ASX ANNOUNCEMENT

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr D J Calandro, who is a Member of the Australian Institute of Geoscientists. Mr Calandro is employed full time by the Company as Managing Director and, has a minimum of five years relevant experience in the style of mineralisation and type of deposit under consideration and qualifies as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Calandro consents to the inclusion of the information in this report in the form and context in which it appears.

MARMOTA ENERGY LIMITED

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SIGNIFICANT IRON AND MANGANESE RESULTS AT MARMOTA ENERGY'S WESTERN SPUR PROJECT

- **Further significant results at Western Spur.**
- **Up to 58.94% Fe returned from assay from continuous outcrop.**
- **Up to 28.07% Mn rock chips.**
- **Historic mine shafts discovered displaying visible iron mineralisation extending to depth.**
- **Immediate follow up programs being planned**

Western Spur project

(100% Marmota Energy ASX: MEU)

Marmota Energy Limited (ASX: ''MEU'') is pleased to announce significant assay results from a follow up rock chip sampling program completed at its 100% owned Western Spur (EL 4528) project.

Western Spur is located approximately 60 km north west of Lake Frome in the north east of South Australia covering approximately 393 square kilometres. The project is adjacent to Marmota's significant tenement position in the uranium rich Frome Embayment. Western Spur is considered to be prospective for both uranium and base metals.

Grades ranging up to **58.94% Fe**, and **28.07% Mn** were returned from samples covering a further two untested outcrops (Table 1). Samples have now been obtained from outcropping units at locations 1, 4 and 6 (Figure 1). Outcrop at location 4 has a continuous strike length of approximately three kilometres.

A second sampling program was undertaken following the return of significant Fe assay results from rock chip sampling of haematite completed at outcrop 1 in January this year. All 25 samples taken under the initial program returned Fe grades greater than 52%. The second phase of sampling was designed to assess the potential of previously untested iron-rich outcrops. During the program several previously unknown historic mine shafts were discovered, showing iron mineralisation extending to approximately 25 metres in depth (Figure 2).

The grades of iron along with acceptable levels of deleterious factors (aluminium, silica, phosphorus and loss of ignition) are comparable to those in commercial iron ore operations.

This phase of the program was also designed to follow up on manganese exploration by Western Mining Corporation (WMC) in the early 1980's. WMC's exploration tested a very small percentage of the outcrops on the project and reported zones of mineralisation achieving greater than 30% Fe.

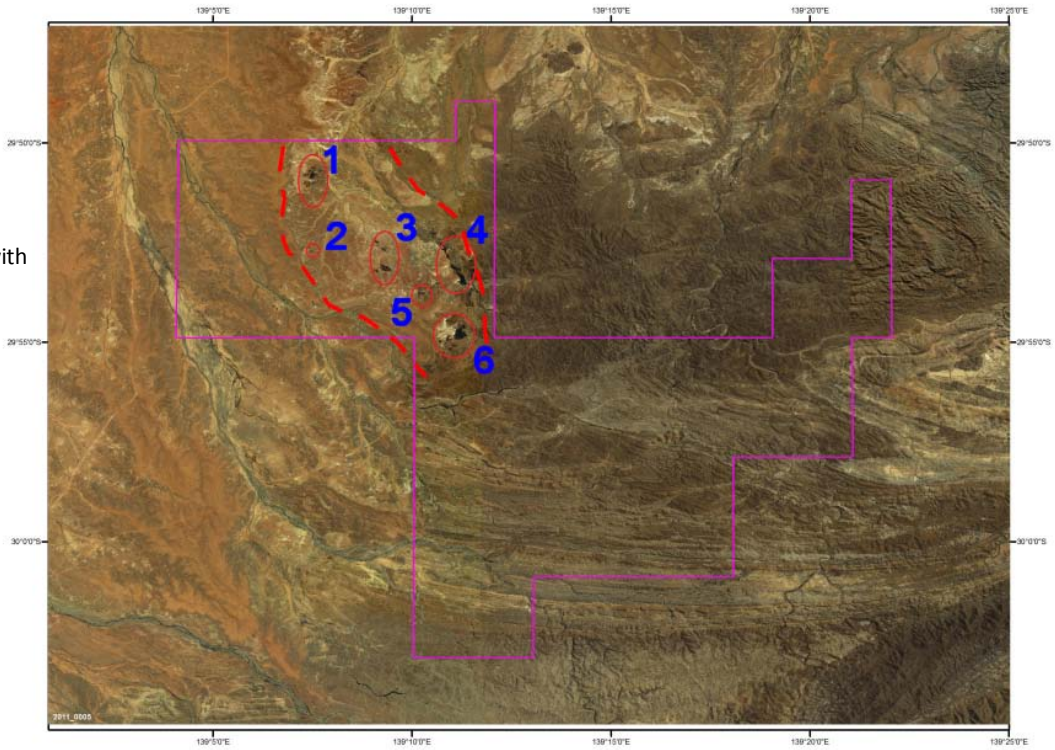

Figure 1: Google Earth image of EL4528 with outcrop locations circled in red.

The project area has good access to road infrastructure with the potential mineralised outcrops occuring in gently undulating terrain facilitating good access.

The initial results from Western Spur have demonstrated very good iron/manganese exploration potential for the project.

Marmota plans to carry out geophysical surveys to better define the extent of potential iron and manganese mineralisation beneath the shallow sedimentary cover.

This data will be used to identify targets for drill testing.

Figure 2: Photograph of historic mine shaft with visible iron mineralisation extending to depth at outcrop 4.

Figure 3: Visible iron outcrop sample site.

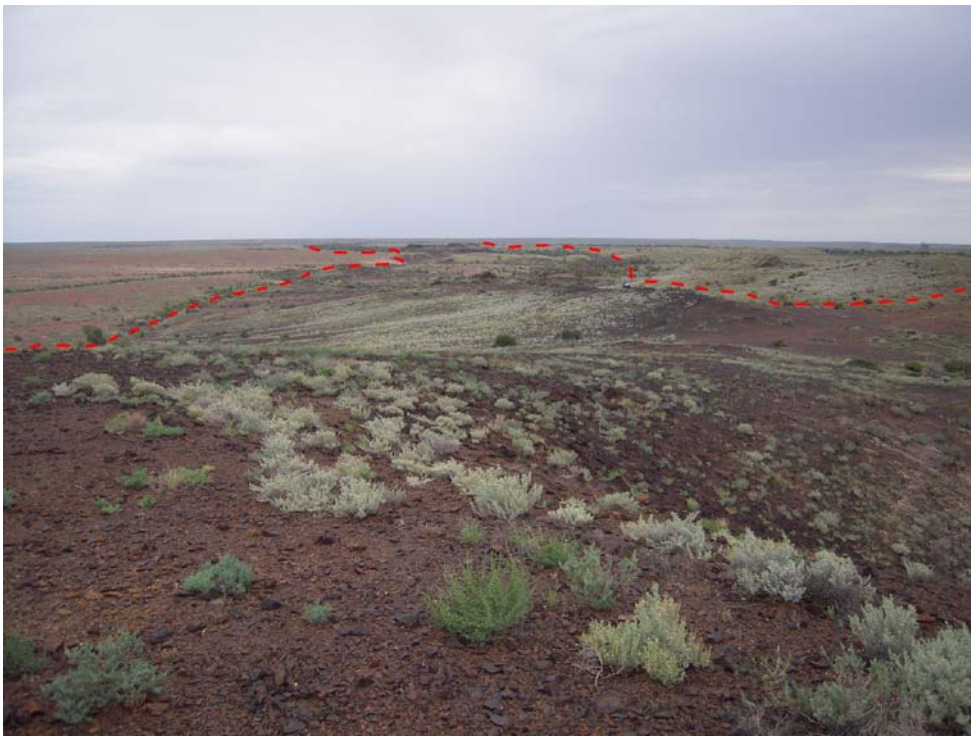

Figure 4: Photograph from top of outcrop 4 extending for approximately 3 kilometres into the distance highlighted by red dash line.

Figure 5: Photograph of manganese outcrop sampled during this phase.

SAMPLE ID	EASTING	NORTHING	Al_2O_3 %	Fe_2O_3 %	Fe %	K_2O %	LOI %	Mn %	P %	SO_3 %	SiO_2 %
47801	324313	6693368	0.79	74.92	**52.39**	0.06	12.89	1.45	0.33	0.22	2.98
47802	324300	6693277	0.65	79.58	**55.65**	0.04	11.58	2.11	0.33	0.192	2.85
47803	324249	6693244	1.79	63.5	44.41	0.19	14.46	0.88	0.31	0.738	5.22
47804	324372	6693107	0.66	67.36	47.10	0.13	12.25	9.62	0.45	0.23	2.12
47805	324390	6693056	0.96	39.65	27.73	0.43	13.51	**27.40**	0.26	0.165	2.43
47807	324604	6692564	1.15	78.97	**55.22**	0.15	11.36	2.30	0.59	0.184	2.75
47808	324663	6692488	1.41	61.37	42.92	0.26	12.56	12.98	0.39	0.161	3.63
47809	324903	6692446	1.21	42.21	29.52	0.24	13.12	**28.07**	0.31	0.13	1.85
47810	324927	6692395	0.83	51.31	35.88	0.1	15.52	13.76	0.69	0.442	3
47811	324862	6692261	0.73	67.79	47.41	0.07	14.67	3.38	0.38	0.285	2.22
47812	324913	6692235	0.65	68.73	48.06	0.08	14.32	4.25	0.26	0.085	2.54
47813	324918	6692127	0.96	78.05	**54.58**	0.13	11.58	3.44	0.32	0.157	2.53
47814	324954	6692155	0.74	67.73	47.36	0.09	11.86	11.39	0.32	0.074	1.88
47815	325037	6692081	0.8	61.04	42.69	0.15	12.19	15.73	0.34	0.179	2.05
47816	325072	6691981	0.56	82	**57.34**	0.01	11.24	0.52	0.43	0.536	3.32
47817	325093	6691902	0.65	67.51	47.21	0.34	11.71	9.74	0.36	0.22	2.59
47818	325117	6691909	0.88	75.77	**52.99**	0.12	11.71	4.85	0.43	0.216	2.35
47819	325051	6691899	0.69	73.17	**51.17**	0.08	13.05	2.26	0.41	0.257	2.7
47820	325087	6691807	0.98	70.17	49.07	0.18	12.1	8.20	0.40	0.169	2.08
47821	325128	6691804	0.81	68.86	48.15	0.16	11.73	10	0.42	0.111	2.15
47822	325003	6691782	0.75	60.88	42.57	0.18	14.41	9.13	0.31	0.253	2.17
47823	324968	6691727	0.5	52.79	36.92	0.05	17.66	4.19	0.45	0.321	1.63
47824	325081	6691771	0.58	73.63	**51.49**	0.09	11.22	4.48	0.67	0.188	2.49
47825	325122	6691780	1.15	60.91	42.59	0.31	12.66	13.43	0.44	0.082	2.4
47828	323917	6694124	2.01	61.44	42.97	0.36	13.13	4.87	0.49	0.656	6.9
47829	323877	6694055	0.79	52.6	36.78	0.41	14.52	16.18	0.46	0.087	1.92
47830	323800	6694020	1.01	41.34	28.91	0.4	17	15.46	0.35	0.978	2.74
72026	325175	6689499	1.04	54.81	38.33	0.12	15.14	9.96	0.42	0.315	2.47
72027	325120	6689483	0.57	67.11	46.93	0.02	15.47	1.66	0.29	0.309	1.91
72028	325095	6689457	0.85	56.31	39.38	0.06	15.31	10.79	0.36	0.202	1.95
72029	325032	6689463	0.68	65.21	45.6	0.07	13.94	5.34	0.55	0.236	1.99
72030	325033	6689528	0.66	51.14	35.76	0.19	17	8.93	0.34	0.403	2.61
72031	324981	6689559	0.92	67.6	47.27	0.1	10.61	10.41	0.27	0.087	2.2
72032	324958	6689625	1.71	79.73	**55.76**	0.21	11.35	1.11	0.34	0.141	3.38
72033	324866	6689597	0.47	84.28	**58.94**	0.01	11.1	0.38	0.34	0.088	2.05
72034	324862	6689522	0.56	82.7	**57.83**	X	11.32	0.37	0.48	0.131	1.98
72035	324875	6689459	0.57	83.79	**58.59**	0.01	11.4	0.22	0.35	0.129	2.29
72036	324955	6689462	0.8	64.56	45.15	0.14	12.55	12.64	0.38	0.147	1.65
72037	324214	6689015	0.68	75.34	**52.69**	0.06	10.56	1.73	0.37	0.515	8.2
72038	324203	6689039	1.14	73.74	**51.57**	0.1	11.01	1.61	0.27	0.3	8.87
72039	324461	6689189	0.43	59.86	41.86	0.04	14.65	4.61	0.52	0.294	2.56
72040	324517	6689277	1.1	54.69	38.24	0.07	17.03	4.45	0.47	0.264	3.26
72041	324637	6689308	0.76	55.83	39.04	0.17	13.21	11.61	0.92	0.6	2.38
72042	324767	6689350	0.55	64.76	45.29	0.03	15.39	1.58	0.59	0.26	2.64
72043	324861	6689299	1.42	75.66	**52.91**	0.18	11.29	3.51	0.49	0.154	2.96
72044	324967	6689311	0.7	54.03	37.78	0.33	12.87	**20.05**	0.36	0.053	1.72
72045	325070	6689236	1.42	53.7	37.55	0.53	12.71	17.66	0.73	0.206	3.09

72046	324771	6691728	0.64	81.22	**56.80**	0.02	11.49	0.54	0.32	0.363	4.13
72047	324848	6691829	0.68	83.8	**58.60**	0.08	10.87	0.66	0.30	0.563	1.59
72048	324883	6691851	0.64	81.41	**56.93**	0.1	11.53	0.54	0.37	0.408	2.45
72049	324156	6693364	0.87	54.4	38.04	0.18	17.23	6.87	0.25	0.385	2.06
72050	324203	6693361	0.92	61.31	42.87	0.09	14.78	5.24	0.35	0.473	2.58

'X': denotes below detection limits.

Table 1: Table of assay results from Phase 2 sampling program.

Mr Dom Calandro
MANAGING DIRECTOR

17 March 2011