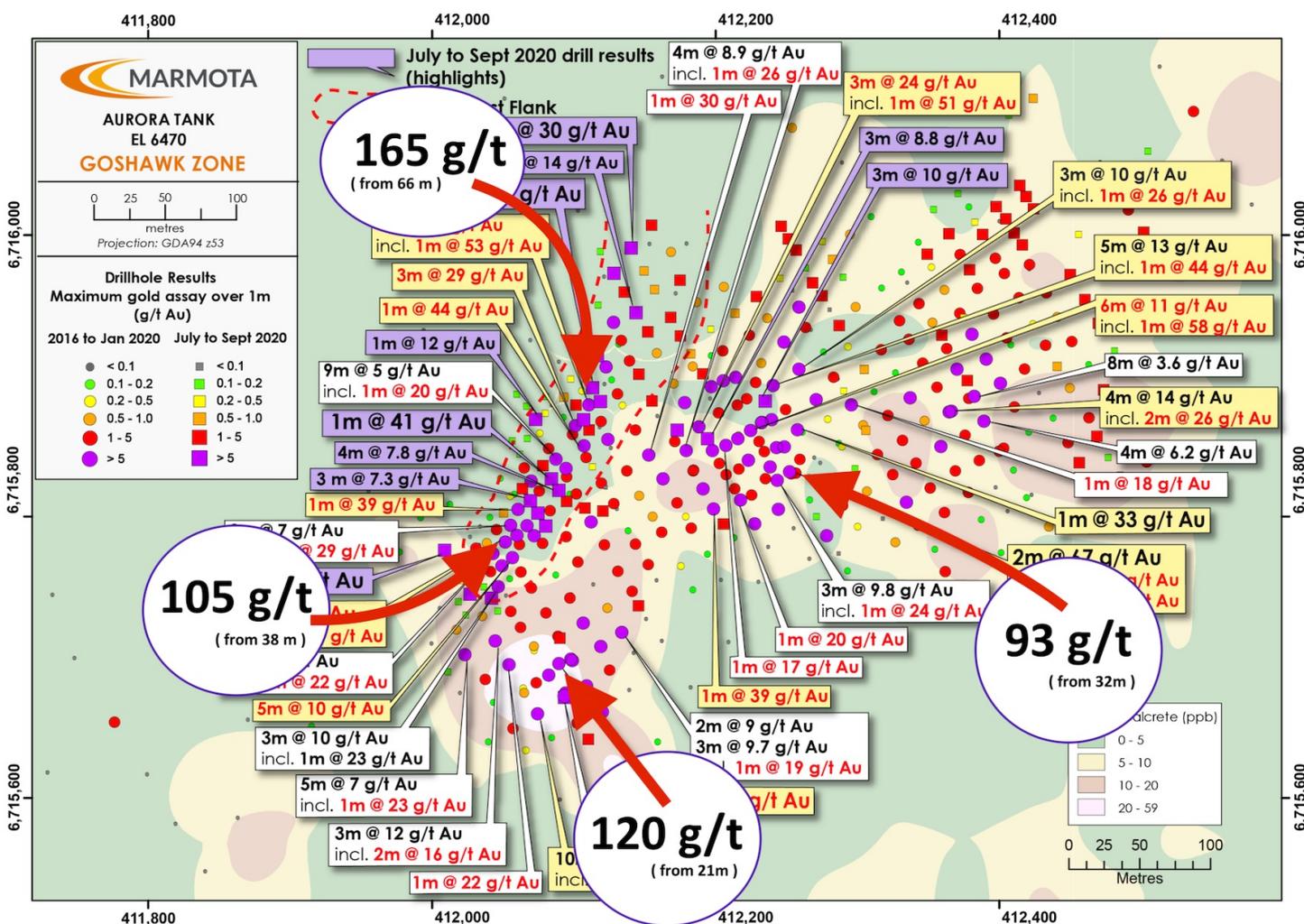


Figure 1: Aurora Tank: location and grade of best intersections over 1m (circled)

³ Featured in ‘Top Drill Intersections per State – Australia – Q1 2019’ RSC Mineral Intelligence Report (May 2019: p.9).

Accelerated Discovery Initiative (ADI)

Phase 1: January – March 2021

Phase 1 of the new *Accelerated Discovery Initiative* (ADI) commenced with Marmota carrying out 1,768 auger drill holes, covering approximately 300km² of ground on a 400m spaced sample grid, extending outwards from the gold discovery at Aurora Tank to the surrounding tenements. At each of the sample locations, both a calcrete sample (geochemical) and tree leaf sample (biogeochemical) was taken.

[see ASX:MEU [9 March 2021](#), [6 April 2021](#), [15 April 2021](#)]

The exploration ground:

- a) includes some of the *least* explored tenements surrounding the Challenger Gold mine;
- b) is adjacent to Marmota's gold discovery at Aurora Tank, and
- c) is the first time that Marmota has ever carried out work on these tenements.

Exploration work is jointly funded by the SA Government under a \$225,000 grant awarded to Marmota under the *Accelerated Discovery Initiative* [ASX:MEU [24 June 2020](#)].

Phase 1 Assay Results

Assay results from Phase 1 (just received in early April) have already yielded **two new strong gold-in-calcrete anomalies** [see ASX:MEU [6 April](#), [15 April 2021](#)]

- The new anomalies are located on the Woorong Downs (west) tenement, located roughly midway between the Challenger Gold mine (to the west) and Marmota's Aurora Tank gold discovery (20km NE). Both Challenger and Aurora Tank were found by testing near surface calcrete for anomalous gold. The CSIRO originally identified anomalous gold-in-calcrete near the surface to be an indicator of gold below surface.
- The new gold anomalies [see [Fig. 2](#)] lie adjacent to the same NE shear zone as the Aurora Tank gold discovery where Marmota has yielded multiple outstanding intersections exceeding 100 g/t gold over 1m, all close to surface.
- The new assay results for the Woorong Downs ADI **calcrete sampling** has yielded 2 new strong gold-in-calcrete anomalies, namely of 40 ppb Au and 27 ppb Au (on a 400m grid).

For comparison, the highest ever gold-in-calcrete result recorded at the Aurora Tank (Goshawk) discovery was 38ppb Au (including all detailed in-fill sampling down to a 50m grid size). No such in-fill has been carried out yet at Woorong Downs: the Phase 1 data is sourced purely from a wide-spaced 400m regional grid.

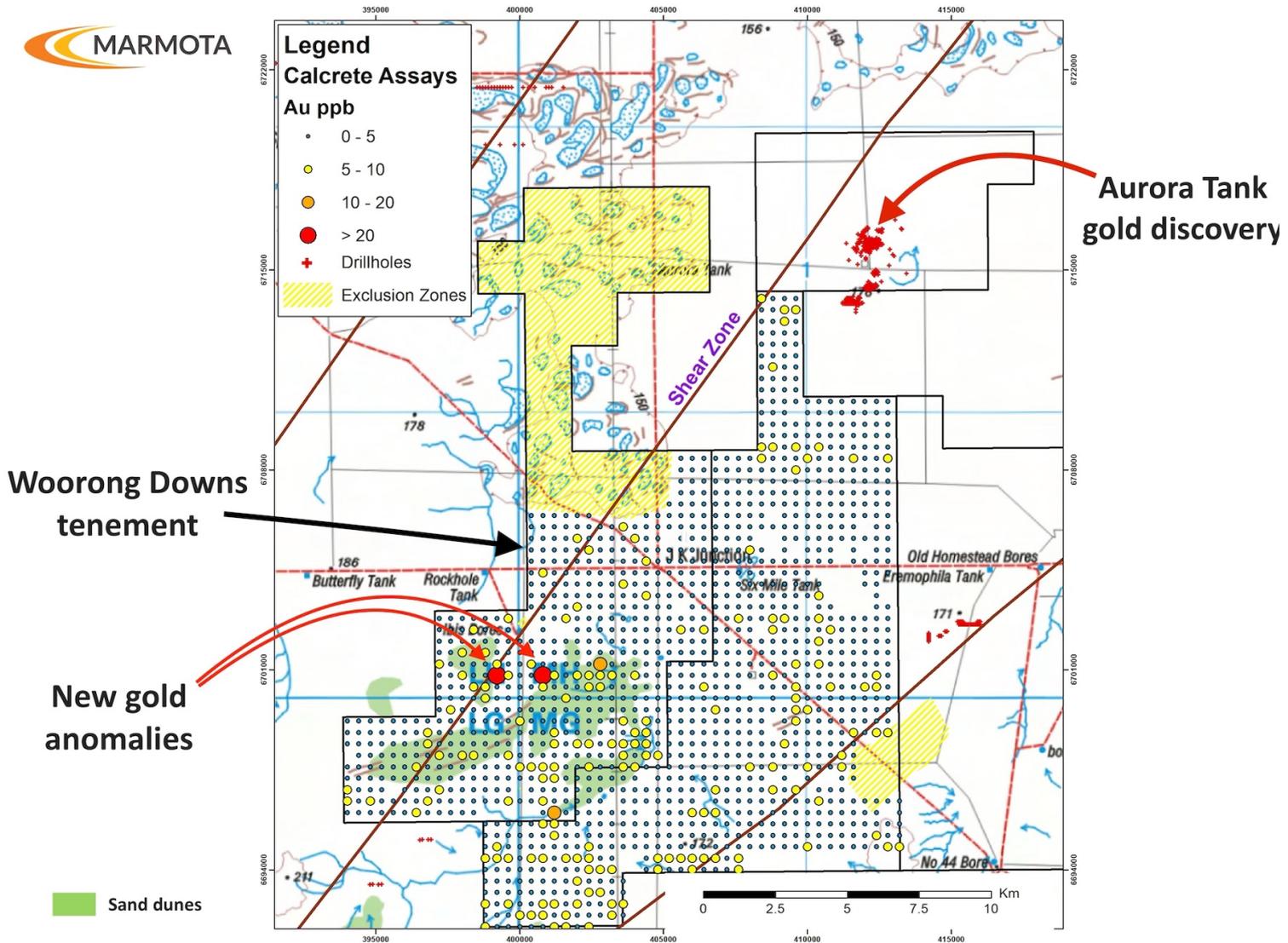


Figure 2: New Gold-in-calcrete anomalies on Woorong Downs tenement (400m grid)

Phase 2: Priority program already underway

- Two teams (6 people) presently at Aurora Tank base camp to carry out Phase 2: a calcrete sampling team, and a biogeochemical sampling team.
- Additional 500 auger drill holes currently underway to provide in-fill to high detail 50m grid at new high-priority targets.
- Sampling on-site is expected to take approximately 2 weeks to complete.
- The anomalous gold samples also feature elevated levels of copper, bismuth, molybdenum and uranium. These indicator elements suggest an association with sulphide mineralisation and are likely to assist target identification once the infill sampling results are available.

Tenement Overview during Quarter

GOLD Gawler Craton

Tenement	Name	MEU Holding
EL 6470	Aurora Tank	100%
EL 6513	Ambrosia	100%
EL 6514	Pundinya	100%
EL 6166	Muckanippie	100%
EL 5799	Indooroopilly	100%
EL 6123	Mt Christie	100%
EL 6082	Lake Anthony	100%
EL 6348	Cudyea	100%
EL 5759	Mulgathing	100%
EL 6083	Woorong Downs	100%
EL 6084	Comet	100%
EL 6463	Bradman	100%
EL 5861	Carnding	100%
EL 5930	Irria	100%
EL 5914	Pegler	100%
EL 6040	Commonwealth Hill	100%
EL 6371	Malbooma	100%

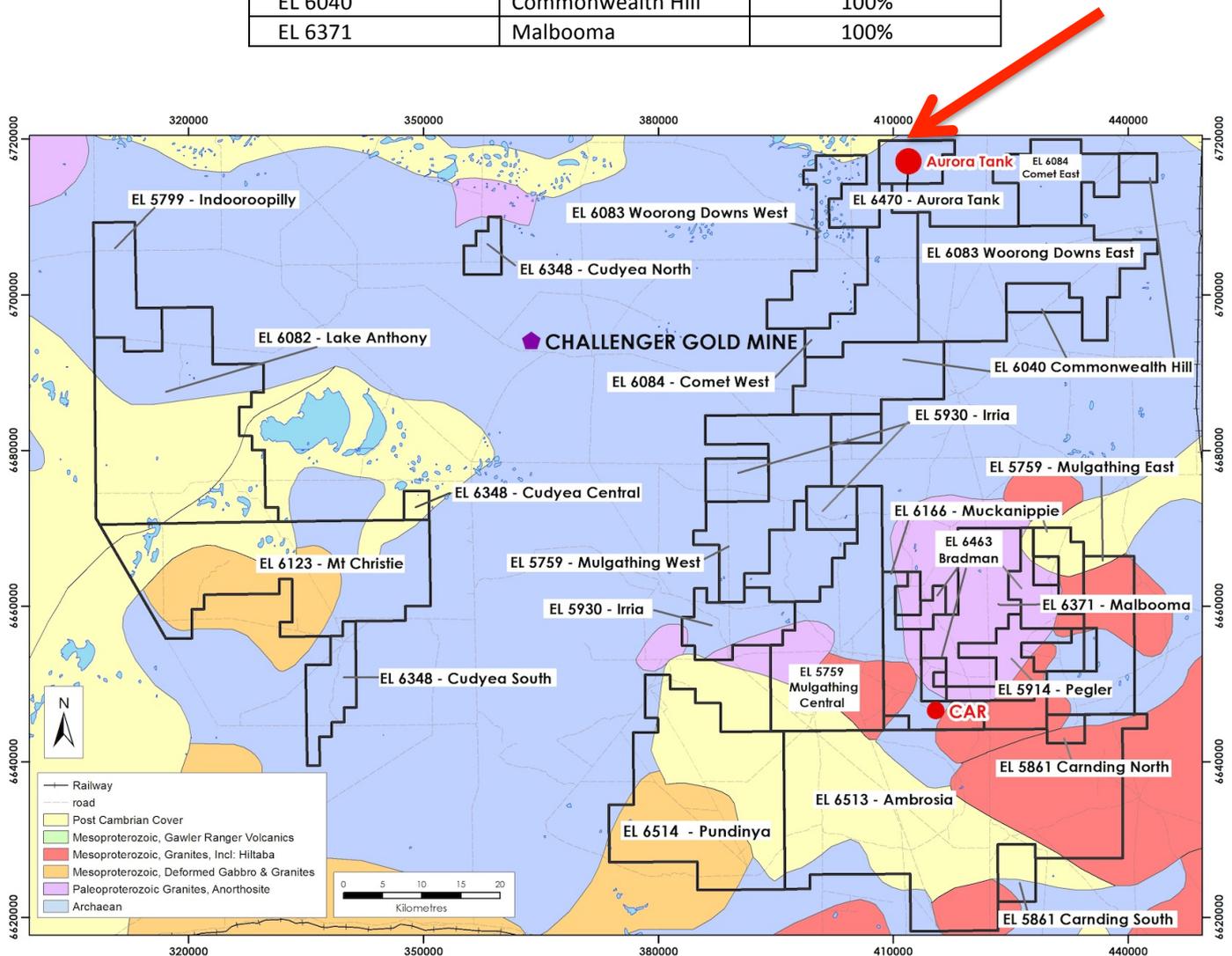


Figure 3: Marmota’s Gawler Craton Gold Project, around the Challenger Gold mine Aurora Tank Gold discovery (RED arrow)

Gawler Craton Gold 100% owned

Marmota's Aurora Tank gold discovery is located about 100km SW of Coober Pedy, and 50km NE of the Challenger Gold Mine, in the Woomera Prohibited Defence Area of South Australia [see Fig. 3].

Summary details are provided on pages 1 to 2 of this Quarterly Report.

Marmota was recently awarded a \$225,000 grant by the South Australian Government under the **Accelerated Discovery Initiative** (ADI) [ASX:MEU 24 June 2020]. Work funded by that grant during the quarter, including a program of calcrete and biogeochemical sampling on the Aurora Tank tenement and surrounding, and an R&D component modelling surface expressions of geochemical/biogeochemical anomalism in relation to underlying mineralisation, including at Aurora Tank. The program already appears to be highly promising. Summary details are provided on pages 3 to 4 of this Quarterly Report.

Marmota is actively refining the Company's substantial tenement holding as our exploration team works through our tenement holding, adding ground and/or relinquishing as deemed desirable.

COPPER Copper Coast – Yorke Peninsula

Tenement	Name	MEU Holding
EL 5832	West Melton	100%

- Champion Copper (EL 5832) is situated on the Yorke Peninsula in South Australia approximately 50km north of Rex Minerals Ltd Hillside copper-gold deposit.

URANIUM Junction Dam project

Tenement	Name	MEU Holding
EL6530	Junction Dam	100% of uranium

Junction Dam is strategically located 15 km east from the Honeymoon (ASX:BOE) in-situ recovery (ISR) uranium mine (west of Broken Hill) [see Fig. 4]

Marmota has:

- JORC Inferred Resource of **5.4 million pounds** U₃O₈ with average grade of 557ppm U₃O₈ [ASX:MEU 18 Nov 2011, 20 Feb 2012, 17 July 2013]
- Overall Exploration Target⁴ of **22–33 million pounds** U₃O₈ at approx. 400 to 700 ppm U₃O₈
- Assay grades of up to 8,143ppm U₃O₈ at the Saffron deposit

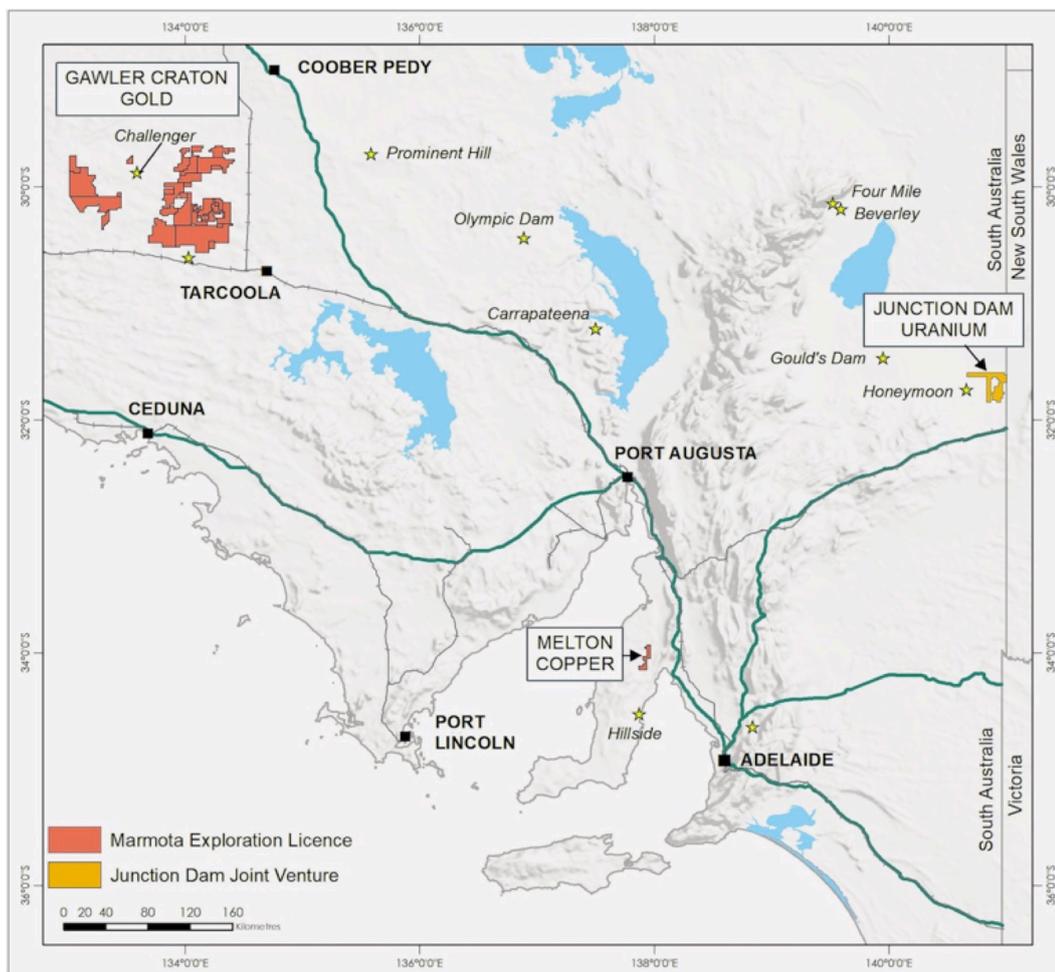


Figure 4: Location of Junction Dam

The MEU Board recently commenced a strategic review of its uranium assets to add value to shareholders. [ASX:MEU 11 June 2020]

Marmota is particularly well-placed for an upturn in the uranium sector, with an existing uranium JORC Resource that the Company spent millions of dollars to develop in prior years, and which is located adjacent to one of only 4 permitted mines in Australia. The Board is watching this space with interest.

⁴ Saffron deposit with Bridget and Yolanda prospects: see ASX:MEU 9 July 2012. The potential quantity and grade of an Exploration Target is conceptual in nature. The estimates of Exploration Targets should not be misunderstood or misconstrued as estimates of Mineral Resources. It is uncertain if further exploration over those zones currently defined by an Exploration Target will result in the determination of a Mineral Resource.

What is next?

Aurora Tank Gold

- Two teams currently on site carrying out Phase 2 of ADI
- Camp infrastructure upgrade about to commence, in preparation for ...
- Diamond drilling program and
- RC drilling program

Accelerated Discovery Initiative: ADI

- Phase 2 presently underway
- Phase 2 assay results hopefully in around 5 weeks time
- Drilling of first targets

Marmota acquisition of Jumbuck Gold project

- On 30 November 2020, Marmota entered into a binding agreement with Tyranna Resources to acquire all of the rights, title and interest of Tyranna Resources Ltd in the Jumbuck Gold project, adjacent to MEU ground.
- Subject to any remaining Conditions Precedent being satisfied, Marmota expects the transaction to complete this quarter.
- For detail regarding the transaction, please see: ASX:MEU [30 Nov 2020](#) .

Competent Persons Statement

Information in this Release 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.

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.

For the purpose of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

For further information, please contact:

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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

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MARMOTA LTD

ABN

38 119 270 816

Quarter ended ("current quarter")

31 MARCH 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation (if expensed)		
(b) development		
(c) production		
(d) staff costs	(24)	(76)
(e) administration and corporate costs	(41)	(139)
1.3 Dividends received (see note 3)		
1.4 Interest received	9	31
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(56)	(184)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) tenements	-	(100)
(c) property, plant and equipment	(20)	(127)
(d) exploration & evaluation (if capitalised)	(230)	(1,299)
(e) investments		
(f) other non-current assets		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(250)	(1,526)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	6,500
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	-	15
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(347)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (right of use asset lease payment)	(27)	(27)
3.10	Net cash from / (used in) financing activities	(27)	6,141

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,215	2,451
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(56)	(184)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(250)	(1,526)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(27)	6,141
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	6,882	6,882

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,843	7,176
5.2	Call deposits	39	39
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,882	7,215

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
16
28

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Item 6.1 and 6.2 sets out payment of non-executive and executive directors' fees, salaries and superannuation to the directors for the quarter.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(56)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(230)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(286)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	6,882
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	6,882
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	24.1
8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable	
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable	
3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Not applicable	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2021

Authorised by:



Lisa Askham-Levy: CFO and Company Secretary

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

TENEMENT STATUS

(as at 31 March 2021)

SOUTH AUSTRALIA

Project name	Tenement	Number	Area (km ²)	Details	Marmota's interest %	Status
Junction Dam	Junction Dam	EL 6530	341	JV with Teck Australia, Variscan Mines & Eaglehawk Geological Consulting	100% of the uranium mineral rights	Granted
Melton	West Melton	EL 5832	88		100%	Granted
Gawler Craton West Block	Indooroopilly	EL 5799	100		100%	Granted
	Lake Anthony	EL 6082	495		100%	Granted
	Mt Christie	EL 6123	466		100%	Granted
	Cudyea	EL 6348	110		100%	Granted
Gawler Craton NE Block	Aurora Tank	EL 6470	48		100%	Granted
	Woorong Downs	EL 6083	458		100%	Granted
	Comet	EL 6084	268		100%	Granted
	Commonwealth Hill	EL 6040	196		100%	Granted
Gawler Craton SE Block	Ambrosia	EL 6513	854		100%	Granted
	Muckanippie	EL 6166	145		100%	Granted
	Mulgathing	EL 5759	652		100%	Granted
	Pundinya	EL 6514	435		100%	Granted
	Bradman	EL 6463	92		100%	Granted
	Carnding	EL 5861	53		100%	Granted
	Irria	EL 5930	406		100%	Granted
	Pegler	EL 5914	77		100%	Granted
Malbooma	EL 6371	178		100%	Granted	