



QUARTERLY ACTIVITY REPORT

SEPTEMBER QUARTER 2022

1. Aurora Tank Extension drilling yields bonanza grades

Last month [ASX:MEU 29 Sept 2022], Marmota announced the 1m assay results from the Aurora Tank **extensional RC drilling program** completed in June 2022.

Key points:

- New **best ever 1m intersection: 217 g/t gold**
Fire assays of the sample returned a grade of **230 g/t**, with a further test returning **203 g/t**, yielding an average of 217 g/t gold.
- This is our 5th drilling program at Aurora Tank to intersect grades of ~ **100 g/t gold** (or more) over 1m, and now in 5 distinct areas:

Grade	Location	Depth from Surface	Hole ID	Date of Result
93 g/t	Central east zone	28 m	17ATAC021	ASX:MEU 4 Sept 2017
105 g/t ¹	Bottom of NW flank	33 m	18ATRC104	ASX:MEU 7 May 2019
120 g/t	South zone	18 m	19ATAC049	ASX:MEU 19 Sept 2019
197 g/t	extension to NW flank	57 m	20ATRC324	ASX:MEU 4 Feb 2021, 22 Feb 2022
217 g/t	extension to SW	103 m	22ATRC024	ASX:MEU 29 Sept 2022

The results in the table above and the corresponding zones are shown in [Figure 1](#).

- New **high-grade extensions** to the NE, SW and at depth.
- It is now clear that the exceptional high-grades at Aurora Tank occur not only close to surface, but also extend deeper into fresh material.

¹ Featured in 'Top Drill Intersections per State – Australia – Q1 2019' RSC Mineral Intelligence Report (May 2019: p.9).

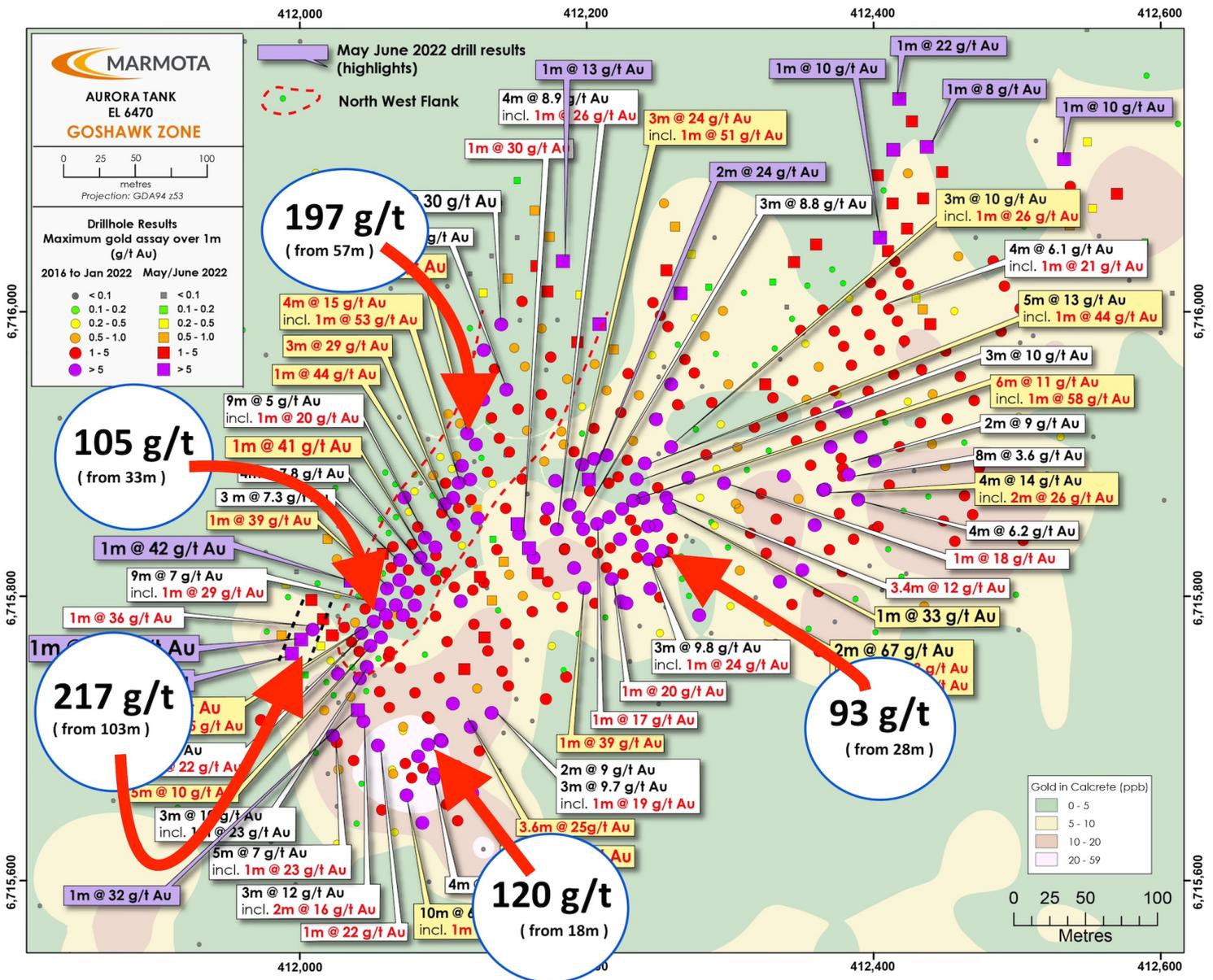


Figure 1: Aurora Tank: location and grade of best intersections over 1m (circled)

- New high-grade 1m intercepts over 10 g/t gold include: [ASX:MEU 29 Sept 2022]

1m @ 217 g/t gold	(from 118m downhole)	in Hole 22ATRC024
1m @ 42 g/t gold	(from 77m downhole)	in Hole 22ATRC025
1m @ 32 g/t gold	(from 32m downhole)	in Hole 22ATRC001
1m @ 28 g/t gold	(from 43m downhole)	in Hole 22ATRC034
1m @ 22 g/t gold	(from 75m downhole)	in Hole 22ATRC067
1m @ 14 g/t gold	(from 20m downhole)	in Hole 22ATRC020
1m @ 13 g/t gold	(from 93m downhole)	in Hole 22ATRC040
1m @ 12 g/t gold	(from 114m downhole)	in Hole 22ATRC003
1m @ 10 g/t gold	(from 68m downhole)	in Hole 22ATRC055

2. Aurora Tank: Follow-up RC drilling already commenced

Following the above results on 29 Sept 2022, Marmota immediately commenced follow-up drilling at Aurora Tank in early October [ASX:MEU 7 & 17 Oct 2022] .

October drilling in action: <https://youtu.be/MeBURYwTjI0>

Drilling adjourned for the Woomera Defence Area closure on 16 October. Drilling will recommence when the area re-opens in November.

PROGRAM: October / November 2022

- **RC drill program:** 60 – 80 holes (may vary)
- **Total RC drilling:** 8,000m (may vary)
- For overview of planned hole locations, see [Figure 3](#).



Figure 2: RC drilling underway at Aurora Tank in October

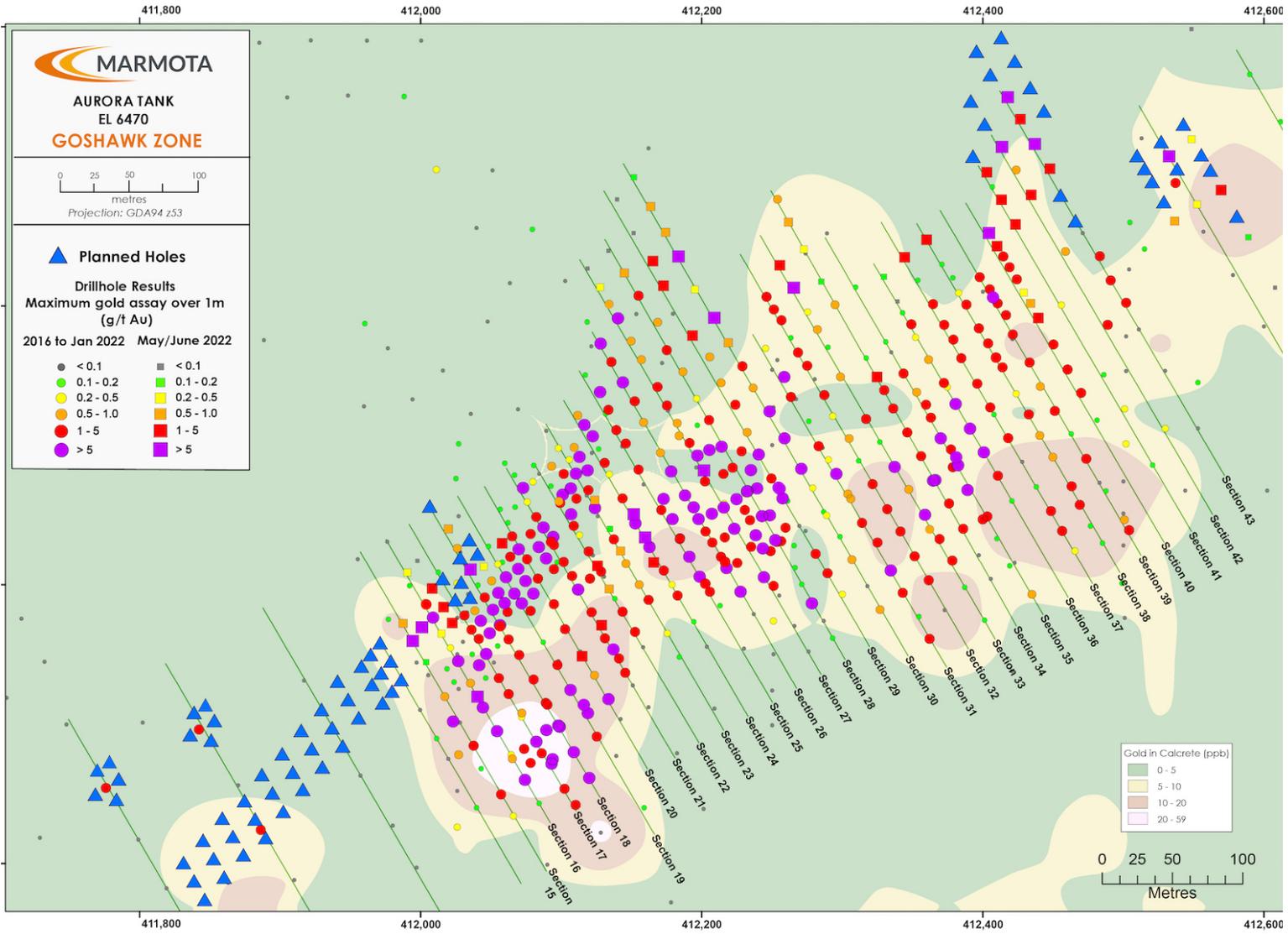


Figure 3: Aurora Tank (Main Zone)

Planned Oct / Nov 2022 RC holes



3. Wildcat finds gold at Comet

During the quarter, Marmota carried out the first drilling by *any* company ever on the Comet (West) Tenement EL6084, located south of Aurora Tank [see Figures 4 & 5].

Seven reconnaissance holes were drilled on Comet. Of these 7 holes, an isolated wildcat hole remarkably intersected **7.7 g/t gold over 1m** (at 47m from surface). [There is no gold-in-calcrete expression of the gold at surface.]

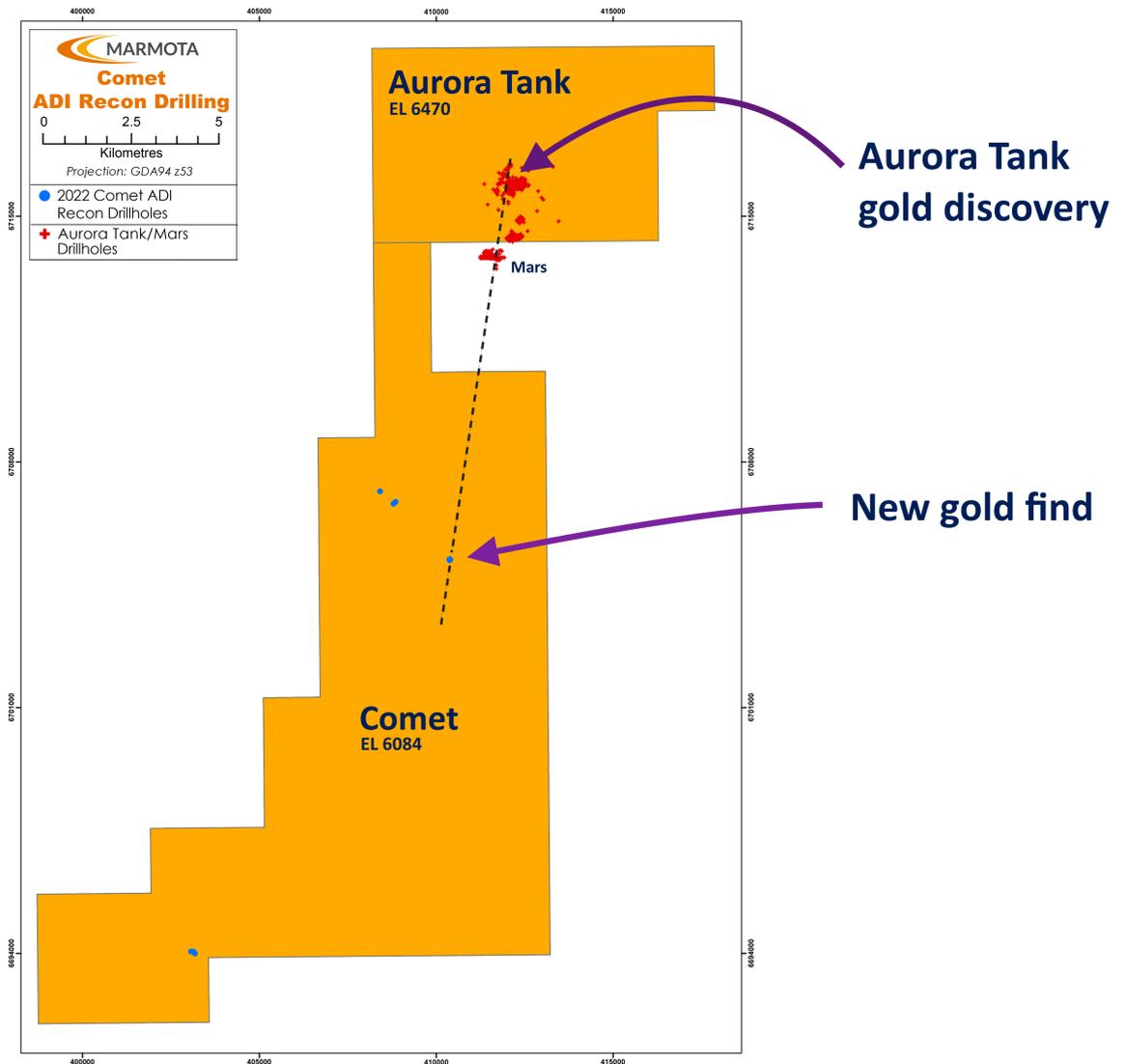


Figure 4: New gold find in line with Aurora Tank gold discovery and Mars deposit

Follow-up drilling is planned for November 2022.

For further detail, see ASX:MEU [14 Oct 2022](#).

4. Welcome to Honey Eater

- Marmota was very fortunate to add Exploration Licence EL6763 (Honey Eater) to its tenement holding during the quarter [ASX:MEU 29 July 2022] .
- Honey Eater (100% owned) sits adjacent and on the same strike trend as the Campfire Bore, Greenwood and Mainwood Gold Deposits [see Fig. 5] – Marmota already owns 71% of the gold rights on all of those deposits [ASX:MEU 15 Nov 2021]. Together, they constitute a series of ‘en echelon’ oriented targets on an ENE trend that already contains four gold deposits.
- Other parts of Honey Eater lie immediately adjacent to Marmota’s flagship Aurora Tank tenement that has been yielding multiple outstanding gold intersections greater than 100 g/t gold over 1m.
- The new tenement covers 149 km² of ground prospective for Challenger-style discoveries, further consolidating Marmota’s portfolio in the area that is highly prospective for gold and REE.
- Honey Eater appears to be remarkably free of prior exploration work, notwithstanding its close proximity to 6 known gold deposits.

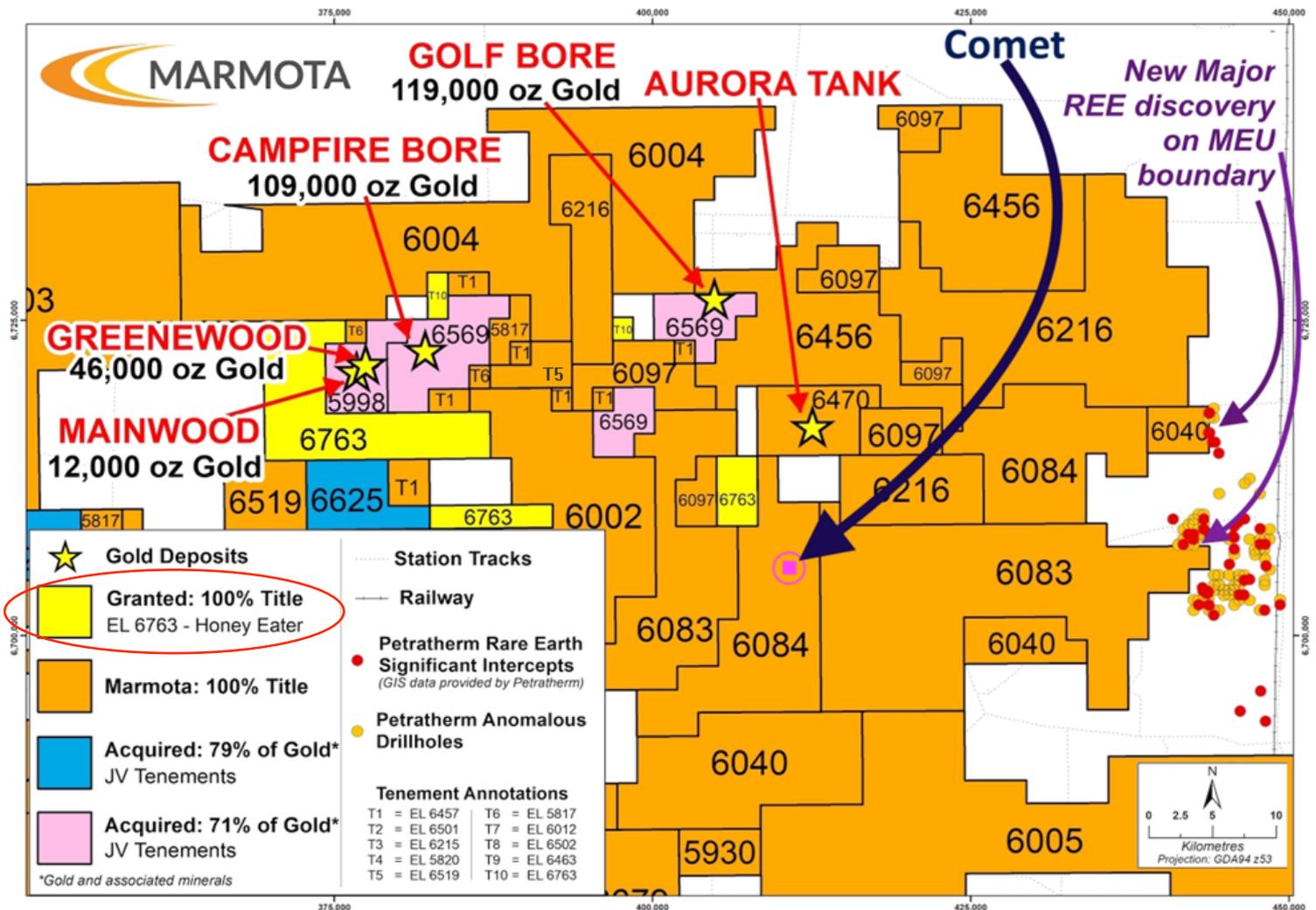


Figure 5: Detail of Honey Eater tenement, Comet and Aurora Tank

5. URANIUM Junction Dam project

Tenement	Name	MEU Holding
EL6530	Junction Dam	100%

During the quarter:

1. The global energy crisis has further advanced the resurgence of uranium.
2. Boss Energy (ASX:BOE), the owners of the adjacent Honeymoon in-situ recovery (ISR) uranium mine, made their Final Investment Decision to restart Honeymoon [see ASX:BOE 1 June 2022] and has now commenced ramping up construction [ASX:BOE 25 July 2022] .

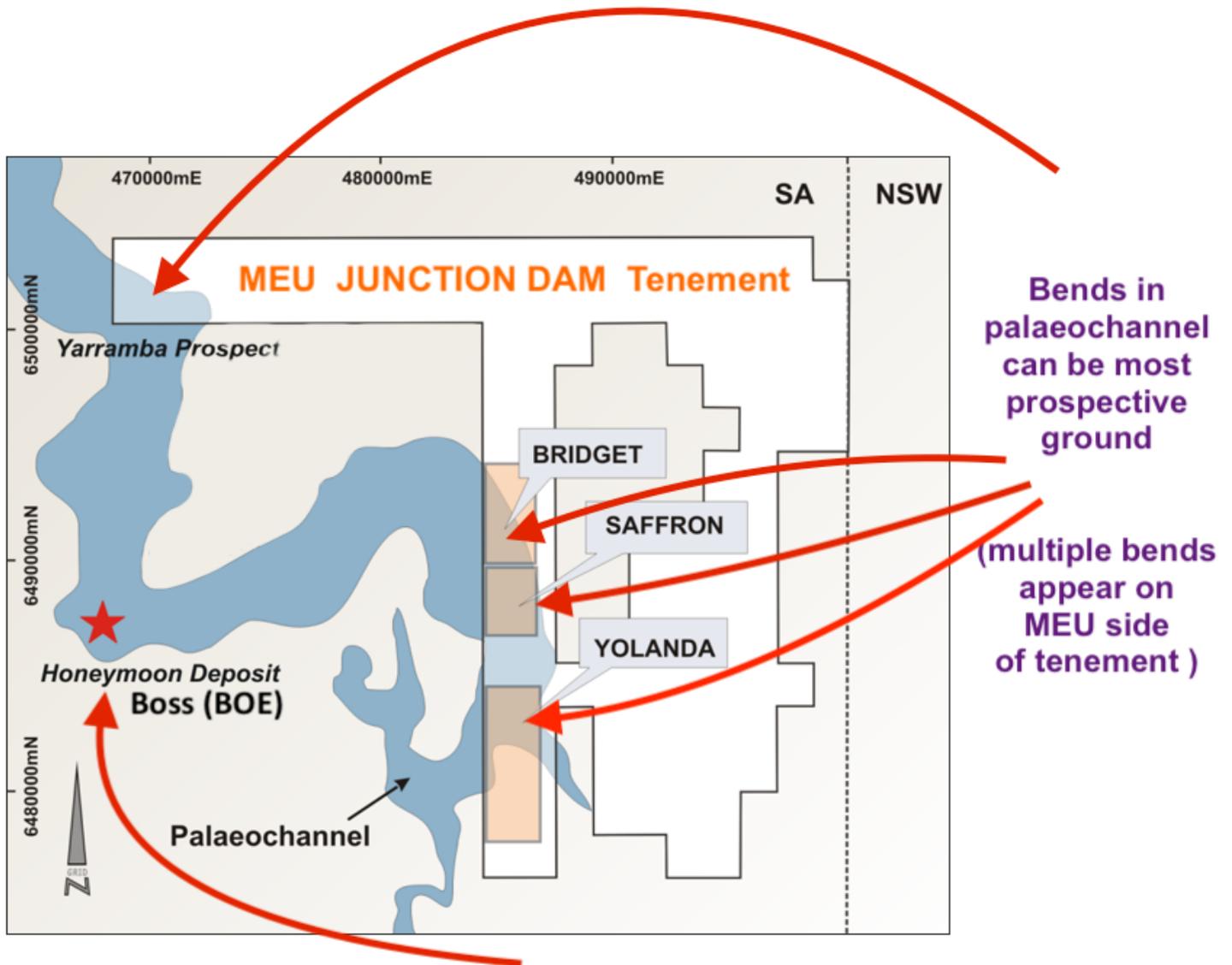


Fig. 6: The Junction Dam uranium tenement (now 100% MEU) bookends both sides of the palaeochannel of the Boss Energy Ltd (ASX:BOE market cap ~ \$950m) Honeymoon uranium plant

Marmota has:

- JORC Inferred Resource of **5.4 million pounds** U_3O_8 with average grade of 557 ppm U_3O_8 [ASX:MEU 18 Nov 2011, 20 Feb 2012, 17 July 2013]
- Overall Exploration Target² of **22–33 million pounds** U_3O_8 at approx. 400 to 700 ppm U_3O_8
- Assay grades of up to 8,143 ppm U_3O_8 at the Saffron deposit

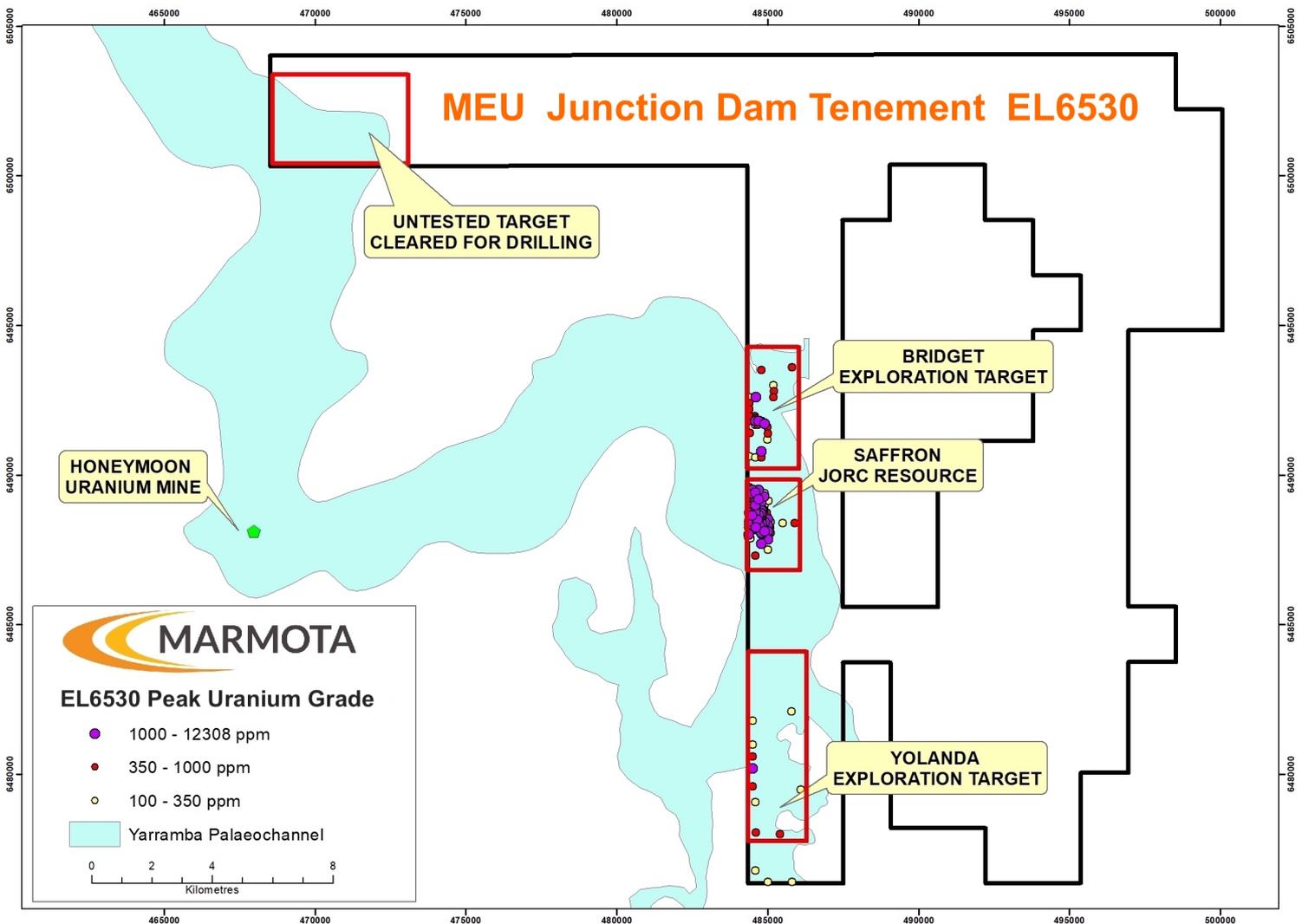


Figure 7: Junction Dam tenement – Peak Uranium Grades – highlighting work so far on Bridget, Saffron and Yolanda areas

² 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.

Background

1. Marmota started life as a successful uranium explorer. By the end of 2014, Marmota had spent over A\$8 million developing the Junction Dam uranium project, and had earned 100% of the uranium rights on the Junction Dam tenement [ASX:MEU 29 Sept 2014].
2. The Junction Dam tenement is strategically situated immediately adjacent to the Boss Energy (ASX:BOE) Honeymoon uranium tenement and mine – one of just 4 permitted uranium mines in Australia (three of which are in South Australia).
3. The Junction Dam tenement book-ends BOTH sides of the palaeochannel that runs through the Boss Honeymoon uranium project:
 - to the east, **Marmota already has a substantial uranium JORC resource** (see below at Saffron)
 - to the north (adjacent to the Boss Jason’s uranium resource), Marmota has an untested **obvious high-priority target** (previously cleared for drilling).
4. In the aftermath of Fukushima, work stopped on the Junction Dam tenement in 2014.
5. Over recent months, there has been a dramatic upturn in both uranium prices and sentiment.
6. Boss Energy (ASX:BOE) – owners of the Honeymoon plant (market cap: ~ \$950m) on the immediately adjacent tenement – announced on 1 June 2022 a Final Investment Decision (FID) to recommence production at Honeymoon, with first production anticipated in the December quarter of 2023. According to their own feasibility studies, a larger resource would allow BOE to achieve economies of scale that lower the cost of production and to extend mine life through development of satellite resources [cf. ASX:BOE 21 June 2021, 4 Aug 2021 (p.6), 2 Sept 2021].

“ The recent acquisition of the Junction Dam tenement makes Marmota, for the first time, masters of our own destiny in the uranium space. It is the first and critical step for the company to grow value for our shareholders from this outstanding asset. ”

Corporate

JMEI Credits

During the quarter, Marmota was granted \$951,000 in JMEI tax credits to distribute to MEU investors [ASX:MEU [19 July 2022](#)]

\$4m cash injection

Marmota substantially boosted its cash position during the quarter, raising over \$4 million at 5.3c per share, via placement to sophisticated and institutional investors. [ASX:MEU [20 July 2022 et al.](#)]

AGM The AGM will be held at 3pm (Adelaide time) on:

Thursday 24 November 2022 at:
BDO, Level 7, 420 King William St, Adelaide

For full detail, please see the **Notice of Meeting** [ASX:MEU [20 Oct 2022](#)]

What is next?

Aurora Tank Gold

- 8,000m RC program just commenced in October [ASX:MEU [7 Oct 2022](#)].
- Drilling to continue in November when Woomera Defence Area reopens.

Wildcat finds gold on Comet

- Drilling to commence in November.

Rare Earth Elements

- First program coming ... 😊

ASX Listing Rule 5.3

Pursuant to ASX Listing Rule 5.3, the Company's expenditure during the quarter was focused on exploration and evaluation activities (\$476K on exploration). Details are provided in the attached Appendix 5B. During the quarter, related party expenses were: executive directors salaries (\$46K), non-executive director fees (\$9K) and superannuation (\$6K).

Competent Persons Statement

Information in this Release relating to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Aaron Brown, who is a Member of The Australian Institute of Geoscientists. 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." Mr Brown consents to the inclusion in this report of the matters based on this 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 quarterly cash flow report

Name of entity

MARMOTA LTD

ABN

38 119 270 816

Quarter ended ("current quarter")

30 SEPTEMBER 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(33)	(33)
(e) administration and corporate costs	(93)	(93)
1.3 Dividends received (see note 3)		
1.4 Interest received	6	6
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	(120)	(120)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation	(476)	(476)
(e) investments		
(f) other non-current assets	(20)	(20)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	(496)	(496)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,172	4,172
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(100)	(100)
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)	(9)	(9)
3.10	Net cash from / (used in) financing activities	4,063	4,063

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,156	2,156
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(120)	(120)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(496)	(496)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,063	4,063

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	5,603	5,603

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	5,565	2,118
5.2	Call deposits	38	38
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)	5,603	2,156

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	27
6.2	Aggregate amount of payments to related parties and their associates included in item 2	34

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.

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)	(120)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(476)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(596)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,603
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,603
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	9.4
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 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	
8.8.2 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	

8.8.3 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

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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: 31 October 2022

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 30 September 2022)

SOUTH AUSTRALIA

Project name	Tenement	Number	Area (km ²)	Details	Marmota's interest %	Status
Junction Dam	Junction Dam	EL 6530	341		100%	Granted
Melton	West Melton	EL 6701	88		100%	Granted
Gawler Craton	Ambrosia	EL 6513	854		100%	Granted
	Aurora Tank	EL 6470	48		100%	Granted
	Barton Area	EL 5820	59		100%	Granted
	Bradman	EL 6463	83		100%	Granted
	Brickies - Wynbring	EL 6501	204		100%	Granted
	Carnding	EL 5861	53		100%	Granted
	Comet	EL 6084	268		100%	Granted
	Commonwealth Hill	EL 6040	196		100%	Granted
	Commonwealth Hill	EL 6216	384		100%	Granted
	Cudyea	EL 6348	110		100%	Granted
	Deep Leads	EL 6098	154		100%	Granted
	Eagle Hawk	EL 6005	624		100%	Granted
	Galaxy Tank	EL 6456	295		100%	Granted
	Garford Outstation East	EL 6004	403		100%	Granted
	Garford Outstation West	EL 6003	480		100%	Granted
	Hilga Crutching Shed	EL 6214	107		100%	Granted
	Honey Eater	EL 6763	149		100%	Granted
	Indooroopilly	EL 6680	100		100%	Granted
	Indooroopilly	EL 6171	57		100%	Granted
	Irria	EL 5930	196		100%	Granted
	Irria	EL 5819	98		100%	Granted
	Irria Outstation (Jumbuck)	EL 6002	711		100%	Granted
	Isthmus	EL 6519	232		100%	Granted
	Lake Anthony	EL 6082	396		100%	Granted
	Lake Anthony	EL 5818	42		100%	Granted
	Mathews Tank	EL 6457	36		100%	Granted
	Mt Christie	EL 6123	405		100%	Granted
	Mt Christie	EL 6215	289		100%	Granted
	Mt Christie Siding	EL 6398	237		100%	Granted
	Muckanippie	EL 6166	122		100%	Granted
Mulgathing	EL 6679	652		100%	Granted	
Pegler	EL 5914	77		100%	Granted	
Pundinya	EL 6514	435		100%	Granted	
Sandstone	EL 5817	27		100%	Granted	
Warrior Outstation	EL 5772	346		100%	Granted	
Wildingi Claypen	EL 6097	128		100%	Granted	
Woorong Downs	EL 6083	458		100%	Granted	

Project name	Tenement	Number	Area (km2)	Details	Marmota's interest %	Status
JV Tenements	Mulgathing	EL 6173	1112	JV interest	78.84% rights to Gold and associated minerals	Granted
	Jumbuck	EL 6502	660	JV interest	78.84% rights to Gold and associated minerals	Granted
	Mobella	EL 6532	89	JV interest	78.84% rights to Gold and associated minerals	Granted
	Sandstone	EL 6625	42	JV interest	78.84% rights to Gold and associated minerals	Granted
	Blowout	EL 6012	110	JV interest	78.84% rights to Gold and associated minerals	Granted
	Campfire Bore	EL 5998	33	JV interest	70.96% rights to Gold and associated minerals	Granted
	Sandstone JV	EL 6569	104	JV interest	70.96% rights to Gold and associated minerals	Granted