

ASX ANNOUNCEMENT

13th July 2011

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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.



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SIGNIFICANT IRON RESULTS FROM MINE SHAFT SAMPLING AT MARMOTA ENERGY'S WESTERN SPUR PROJECT

- Grades up to 55.45% Fe returned from assay with 20 metre shaft ending in visible iron mineralisation.
- Mine shaft results confirm consistent iron interval thickness at depth throughout sampled outcrop.
- Historic Western Mining Corp exploration report containing drill hole logs indicate drilling intercepts of up to 32 metres Fe (VP10) within 3km long outcrop.
- 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 mine shaft 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 **55.45% Fe**, were returned from ten samples collected from the walls of one mine shaft which was measured to have a depth of 20 metres (Table 1). Two mine shafts were located in the largest continuous iron outcrop which extends for approximately **3km** where previous surface sampling has yielded up to **57.34% Fe** (Figure 1). Samples were acquired at 1 metre intervals down shaft to a depth of approximately 10 metres. Only one shaft was sampled due to conditions encountered, with sampling of the second shaft to be attempted at a later date.

The sampled mine shaft contained iron mineralisation in the form of goethite and massive haematite (Figure 3). The 20 metre shaft was observed to end in visible iron mineralisation with visible outcrop located approximately 8 metres above the shaft entrance.

The grades of iron encountered from sampling the mine shaft walls are considered significant. The levels of deleterious factors (aluminium, silica, phosphorus and loss of ignition) are comparable to those in commercial iron ore operations.

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

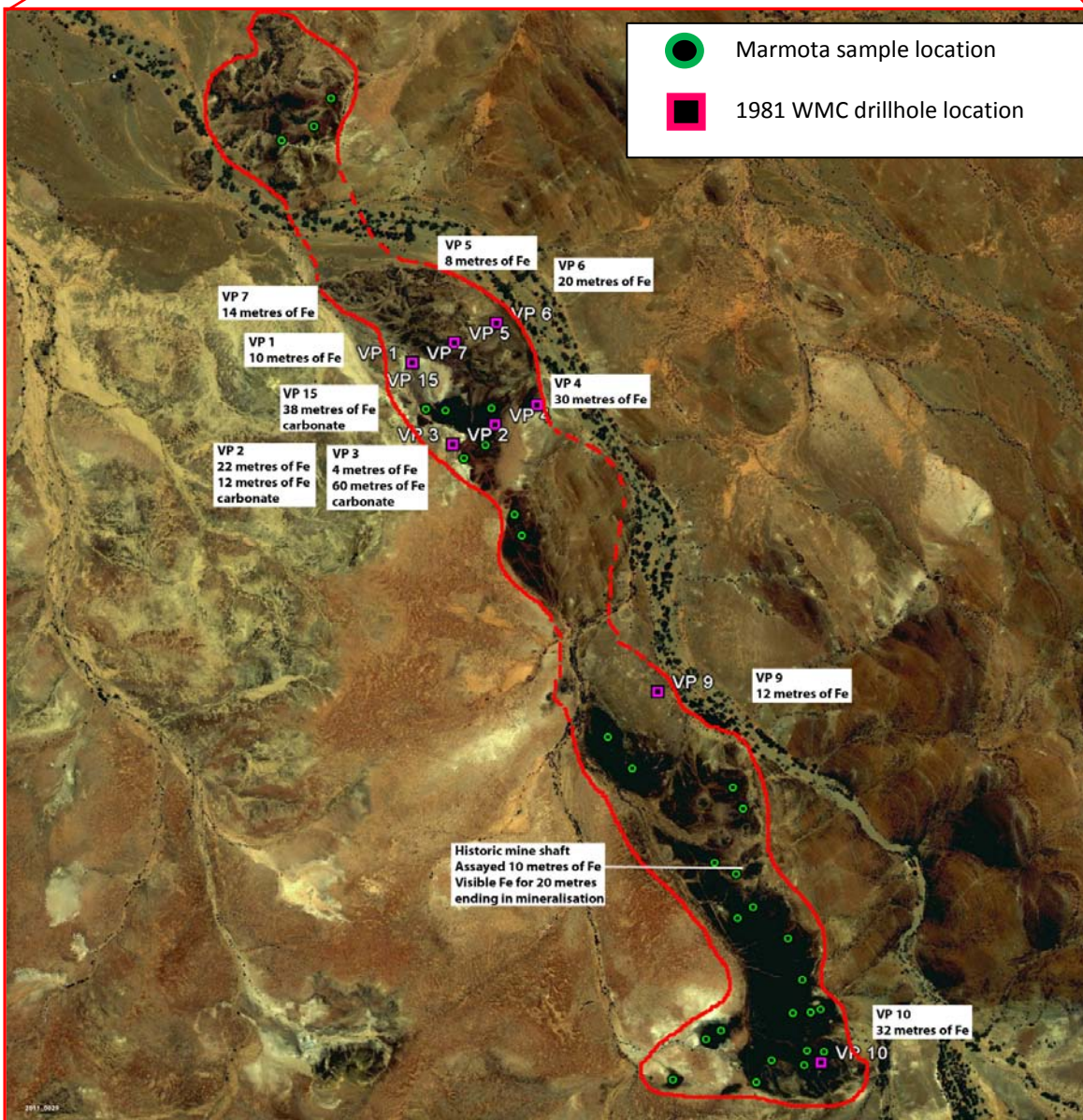
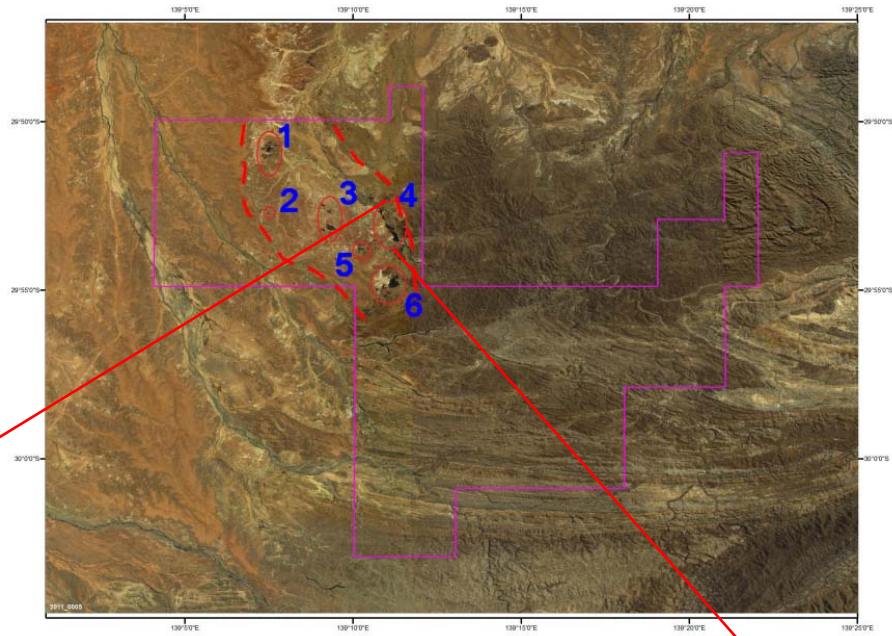


Figure 2: Zoom of 3km long outcrop with Marmota outcrop sampling locations (green circle) and WMC drilling completed in 1981 (purple square).



Figure 3a: Example of goethite/haematite iron mineralisation at Western Spur



Figure 3b: Example of massive haematite sample from Western Spur

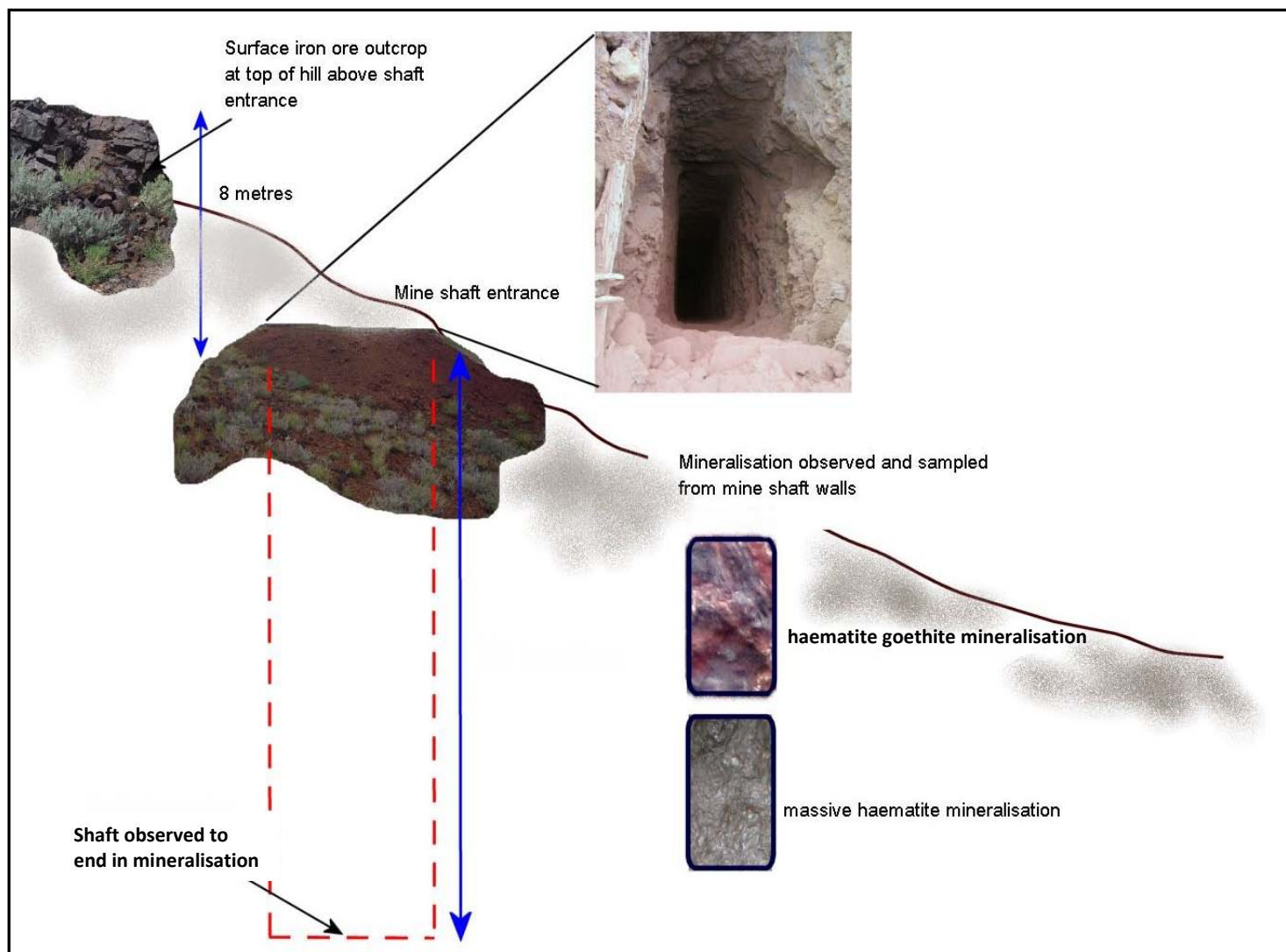


Figure 4: Mine shaft schematic

Sample Number	Fe %	Fe ₂ O ₃ %	Mn%	P ₂ O ₅ %	SO ₃ %	Al ₂ O ₃ %	LOI%
48101	37.41	53.49	3.06	0.744	0.108	1.86	13.91
48102	49.46	70.73	0.68	0.802	0.157	0.67	15.03
48103	48.49	69.34	1.39	0.732	0.163	0.51	12.64
48104	37.46	53.57	4.98	0.617	0.118	1.98	16.43
48105	30.61	43.77	8.76	0.691	0.205	1.29	20.24
48106	33.7	48.19	7.43	1.468	0.168	2.04	17.25
48107	40.01	57.21	2.34	0.879	0.512	0.72	16.86
48108	39.48	56.45	4.65	0.758	0.178	1.81	17.02
48109	55.45	79.29	0.32	1.583	0.065	2.17	11.54
48110	31.42	44.93	4.97	1.897	0.267	0.95	20.28

Table 1: Table of assay results from mine shaft sampling program located at 324900E and 6692500N, Zone 54.

Open file envelope 3959 contains the exploration report submitted by Western Mining Corp. Ltd (WMC) in 1981 to the South Australian government for its exploration in the region of Village Well, which is covered by Marmota's Western Spur exploration licence.

This report contains drill hole logs which define intervals of iron mineralisation intercepted by a number of holes completed by WMC (Figure 2). The logs show intervals of up to 30 metres of iron were intercepted in the WMC drill holes spread throughout the 3km long outcrop. The iron intervals logged are also augmented with further intervals of siderite (iron carbonate). These results make this outcrop the highest priority for further testing. Other significant iron outcrops on the project include outcrop number 6 (Figure 1) to the south which has an approximate 1.5km strike length with grades of up to 58.94% iron returned from assay.

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

These results reinforce the project's ability to host a potential iron ore deposit of significance.

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.



Mr Dom Calandro
MANAGING DIRECTOR

13 July 2011