



ASX RELEASE

**QUARTERLY REPORT – Period ending September 2012**

# Highlights

## Durkin copper/nickel prospect – Pundinya project (SA)

- 5 km long coincident copper/nickel-in-calcrete anomaly and magnetic target identified on Pundinya in the Gawler Craton.
- Anomalous copper and nickel-in-calcrete with grades of up to 175 ppm Cu and 330 ppm Ni, similar to the initial results reported from the recent Nova discovery in WA.
- Infill sampling underway over areas of outcrop. Copper and nickel mineralisation identified in surface samples from outcrops at Durkin.
- Airborne EM and ground geophysics planned.
- Clearances completed facilitating access for drill testing.

## Melton copper-gold project (SA)

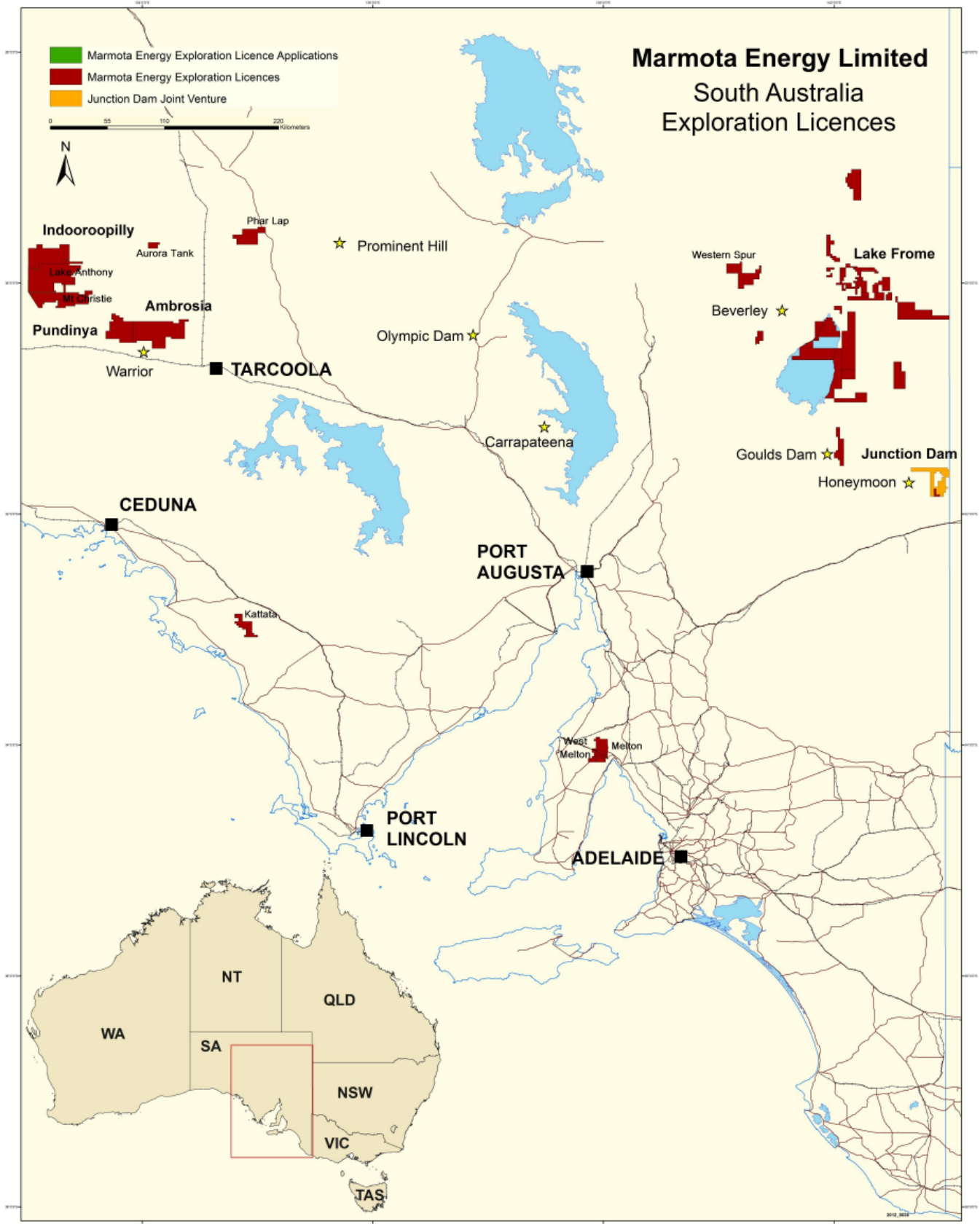
- 3.8 km long coincident copper/gold-in-calcrete and magnetic anomalies on West Melton.
- Anomalous copper-in-calcrete also defined along the Pine Point Fault immediately north of Rex Minerals White Cliffs target area.
- Other zones of anomalous gold-in-calcrete defined.
- Further follow-up sampling being planned.

## Indooroopilly and Aurora Tank gold projects (SA)

- Significant geochemical results identify high priority gold targets at the Indooroopilly and Aurora Tank copper -gold projects located west and east of Challenger gold mine in the Gawler Craton.
- As a strong endorsement of technical merit and potential for success of Marmota's exploration program in the highly prospective Gawler Craton area of South Australia, the company has been awarded \$65,000 in collaborative PACE funding to support drilling on the Indooroopilly copper-gold project.
- Heritage surveys with traditional owners successfully completed.

## Nevada gold project (USA)

- Follow up drilling completed at Angel Wing gold project in Nevada.
- Significant gold grades intercepted from recent follow up drilling with grades of up to 10.6 g/t Au.
- Results follow on from previous intercepts with gold grades ranging up to 14.15 g/t Au.
- Large intercepts of silver continue to complement gold intercepts including 79.25m @ 1.79 g/t Ag and 73.15m @ 1.14 g/t Ag from drill holes AW12-11 and 12 respectively.
- Further exploration planned.



Marmota Energy project location map

# Review of Operations

## Durkin copper/nickel prospect – Pundinya project

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

During the Quarter, the Company announced that it had identified a large coincident copper and nickel-in-calcrete anomaly on Marmota’s 100% owned Pundinya tenement (EL 4526) located in the Gawler Craton of South Australia (Figure 1). The copper and nickel anomaly extends for approximately 5 km and is located in the northern part of the Pundinya tenement. The project also contains the Pundinya uranium prospect with grades of up to 3200 ppm uranium were returned from assays.

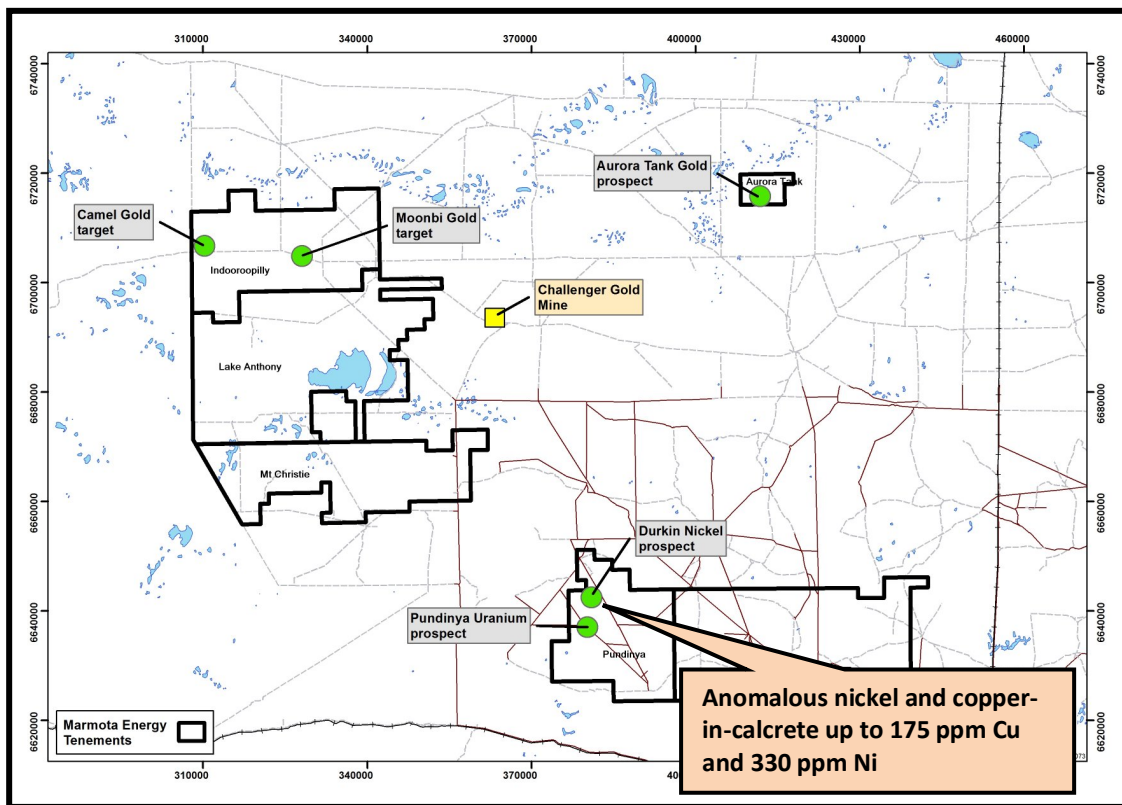


Figure 1: Durkin copper/nickel prospect location.



## Surface geochemical results

A zone of strong coincident Cu and Ni in calcrete anomaly was defined on the project from previously acquired calcrete sampling programs. The maximum copper in calcrete value is **175 ppm Cu** and the maximum nickel value is **330 ppm Ni**.

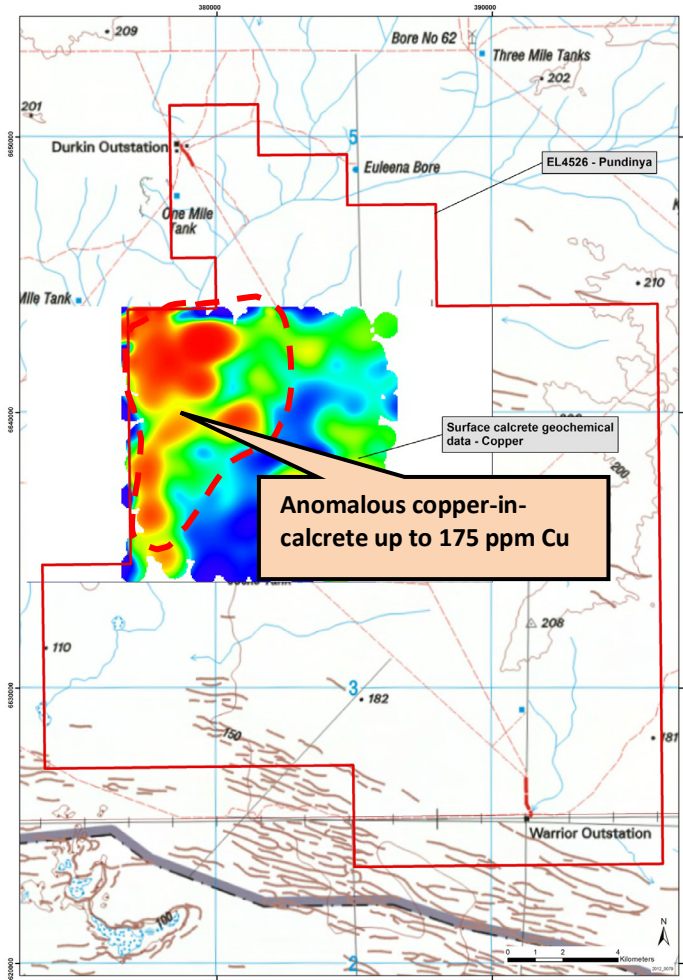


Figure 2a: Copper-in-calcrete image, Durkin prospect

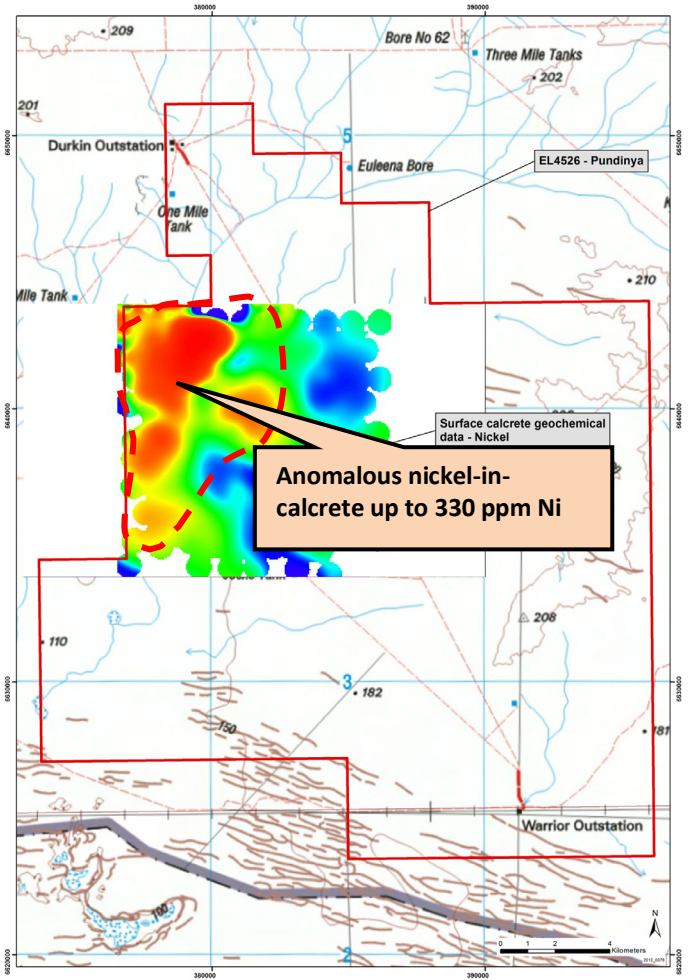


Figure 2b: Nickel-in-calcrete image, Durkin prospect

The anomaly is very similar to the geochemical in soils results from the recently announced Sirius Resources Nova nickel discovery in Western Australia. The copper in soils at Nova reached a maximum of **175 ppm Cu** and the maximum nickel in soils reaches **373 ppm Ni**.

## Surface sampling

The large zone of strongly coincident copper and nickel-in-calcrete that has been defined on the project is the Company's strong focus under its current exploration program.

High resolution multi component infill surface sampling is continuing and is focused on the large zone of outcrop as can be seen in the figure below (Figure 3b). The Durkin copper-nickel prospect has confirmed large scale outcrop (Figure 3a) with a number of sites containing sample with visible copper and nickel mineralisation.

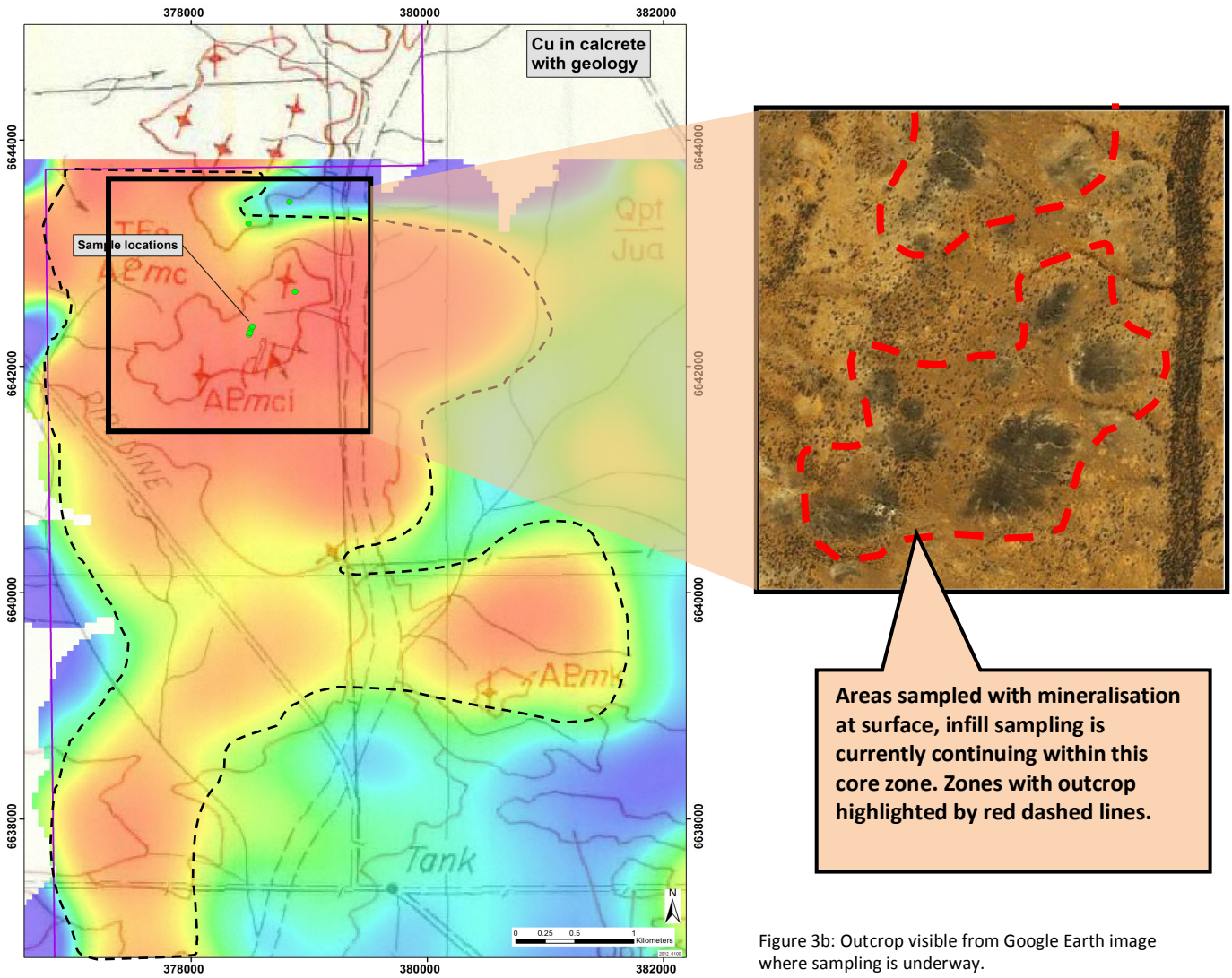


Figure 3a: Copper-in-calcrete image with regional geology and first pass sample locations shown at the Durkin prospect

Figure 3b: Outcrop visible from Google Earth image where sampling is underway.

Samples collected from other outcrops up to 1.8 kilometres from those previously sampled also display potential Cu/Ni mineralisation (Figure 4). Anomalous Cu and Ni Niton readings were observed at these outcrops, along with elevated chromium (Cr) and cobalt (Co) (Table 1).



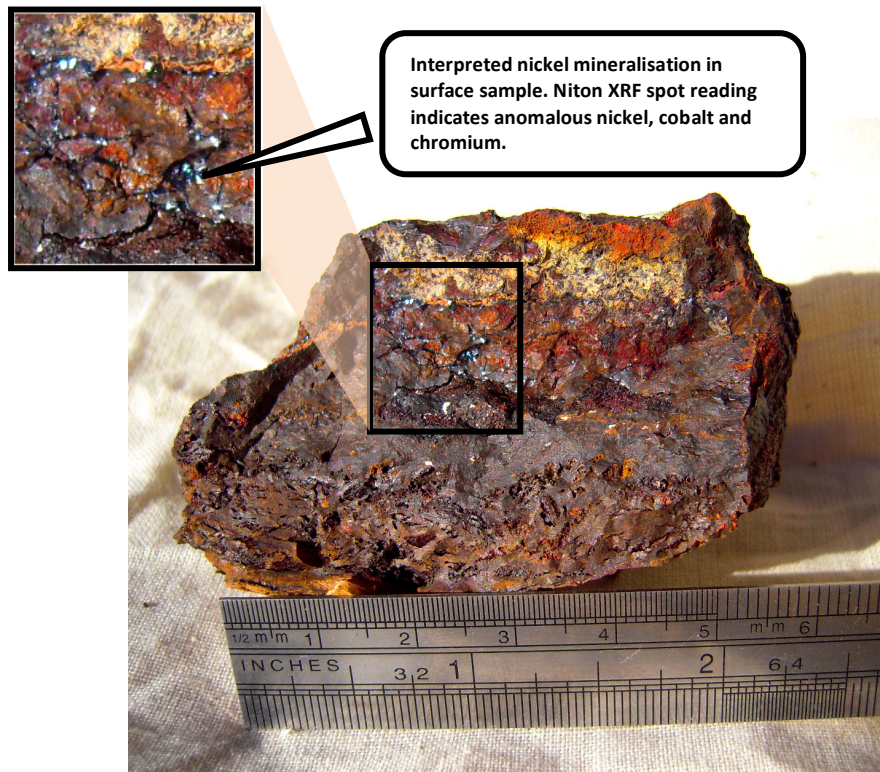
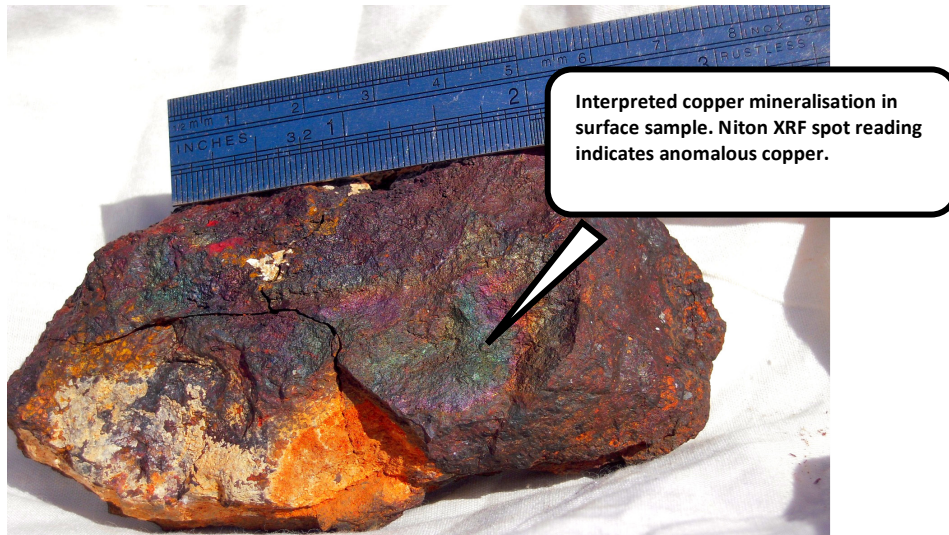


Figure 4: Examples of copper and nickel samples in outcrops from the Durkin area.

*Cautionary Statement: Early stage exploration at the Durkin prospect is underway, there has been insufficient exploration to define the extent of and exploration potential at the target area. Samples will be submitted to the laboratory for analysis.*

NITON spot readings include copper grades of up to **704.97 ppm Cu\*** and **364.39 ppm Ni\*** (Table 1), significantly higher than the previously reported maxima of 175 ppm Cu and 330 ppm Ni from historic sampling programs. High readings for cobalt and chromium have been encountered with

grades from Niton spot readings of up to **2500 ppm Co\*** and **9600 ppm Cr\***, the importance of which is explained below.

At this early stage of exploration at the Durkin prospect, results achieved continue to support the potential for a layered mafic-ultramafic intrusive style of mineralisation similar to Sirius Resources' Nova discovery and other ultramafic hosted Ni deposits in Australia. From the suite of elements that are being observed from Niton readings at surface outcrop, the association of elements such as nickel, copper, chromium and cobalt are all very common in other Cu/Ni projects of this type in which Marmota is targeting at Durkin. The Company is extremely encouraged by these results as they occur in outcrops extending an additional 1.8 km (Figure 3), reinforcing the scale and shallow nature of the prospect and potential mineralisation to be drill tested.

**Durkin airborne electromagnetic and gravity survey**

Due to the large size of the coincident copper and nickel in calcrete anomaly displayed above (defined in the black dashed line) an airborne electromagnetic (AEM) survey has been commissioned to cover the entire anomaly. The survey is planned to be completed at a high resolution and is expected to define any conductive features which may be related to the potential copper and nickel mineralisation.

The survey is also expected to provide vital information relating to the potential depth extent and shape of any conductive features mapped. Fugro Airborne Surveys has been selected with the survey scheduled to commence in coming weeks.

The AEM survey will be complemented by a prospect scale resolution ground gravity survey to be conducted by Atlas Geophysics with timing of acquisition to parallel the acquisition of the AEM. This will be the most comprehensive data coverage ever completed over this region.

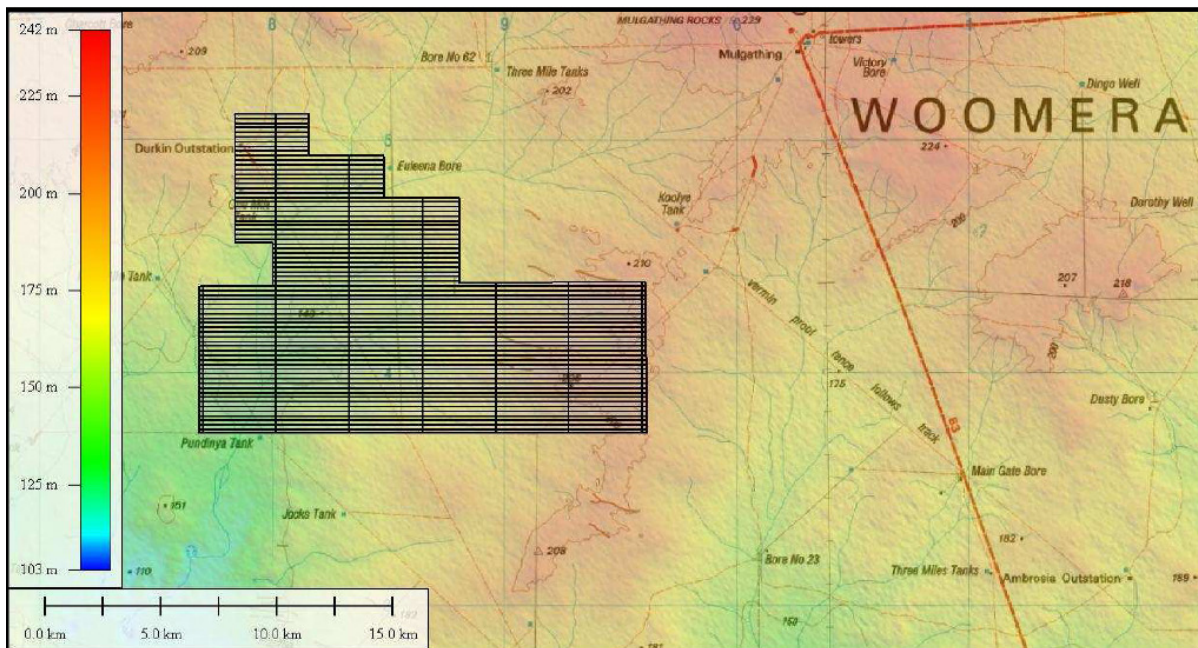


Figure 5: Airborne electromagnetic survey design over digital terrain image – Durkin Cu/Ni prospect

\* 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.

Table 1: Results from Niton spot readings for Cu, Ni, Co and Cr completed:

Easting	Northing	Zone	Co (ppm)	Cr (ppm)	Cu (ppm)	Fe (%)	Ni (ppm)
378880	6642662	53	415.19	<b>9100</b>	244.01	50.29	<b>364.39</b>
378880	6642662	53	<b>2500</b>	<b>9600</b>	87.43	42.6	NR
378490	6642282	53	NR	332.1	69.97	52.95	<b>305.58</b>
378833	6643454	53	NR	915.73	63.92	39.35	46.6
378157	6643783	53	NR	814.25	195.95	37.08	12.85
378518	6642352	53	<b>749.66</b>	593.61	<b>623.49</b>	54.85	NR
378518	6642352	53	<b>741.69</b>	310.1	<b>704.97</b>	50.74	NR
378508	6642331	53	250.88	220.95	276.7	51.77	NR
378498	6642295	53	NR	46.35	103.21	53.98	130.63
378486	6643263	53	282.7	7.01	45.11	57.41	106.65
378518	6642352	53	487.25	NR	123.54	47.5	<b>182.00</b>

\* 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.



## West Melton copper project – Paskeville region sampling results

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

During the Quarter, assay results from the 2012 calcrete sampling program identified large scale copper-in-calcrete anomalism over a large area located on Marmota’s 100% owned West Melton Tenement. The copper anomaly in area A (Figure 6a) is coincident with a large scale geophysical target (Figure 1b) which extends for approximately 6 km across into the adjoining Melton JV with Monax Mining limited (ASX: MOX).

Figure 6a: Melton projects location.

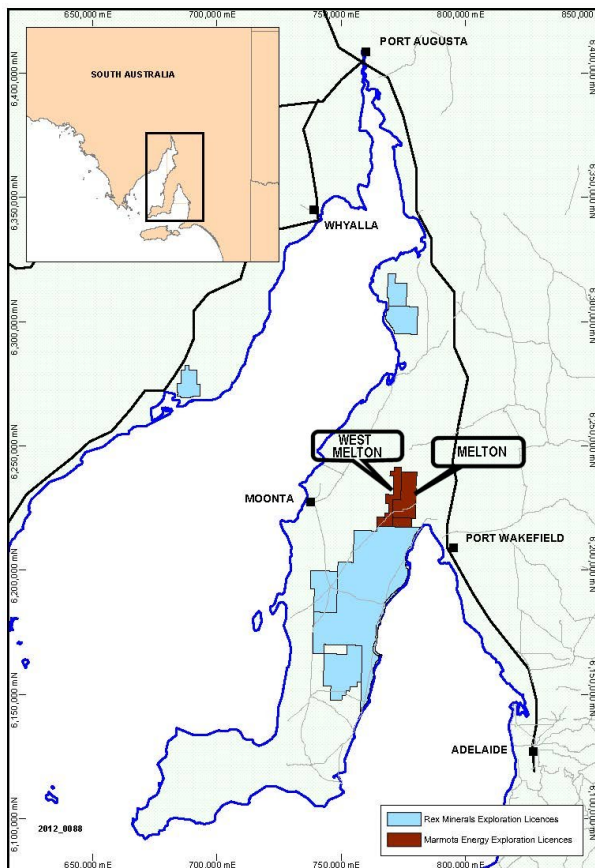
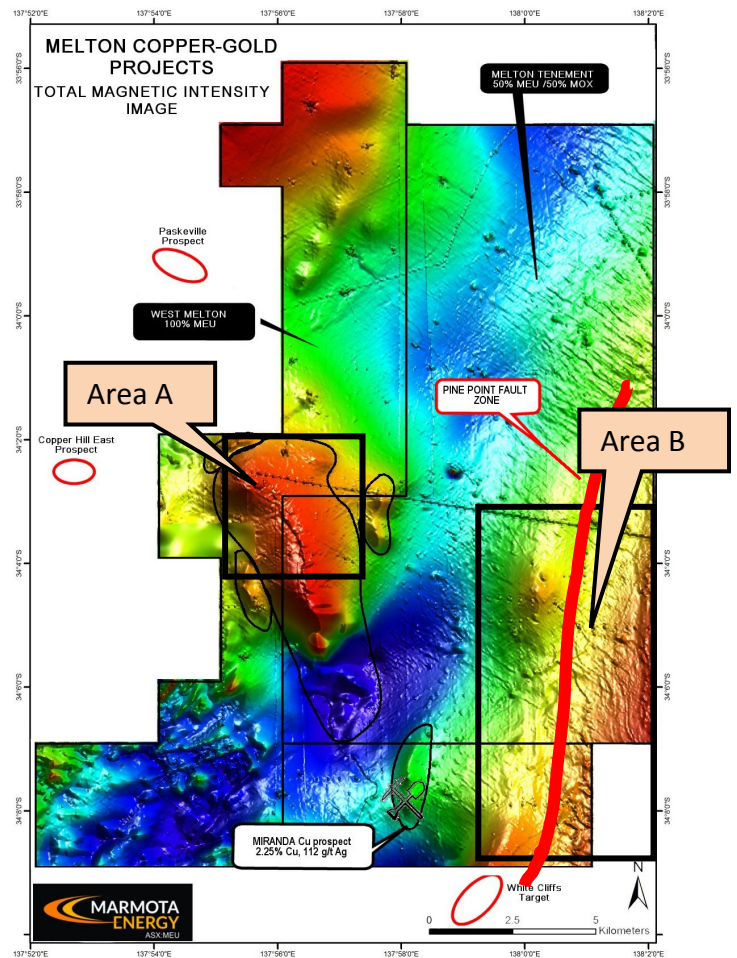


Figure 6b: Melton projects total magnetic intensity image with calcrete sampling areas shown.



The calcrete sampling program over Area A was designed to identify areas of potential copper-gold mineralisation located below surface cover on the West Melton project. Area A is to the east of the recently announced nearby Adelaide Resources Paskeville and Copper Hill East copper-gold discoveries. In Area A, anomalous copper-in-calcrete values similar to those achieved at Copper Hill East were returned from assay along with anomalous gold results.

Results from sampling indicate a broad copper anomaly extending for approximately 3.8 km in a north - south direction from the western edge of the West Melton tenement boundary and across onto the adjoining Melton tenement (50% Marmota Energy (ASX: MEU) 50% Monax Mining Limited (ASX:MOX)).

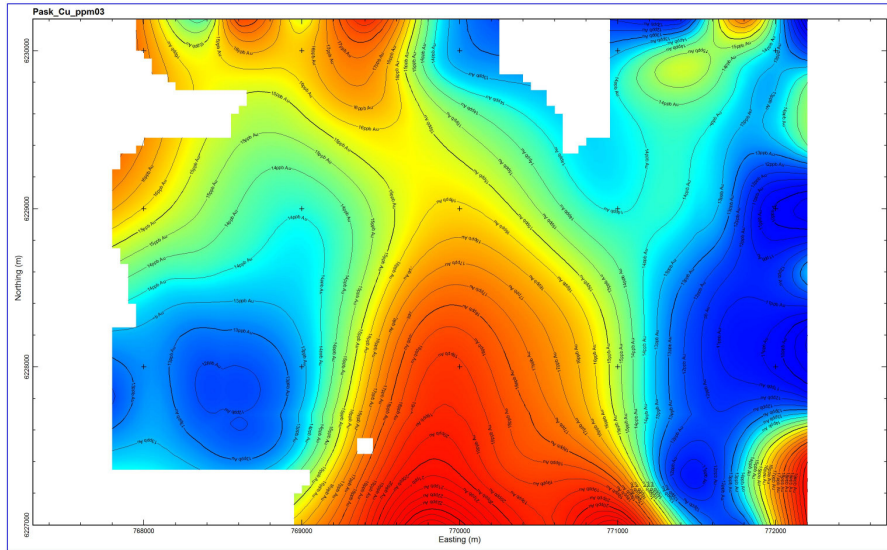


Figure 7a: Cu-in-calcrete colour filled contours – West Melton target **Area A**.

The copper-in-calcrete anomaly (Figure 7a) is coincident with a large magnetic anomaly detected in airborne magnetic surveys. A number of other target vectoring elements also returned anomalous assay results. Elevated potassium-in-calcrete results coincident with the magnetic and copper anomalies were also observed which are potential indicators of potassic alteration. Potassic alteration was a key targeting tool in the definition of Rex’s nearby Hillside copper deposit located to the south.

Zones of anomalous gold-in-calcrete are also defined in Area A coincident with the large copper anomaly. These zones also have coincident anomalous arsenic and antimony trace element geochemistry returned from assay, considered to be pathfinder elements in gold exploration as these elements are often associated with many types of gold deposits.

## Melton copper project – Kulpara region sampling results

(Marmota 50% under Melton JV Agreement with Monax)

Calcrete sampling was also conducted over the Kulpara region along the eastern side of the Pine Point fault zone which also hosts the Hillside copper deposit. Sampling was completed in Area B (Figure 1b) from the southern boundary of the Melton tenement adjacent to the Rex Minerals White Cliffs target area northward along approximately 8km of the Pine Point fault zone.

Anomalous copper-in-calcrete results were also returned in Area B. Anomalous copper-in-calcrete anomalies are defined in discrete zones (Figure 8a) including at the North-White cliffs target area along the southern boundary of the tenement adjoining the Rex Minerals tenement. A number of gold-in-calcrete anomalies have also been defined from sampling in Area B slightly offset from the related anomalous zones of copper.



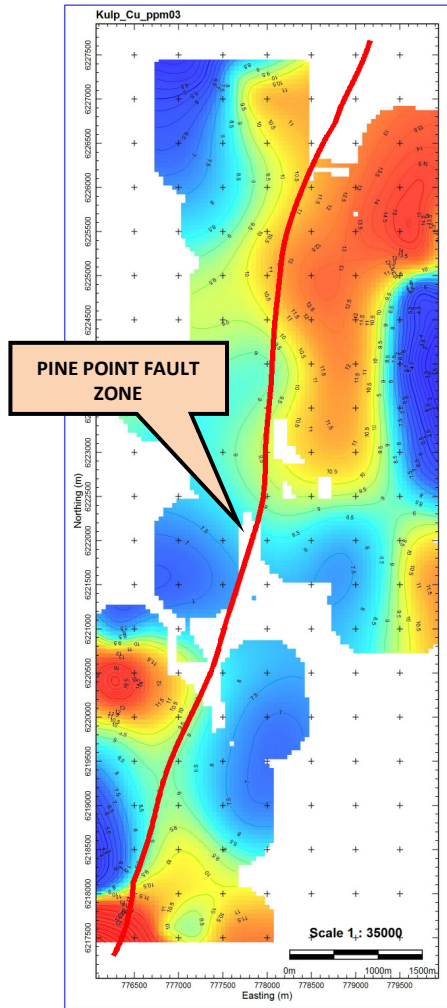


Figure 8a: Cu-in-calcrete colour filled contours – Kulpara Area B

## Forward program

### Area A

Infill sampling is planned at the copper anomaly to better define key zones of coincident copper and gold. Planning is underway to extend the survey south to cover the remainder of the geophysical anomaly across into the Melton tenement for an additional 4 km. The results will be used in drill target assessment for aircore drilling after crops have been harvested.

### Area B

Infill sampling at key zones are also planned in Area B along the Pine Point fault. Follow up sampling is planned to better define anomalous zones of copper and gold on the western edge of the area. Aircore drilling may also be utilised to test anomalies located on the eastern side of the Pine Point Fault where depth to basement is expected to be shallower.

## Indooroopilly and Aurora Tank gold projects

Marmota's 100% owned Indooroopilly and Aurora Tank projects are located west and east respectively of Kingsgate's Challenger Gold Mine (Figure 9), which produces 100,000oz gold annually. Large scale gold targets have been defined which Marmota considers to be a high priority for drilling.

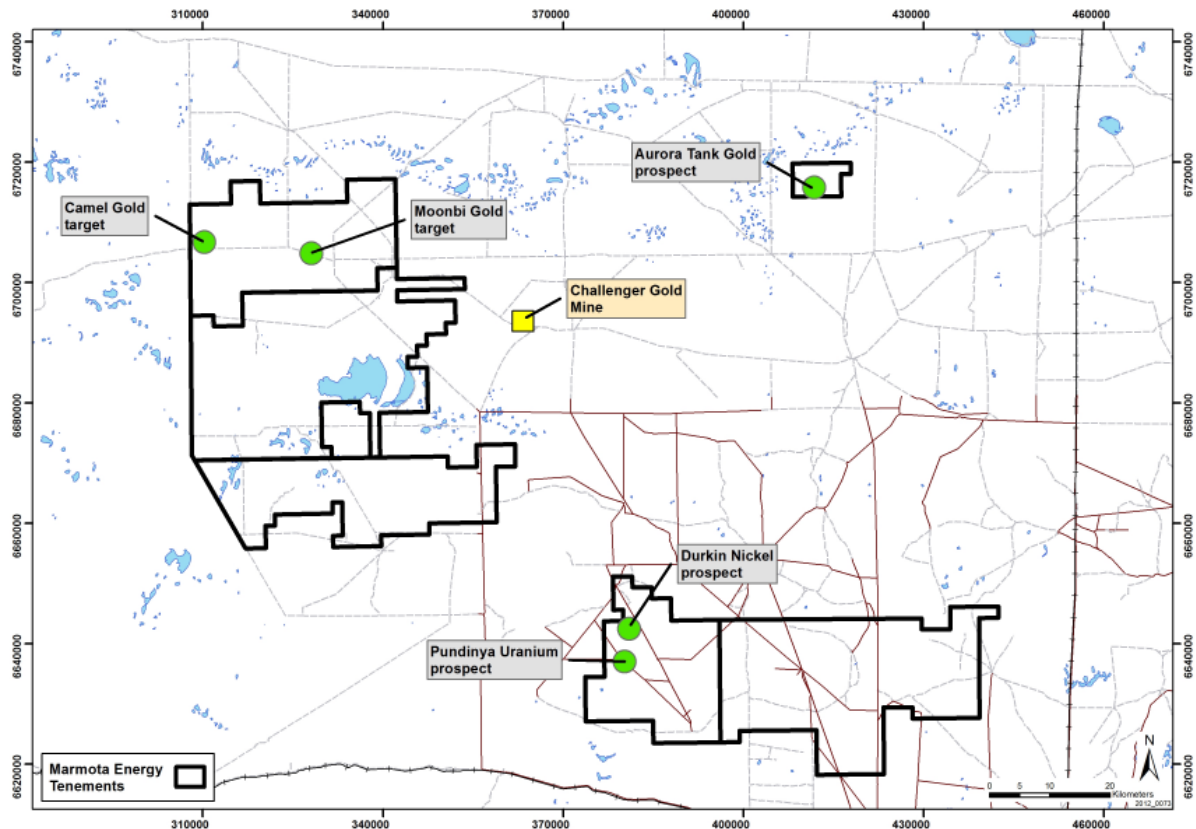


Figure 9: Indooroopilly and Aurora Tank location map

## Indooroopilly copper-gold project

Gravity data, along with magnetic data have been used to define four areas of potential mineralisation with the two highest ranked targets considered by the Company ready to drill. The Moonbi gold target is a magnetic high with coincident gold and copper-in-calcrete anomalies over a large area covering 5.5km x 4.5km. This target is open to the south and east, for which Marmota was awarded collaborative South Australian government PACE funding for drilling. As with the Challenger gold resource the Moonbi target lies on the edge of a regional-scale gravity high, as do the majority of significant Archaean age lode gold sites in the region.

Targets are planned to be drill tested utilising low cost, shallow Reverse Circulation (RC) drilling.

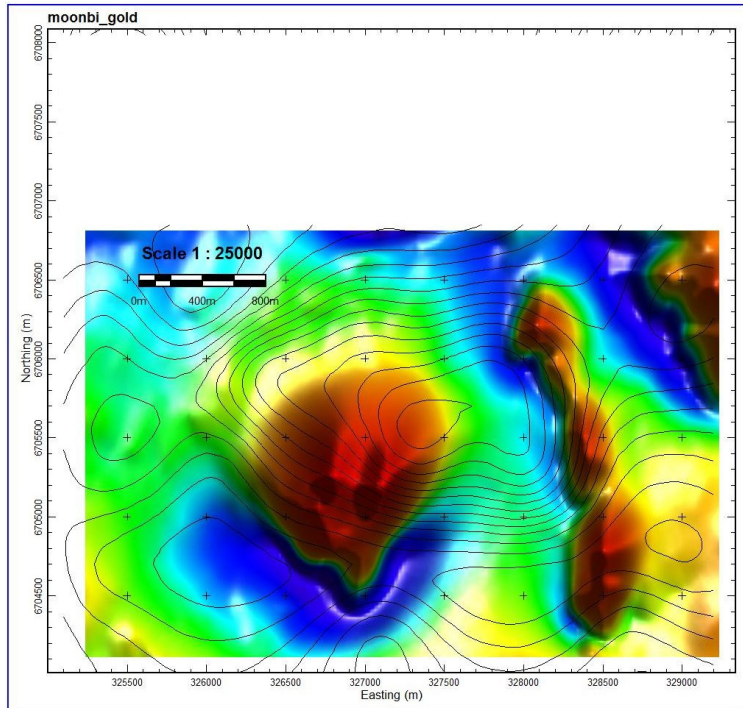


Figure 10: Moonbi target, gold in geochem contours over magnetic image.

### **SA Government collaborative funding awarded to support drilling on the Indooroopilly**

The project is recognised by both Marmota and SA's Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) as having high potential and an allocation of \$65,000 in funding has been provided.

### **Aurora Tank gold project**

The Aurora Tank project is located 50km northeast of the Challenger Gold Mine within the northern Gawler Craton (Figure 9). Exploration completed on the tenement has identified targets with potential for Challenger style gold mineralisation.

Announced previously, a total of 1473 calcrete samples over the project have been used to identify key zones of anomalous gold. Detailed aeromagnetic survey data over the project have defined a discrete magnetic anomaly (Figure 11). A 1700m long zone of anomalous gold in calcrete has been defined along the eastern margin of a magnetic body, that trends NE-SW, with discrete peaks of anomalous gold ranging up to 59ppb Au.

Previous drilling in the project area intersected primary Archaean gold mineralisation in both calcrete anomaly zones. Drill holes returned 4m @ 0.6g/t Au (RCAT-8) and 4m @ 1.6 g/t Au (RCAT-13). Both of these intersections were encountered on the end of drill traverses and are open for further drill testing. RC drilling is planned to continue to test the existing gold mineralisation.

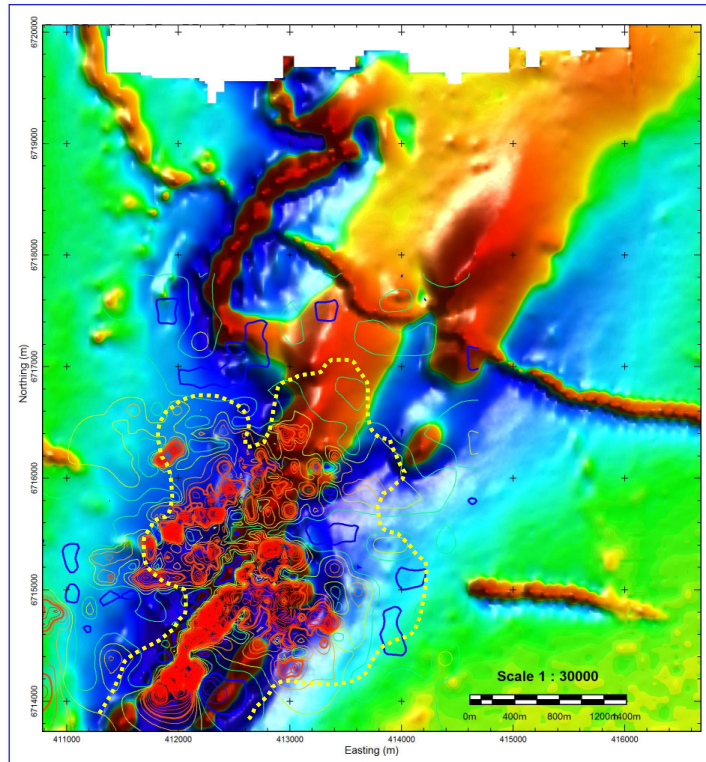


Figure 11: Aurora Tank gold target, gold in calcrete contours over magnetic image. Target area highlighted in yellow dashed line.

Drillhole	East	North	Zone	Depth	Angle	Az(mag)	from (m)	to (m)	Au g/t
RCAT-8	412200	6714200	53	150	-60	310	104	108	0.68
RCAT-13	411950	6715500	53	150	-60	310	120	124	1.6

Table 2: Aurora Tank previous drilling with gold intercepts

### Heritage Clearance Survey

During the Quarter heritage clearance surveys were successfully completed over key target areas on the Indooroopilly and Aurora Tank gold projects in preparation for drill testing. The survey was completed with members of the Antakirinja Matu-Yankunytjatjara Aboriginal Corporation over four of Marmota’s tenements located in the Gawler Craton.

## Nevada - Angel Wing gold project

(Ramelius Resources (ASX: RMS) + Marmota Energy Limited (ASX: MEU) earning 70%)

During the Quarter, Ramelius Resources Ltd ("Ramelius") (ASX:RMS) completed two phases of RC drilling at Angel Wing in Nevada. The programmes consisted of seven holes (AW12-06 – AW12-12) for an aggregate 1,891.23m (Figure 12). A summary of the drilling completed is tabled below. The drilling was designed to follow up on the previous phase of drilling where broad gold intersections of **22.86m at 1.21 g/t Au** including **1.52m at 14.15 g/t Au** and **27.43m at 0.65 g/t Au** including **6.10m at 2.09 g/t Au** were intersected in holes AW12-06 and AW12-08 respectively at the Grass Hollow target (Table 3).

These encouraging intersections represent anomalous lateral dispersion within highly permeable Tertiary conglomerates and decalcified Triassic limestone rocks stratigraphically below the outcropping Tertiary rhyolite tuffs that conceal the Grass Hollow rhyolite intrusion. The recent follow up drilling confirmed the presence of anomalous gold mineralisation associated with the conglomerate – limestone unconformity. Best result was **9.14m at 2.62 g/t Au** including **4.57m at 4.98 g/t Au** and **1.52 at 10.60 g/t Au** in AW12-12 (Figure 13).

A complete list of gold anomalous drill hole intersections are presented in Table 4, where true widths are estimated at 90% of the reported down hole intersections. Comparative anomalous 6m composite silver mineralisation (>1.0 g/t Ag) across both Phases; coincident with the dispersed gold interface anomaly report as follows:

- AW12-06: 30.48m @ 3.08 g/t Ag from 219.45m and 12.19m @ 1.78 g/t Ag from 274.32m
- AW12-08: 6m @ 2.13 g/t Ag from 158.49m and 91.44m @ 2.79 g/t Ag from 201.19m
- AW12-09: 6m @ 1.04 g/t Ag from 42.67m and 12.19m @ 1.28 g/t Ag from 91.44m
- AW12-10: 36.57m @ 1.87 g/t Ag from 213.36m
- AW12-11: 79.25m @ 1.79 g/t Ag from 164.59m
- AW12-12: 73.15m @ 1.14 g/t Ag from 237.74m

The significant silver intercepts are expected to enhance the gold results by offering gold equivalent to improve grade. A summary of completed drilling across that last two Phases of drilling is tabled below.

**Table 3:** Angel Wing JV Exploration RC Drilling

<i>Hole Id</i>	<i>GDA E</i>	<i>GDA N</i>	<i>Depth (m)</i>	<i>Az/Dip</i>	<i>Comments</i>
<b>AW12-06</b>	742580	4619101	300.22	270/-70	Resistive trend west of Grass Hollow
<b>AW12-07</b>	743318	4621119	178.31	270/-60	Soil anomaly north of Grass Hollow
<b>AW12-08</b>	742629	4619177	333.71	090/-50	Grass Hollow intrusive
<b>AW12-09</b>	742834	4618752	147.83	270/-50	DaVinci Fault south of Grass Hollow
<b>AW12-10</b>	742580	4619101	297.18	360/-90	Resistive trend west of Grass Hollow
<b>AW12-11</b>	742630	4619178	304.80	090/-64	Grass Hollow intrusive
<b>AW12-12</b>	742621	4619177	329.18	268/-60	Resistive trend west of Grass Hollow



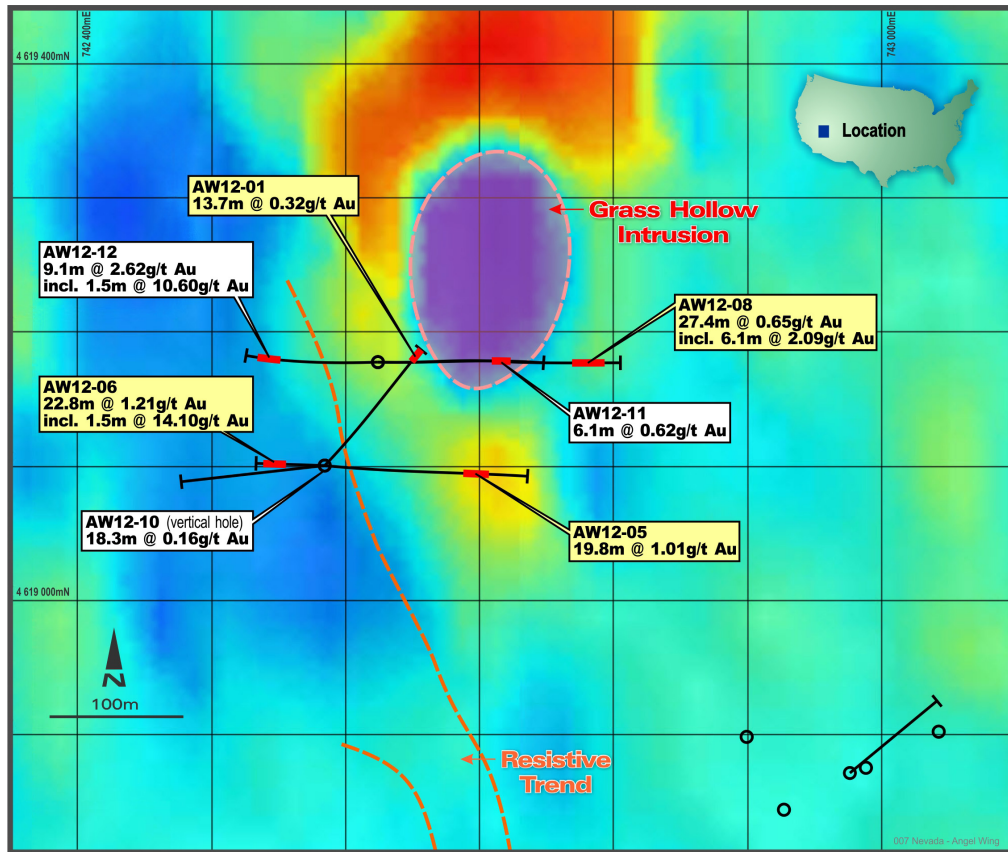


Figure 12: Plan view showing the spatial extent of anomalous drilling proximal to the Grass Hollow intrusion, over image of RTP 1VD ground magnetic data

The anomalous conglomerate-limestone interface remains open to the north, west, east and for 350m to the south but the source of the anomalous gold and silver response remains undefined. A deeper breccia related gold mineralised system along the margins of the non-magnetic rhyolite intrusion at Grass Hollow remains plausible along with the potential for high grade epithermal feeder structures related to the resistive and chargeable trends.

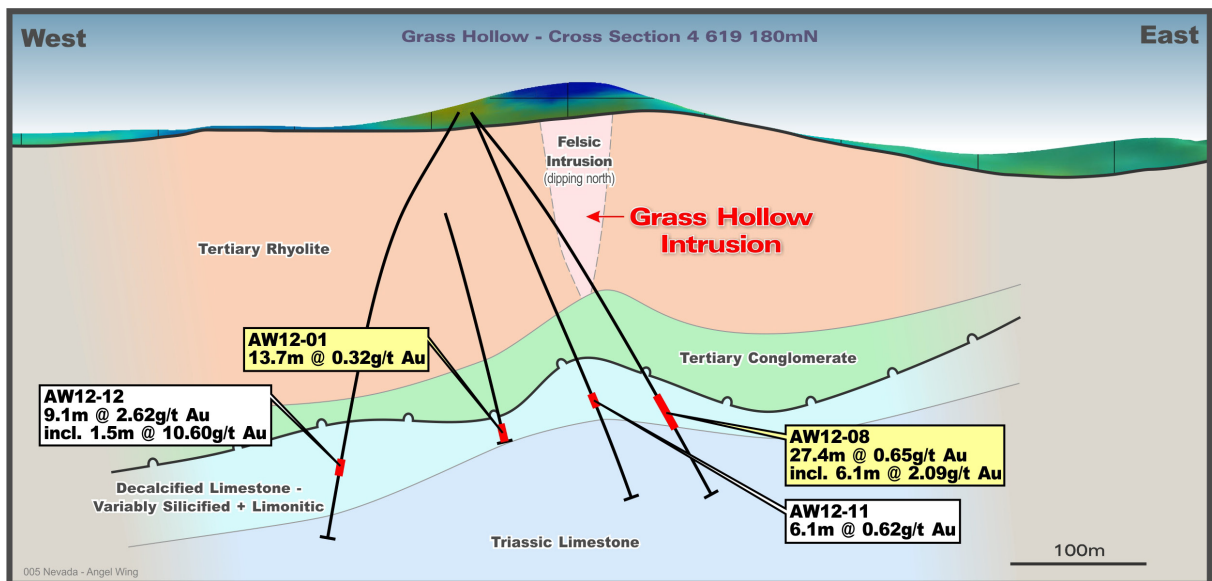


Figure 13: East west cross section through 4619180mN (NAD27) showing the distribution of anomalous gold within the drill traces. Mineralisation remains open in all directions.

**Table 4: Anomalous (>0.10 g/t Au) 1m RC drilling results for the Angel Wing JV Project Nevada – USA**

Hole Id	Easting	Northing	Az/Dip	F/Depth (m)	From (m)	To (m)	Interval (m)	g/t Au	
AW12-06	742580	4619101	270/-70	300.22	137.16	138.68	1.52	0.17	
					164.60	166.12	1.52	0.11	
					167.64	169.16	1.52	0.10	
					187.46	188.98	1.52	0.36	
					<b>225.55</b>	<b>248.41</b>	<b>22.86</b>	<b>1.21</b>	
					Incl.	<b>236.22</b>	<b>237.74</b>	<b>1.52</b>	<b>14.15</b>
						251.46	268.22	16.76	0.27
	272.80	286.51	13.71	0.32					
AW12-07	743318	4621119	270/-60	178.31				NSR	
AW12-08	742629	4619177	090/-50	333.71	156.97	158.49	1.52	0.15	
					160.02	163.06	3.04	0.17	
					213.36	214.88	1.52	0.17	
					220.98	222.50	1.52	0.24	
					225.55	230.12	4.57	0.15	
					Incl.	<b>248.41</b>	<b>275.84</b>	<b>27.43</b>	<b>0.65</b>
						<b>248.41</b>	<b>254.51</b>	<b>6.10</b>	<b>2.09</b>
	291.08	292.60	1.52	0.11					
AW12-09	742834	4618752	270/-50	147.83	94.48	102.11	7.63	0.36	
AW12-10	742580	4619101	360/-90	297.18	214.88	216.40	1.52	0.13	
					233.17	251.46	18.29	0.16	
					277.37	278.89	1.52	0.11	
AW12-11	742630	4619178	090/-64	304.80	204.22	205.74	1.52	0.15	
					205.74	207.26	1.52	No sample	
					207.26	211.83	4.57	0.30	
					217.93	219.45	1.52	0.12	
					227.08	228.60	1.52	0.16	
					237.74	243.84	6.10	0.62	
						262.13	263.65	1.52	0.12
AW12-12	742621	4619177	268/-60	329.18	243.84	246.88	3.04	0.27	
						<b>260.60</b>	<b>269.74</b>	<b>9.14</b>	<b>2.62</b>
					Incl.	<b>262.13</b>	<b>266.70</b>	<b>4.57</b>	<b>4.98</b>
					Incl.	<b>263.65</b>	<b>265.17</b>	<b>1.52</b>	<b>10.6</b>
						278.89	280.41	1.52	0.24
						283.47	286.51	3.04	0.13
						300.23	301.75	1.52	0.57
	306.32	310.89	4.57	0.31					

Reported anomalous gold assay intersections (using a 0.10 g/t Au lower cut) are calculated over a minimum down hole interval of 1.52m at plus 0.10 g/t gold and may contain up to 3.04m of internal dilution. NSR denotes no anomalous assays above 0.10g/t Au. BLD denotes below analytical detection. Gold determination was by Fire Assay using a 30 gram charge and AAS finish, with a lower limit of detection of 0.001 g/t Au. Trace element determination was by ICP-MS. True widths are estimated to represent 90% of the reported down hole intersections. No sample, refers to a sample lost in transit and will be recollected.

Comparative 6m composite silver (Ag) analyses (using 1.0 g/t Ag lower cut and up to 12m internal dilution):

AW12-06: 30.48m @ 3.08 g/t Ag from 219.45 – 286.51m and 12.19m @ 1.78 g/t Ag from 274.32m

AW12-07: No significant results greater than 1.0 g/t Ag

AW12-08: 6.10m @ 2.13 g/t Ag from 158.49 – 164.59m and 91.44m @ 2.79 g/t Ag from 201.19m

AW12-09: 6.10m @ 1.04 g/t Ag from 42.67 – 48.77m and 12.19m @ 1.28 g/t Ag from 91.44m

AW12-10: 36.57m @ 1.87 g/t Ag from 213.36m

AW12-11: 79.25m @ 1.79 g/t Ag from 164.59m

AW12-12: 73.15m @ 1.14 g/t Ag from 237.74m

The Company believes the Grass Hollow target is analogous to Australian bulk-tonnage gold deposits hosted by sub-volcanic breccia pipes in granite intrusions, such as Kidston (> 3.4 Moz), Mount Leyshon (> 2.5 Moz) and Mount Wright (> 1 Moz). These deposits are also coincident with distinct magnetic features such as shown in the Grass Hollow magnetic data image in Figure 1.

Step out drilling is planned to be undertaken during the 2013 field season, after the northern hemisphere's winter recess.



## Indicative forward program

Further exploration is planned into the next Quarter at the Durkin copper/nickel prospect which will include the acquisition of high resolution ground geophysics and airborne electromagnetic surveys. Multi-component surface sampling is continuing across key zones of prospectivity.

Further infill calcrete sampling programs over the West Melton project on the Yorke Peninsula are planned. The data will be modelled for target assessment and drill testing.

At Western Spur heritage clearance surveys with traditional owner group planned to be completed over key target areas in late October. Discussions also continue with a number of parties relating to partnering opportunities for its key projects across the copper, iron ore and uranium spaces.

Timing	Project	Project
Q3 2012	West Melton <b>COMPLETED</b>	<ul style="list-style-type: none"> <li>• Ground sampling surveys over West Melton copper target areas.</li> </ul>
Q3-Q4 2012	Western spur iron <b>UNDERWAY</b>	<ul style="list-style-type: none"> <li>• EWA submitted</li> <li>• Heritage clearance process</li> <li>• Gravity surveys</li> </ul>
Q3 2012	Angel Wing gold – Nevada USA <b>COMPLETED</b>	<ul style="list-style-type: none"> <li>• Drilling</li> </ul>
Q3 –Q4 2012	Durkin Cu/Ni project <b>UNDERWAY</b>	<ul style="list-style-type: none"> <li>• Surface sampling program</li> <li>• Ground gravity survey</li> <li>• Airborne EM survey</li> <li>• EWA submitted for drilling</li> </ul>
Q1 2013	Melton / West Melton	<ul style="list-style-type: none"> <li>• Infill sampling programs over key target areas</li> </ul>
	Durkin Cu/Ni project	<ul style="list-style-type: none"> <li>• RC drill program</li> </ul>
Q1-Q2 2013	Indooroopilly gold project	<ul style="list-style-type: none"> <li>• RC drilling of PACE co-funded gold targets</li> </ul>
	Aurora Tank gold project	<ul style="list-style-type: none"> <li>• RC drilling of gold targets</li> </ul>



**Mr Dom Calandro**  
MANAGING DIRECTOR

*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 the 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.*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Marmota Energy Limited

ABN

38 119 270 816

Quarter ended ("current quarter")

30 September 2012

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(836)	(836)
(b) development	-	-
(c) production	-	-
(d) administration	(205)	(205)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	22	22
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
GST	16	16
Other	-	-
<b>Net Operating Cash Flows</b>	<b>(1,003)</b>	<b>(1,003)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects		
(b) equity investments	-	-
(c) other fixed assets	(10)	(10)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(1)	(1)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(11)</b>	<b>(11)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(1,014)</b>	<b>(1,014)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,014)	(1,014)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	3,033	3,033
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material) - Costs associated with issues of shares	(2)	(2)
	<b>Net financing cash flows</b>	<b>3,031</b>	<b>3,031</b>
	<b>Net increase (decrease) in cash held</b>	<b>2,017</b>	<b>2,017</b>
1.20	Cash at beginning of quarter/year to date	2,239	2,239
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>4,256</b>	<b>4,256</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	425
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The amount at 1.23 above represents non executive directors' fees and executive director's salary (including SGC superannuation), legal fees paid to a legal firm in which a director is a partner, exploration costs reimbursed to a director related entity and payments to a related party for shared facilities and staff.

The amount at 1.24 above represents costs to be recovered in relation to shared facilities, from a related entity.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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+ See chapter 19 for defined terms.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

\$560 contributed by Monax Mining Limited for exploration under joint venture agreement, for all minerals on EL 4000 and EL 3911.

US\$165,246 Contributed by Ramelius Nevada LLC for exploration on Big Blue and Angel Wing projects in Nevada.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	-
4.3 Production	-
4.4 Administration	200
<b>Total</b>	<b>700</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,956	189
5.2 Deposits at call	1,300	2,050
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>4,256</b>	<b>2,239</b>

+ See chapter 19 for defined terms.

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			
	ELA 2012/00192	Application	0%	100%
	ELA 2012/00251	Subsequent licence application	100%	100%
	EL 4995	Granted (formerly ELA 2012/00031)	100%	100%

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+ See chapter 19 for defined terms.

### Issued and quoted securities at end of current quarter

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1				
7.2				
7.3	228,174,235	228,174,235		
7.4				
	76,524,745	76,524,745	\$0.00 to \$0.04	\$0.00 to \$0.04
7.5				
7.6				
7.7				
	250,000	-	Exercise price \$0.040	Expiry date 23/12/13
	325,000	-	\$0.1016	05/03/15
	125,000	-	\$0.083	21/12/15
	250,000	-	\$0.086	29/07/16
	250,000	-	\$0.036	24/07/17
7.8	250,000	-	\$0.036	24/07/17
7.9				
7.10	28,000,000	-	\$0.40	11/07/12
7.11				

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

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7.12	Unsecured notes (totals only)		
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**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~/does not~~\* (delete one) give a true and fair view of the matters disclosed.



Sign here: ..... Date: 31/10/2012  
 (~~Director~~/Company secretary)

Print name: Virginia Suttell.....

**Notes**

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.