

**UPDATE: VISIBLE COPPER AND NICKEL SULPHIDE MINERALISATION
CONFIRMED IN EXTENSIVE OUTCROP AT DURKIN PROSPECT IN SA'S
GAWLER CRATON**

- Extensive outcrop discovered within 5 km long coincident copper/nickel-in-calcrete anomaly and magnetic target at Durkin copper/nickel prospect.
- Visible copper and nickel sulphide mineralisation occurs at multiple locations.
- Infill sampling underway over whole of outcrop.
- Clearances completed, facilitating access for drill testing.

Durkin copper/nickel prospect – Pundinya project

(Marmota Energy Limited (ASX: MEU) 100%)

Marmota Energy (ASX:MEU) is pleased to announce visible copper and nickel sulphide mineralisation in surface outcrop on Marmota's 100% owned Pundinya tenement (EL 4526) located in the Gawler Craton of South Australia.

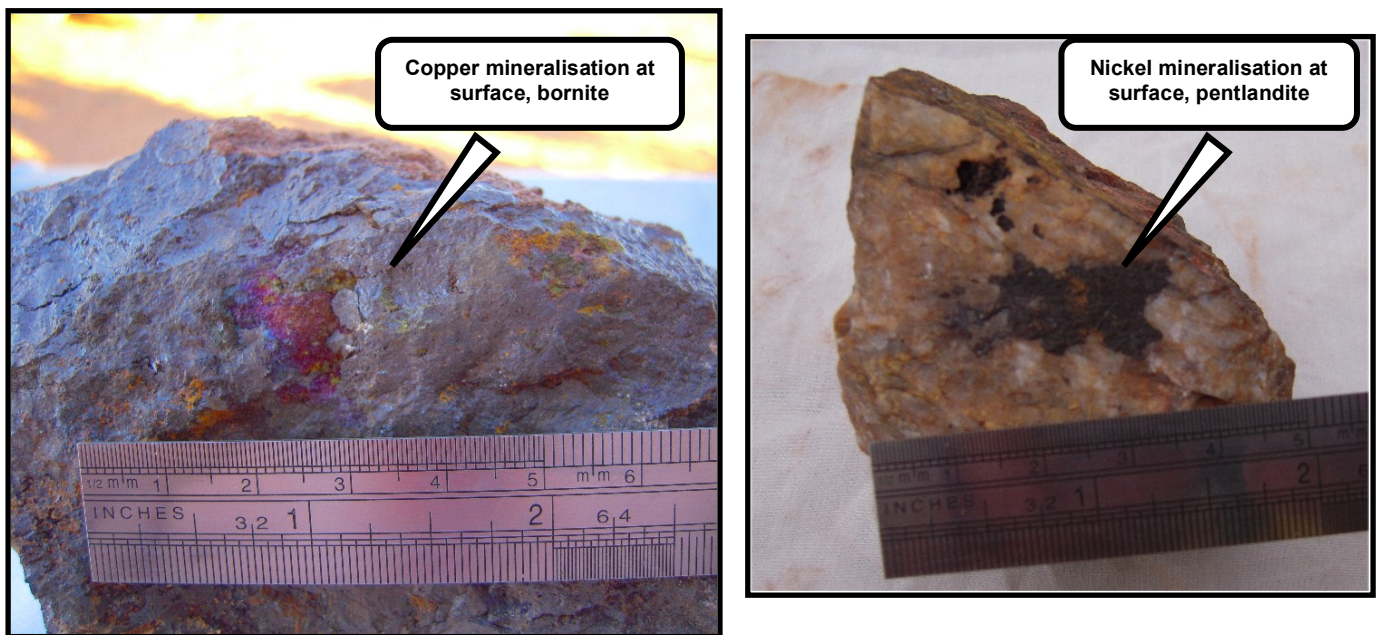


Figure 1: Examples of newly discovered copper and nickel samples in outcrops from the Durkin area.

The significant zone of outcrop lies within a large copper and nickel anomaly which extends for approximately 5km and is located in the northern part of the Pundinya tenement. The project also contains the Pundinya uranium prospect where grades of up to 3200 ppm uranium were returned from assays (Figure 4).

Surface samples

Announced previously a zone of strong coincident copper and nickel in calcrete anomaly has been defined on the project. The maximum copper in calcrete value is **175 ppm Cu** and the maximum nickel value is **330 ppm Ni**.

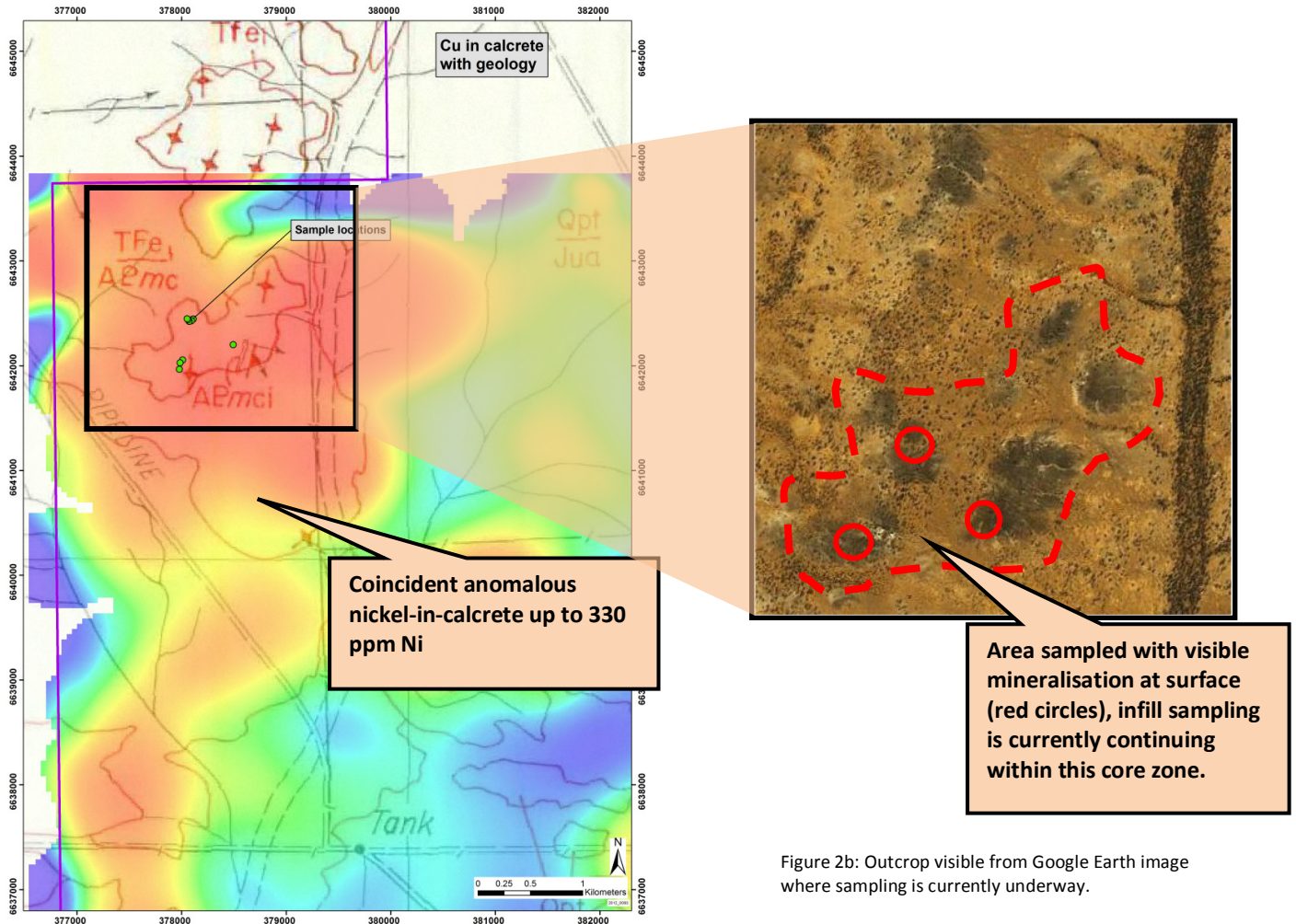


Figure 2a: Copper-in-calcrete image with regional geology and first pass sample locations shown at the Durkin prospect

Figure 2b: Outcrop visible from Google Earth image where sampling is currently underway.

The infill surface sampling currently in progress at the Durkin copper-nickel prospect has confirmed large scale outcrop (Figure 2) with a number of sites containing good quality visible copper and nickel mineralisation. NITON XRF spot readings have also been undertaken of key sample sites with readings returning results far exceeding previously reported maximum copper results from sampling. NITON spot readings include copper grades of up to **654.32 ppm Cu*** (Table 1) significantly higher than the previously reported maximum of 175 ppm Cu.

The Company is extremely encouraged by these results particularly as they occur in visible outcrops (Figure 3) reinforcing the shallow nature of the prospect and potential mineralisation to be drill tested.

* CAUTIONARY STATEMENT: NITON XRF spot readings are an indicative result only, and is not a substitute for chemical assay.

Table 1: Results from Niton spot readings for copper completed in recent days:

Reading ID	Easting	Northing	Elevation	Cu ppm
2488	378092	6642427	160	417.77
2489	378092	6642427	160	294.14
2490	378112	6642445	159	555.45
2491	378095	6642428	160	145.77
2493	378074	6642422	162	432.6
2496	378064	6642435	162	213
2497	378054	6642446	162	135.24
2504	378011	6642053	160	654.32
2508	377986	6642026	161	101.81
2509	377980	6641965	159	131.24
2510	378494	6642199	161	146.39

* CAUTIONARY STATEMENT: NITON XRF spot readings are an indicative result only, and is not a substitute for chemical assay. Niton spot readings carried out using an XL3t 700 XRF unit.

In the recent days of the field program, outcrop was found to contain multiple occurrences of visible copper sulphide (bornite), the nickel-bearing minerals pentlandite and iron sulphide phyrrotite (magnetic pyrite) which is often associated with nickel sulphides (Figure 1). Pentlandite is an important ore of nickel and is the principal ore mineral mined from Kambalda type komatiitic nickel ore deposits, examples of which are in the Yilgarn Craton of WA. Due to the large size of the anomaly, sampling will continue over coming weeks.

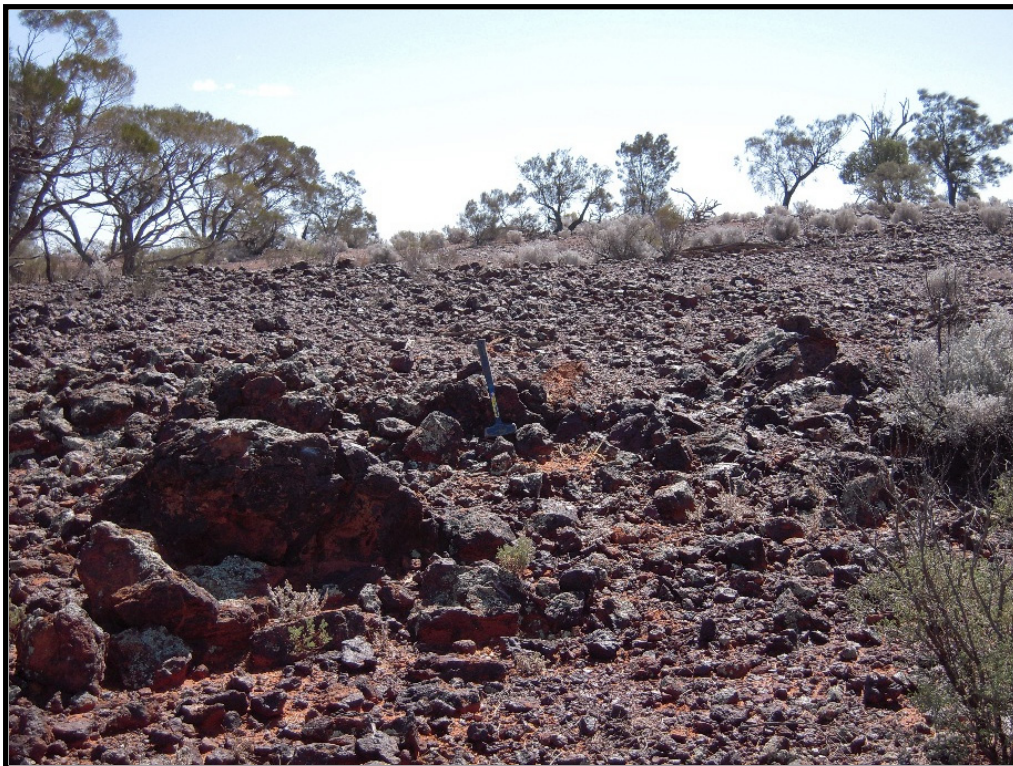


Figure 3: Example of newly discovered extensive outcrop from the Durkin area returning anomalous Niton XRF* results for nickel, copper and gold.

These results confirm the potential of the Durkin nickel prospect to host large scale near surface copper and nickel sulphide deposits. The strong similarities between the Durkin Ni prospect and Nova discovery bode well for the potential to define a new nickel province in the Gawler Craton.

Forward plan and exploration access

The Pundinya tenement has received heritage clearance, which facilitates immediate exploration access. Infill sampling programs are underway focusing on zones of outcrop and shallow potential. The results will be used to finalise targets for electromagnetic geophysics and follow up low cost shallow drill testing.

Drill testing at Durkin is planned to be part of a broader program to also drill test a number of gold and copper targets on nearby tenements that Marmota holds in this highly prospective region of the Gawler Craton (Figure 4). Gold targets identified for Challenger style gold mineralisation on both the nearby Indooroopilly and Aurora Tank projects will also be drill tested.

Gold targets on the Indooroopilly project have also been awarded collaborative South Australian Government funding under the PACE initiative. A strong endorsement of the targets prospectivity.

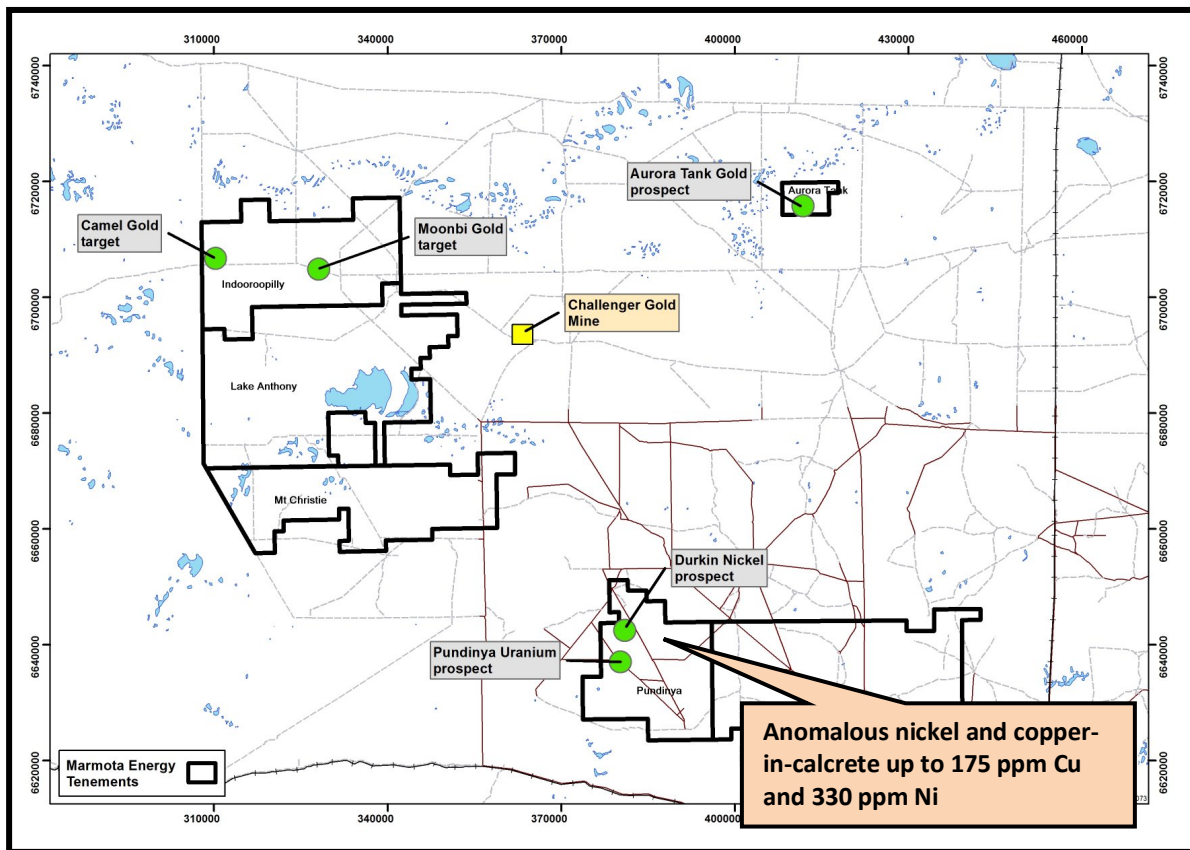


Figure 4: Indooroopilly, Aurora Tank and Durkin copper/nickel prospect location.

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 sufficient 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.

Mr Dom Calandro
MANAGING DIRECTOR

21 September 2012