



23 May 2022

Yushra Haniff
ASX Listings Compliance
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Yushra

RESPONSE TO PRICE QUERY

We refer to a price query by the Australian Securities Exchange dated 23 May 2022.

In response to the specific questions of the price query and using the same numbering, we reply *seriatim*:

1. Marmota Ltd ('Marmota', 'the Company', MEU) is not aware of any information concerning it that has not been announced which, if known, may explain the recent trading in the securities of Marmota, further to our recent announcement on 26 April 2022 of a major rare earth discovery along the MEU tenement boundary, with the largest and most exceptional of the high-value magnet REE results attained so far located *on* the Marmota tenement boundary. The Company that made the discovery on our tenement boundary, Petratherm ASX:PTR, has seen its share price initially triple on that news, and has also increased by a similar percentage in today's trading.
2. Not applicable
3. Is there any other explanation for the recent trading in MEU securities?

It appears that the demand for MEU securities is exceeding the supply.

- On the Supply side:

As noted in our Annual Reports and Presentations, the Company's stock is relatively tightly held, with the Top 50 shareholders holding more than 50% of the stock.

- On the Demand side:

- a) GOLD: The underlying gold price is extremely favourable; Marmota reporting its highest assay results ever (over 200 g/t over 1m close to surface: **ASX:MEU 22 2 22**), recent

acquisition of the Jumbuck project (adding multiple gold deposits holding over 320,000 ounces), new 10,000m RC drilling program underway, and excellent potential for low-cost, open-pit heap leach gold production.

- b) URANIUM: The uranium price has doubled in the last year; ever closer to the re-opening of the adjacent Honeymoon plant with Boss Energy raising more than \$125m to potentially re-start the Honeymoon plant, and their market cap exceeding \$750 million (prior to even being in production) and with obvious implications for the value of Marmota's adjacent uranium JORC resource, .
 - c) RARE EARTH ELEMENTS: New major high-value Rare Earth Elements discovery immediately on Marmota's tenement boundary, and with the most exceptional high-value magnet REE results achieved *on our boundary*.
4. Marmota Limited confirms that it is in compliance with the ASX listing rules and, in particular, with Listing Rule 3.1.
 5. The Company confirms that this letter has been approved by its Board.

Yours faithfully



Dr Colin Rose
Executive Chairman



23 May 2022

Reference: 52769

Dr Colin Rose
Chairman
Marmota Ltd
Unit 6, 79-81 Brighton Road Glenelg SA 5045

By email: colin@marmota.com.au

Dear Dr Rose

Marmota Limited ('MEU'): Price - Query

ASX refers to the following:

- A. The change in the price of MEU's securities from a low of \$0.058 on Friday 20 May 2022 to a high of \$0.08 today.
- B. The significant increase in the volume of MEU's securities traded from 20 May 2022 to 23 May 2022 (25% higher than average volume traded today).

Request for information

In light of this, ASX asks MEU to respond separately to each of the following questions and requests for information:

1. Is MEU aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is MEU relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MEU's securities would suggest to ASX that such information may have ceased to be confidential and therefore MEU may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that MEU may have for the recent trading in its securities?
4. Please confirm that MEU is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that MEU's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MEU with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **4:45 PM AEST Monday, 23 May 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MEU's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require MEU to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in MEU's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in MEU's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to MEU's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that MEU's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

Yushra Haniff

Compliance Adviser, Listings Compliance (Sydney)