



ASX RELEASE

QUARTERLY REPORT – Period ending March 2013

Highlights

Durkin copper/nickel prospect (SA)

- Final approvals for drilling Durkin Cu/Ni and Indooroopilly gold projects received
- Drill target modelling and target selection completed
- Mobilisation of drill rig to site late March with drilling currently underway
- Sulphides intercepted in two target areas, further targets remain to be drill tested

Central Gawler Craton - Indooroopilly and Aurora Tank gold projects (SA)

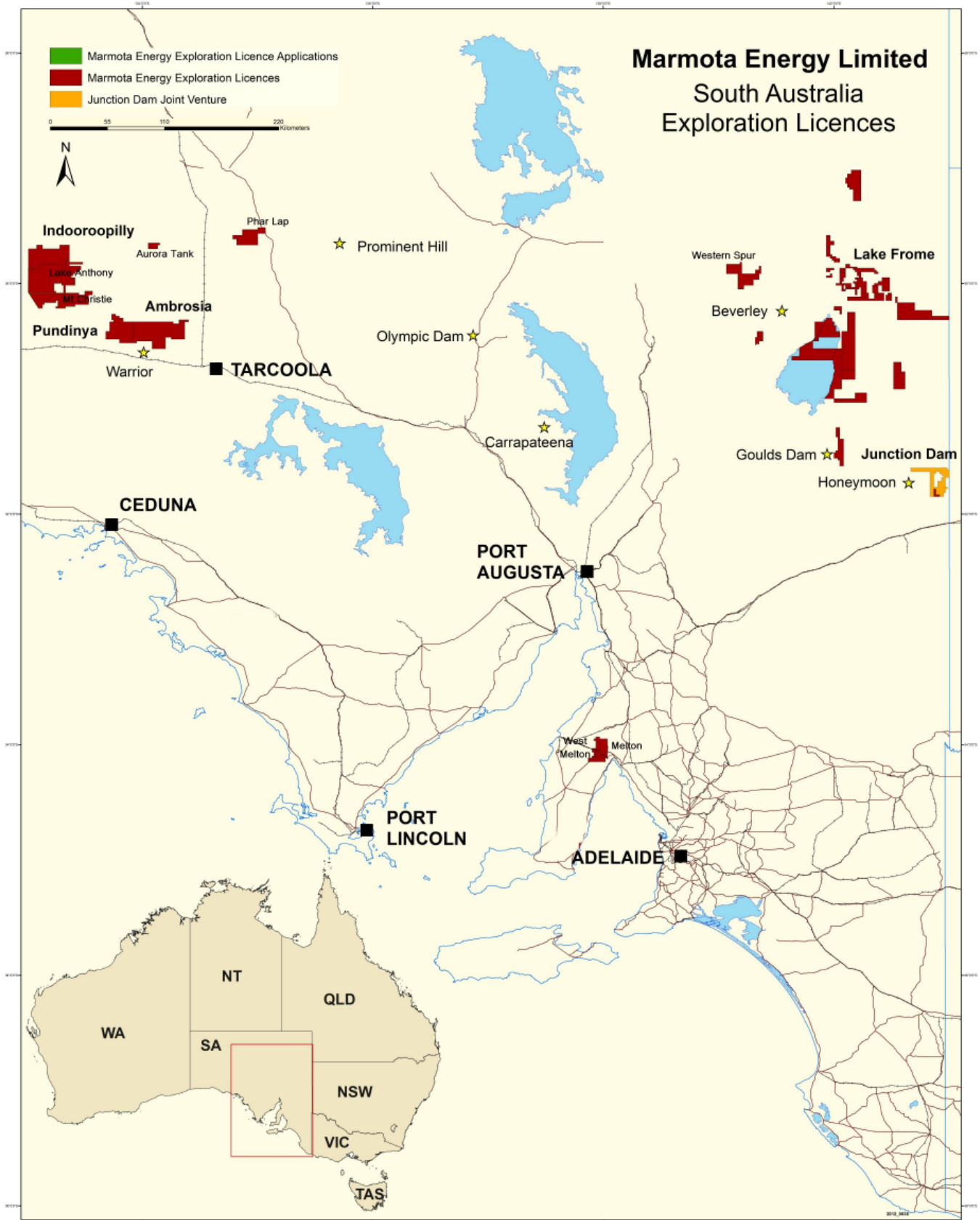
- Joint venture signed with Apollo Minerals on Aurora Tank
- Targets finalised at Indooroopilly for drilling in June Quarter

Junction Dam uranium project (SA)

- Uranium mineralogy analysis completed
- Uranium mineralisation contained within the Saffron resource zone and adjoining Bridget prospect is predominantly contained in the minerals uraninite and autinite
- Very encouraging outcome as these two minerals are known to be readily leachable

Melton copper-gold project (SA)

- Infill auger drilling program completed
- Anomalous target zones of copper and gold-in-calcrete defined



Marmota Energy project location map

Review of Operations

Durkin copper/nickel prospect

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

Durkin copper/nickel prospect (SA)

During the Quarter, the Company announced that it had received final approvals from authorities to commence the Marmota’s first drill testing of targets at its high priority Durkin copper / nickel prospect located in South Australia’s Gawler Craton.

The Durkin drilling program is part of a larger drilling program which will also drill test Archaean gold targets on the Indooroopilly project located to the north of Durkin and near the producing Challenger gold mine. Drilling will commence at Indooroopilly following the completion of first pass drilling at Durkin. A total of 6000 metres of drilling is planned to be completed across both projects over a six to eight week period.

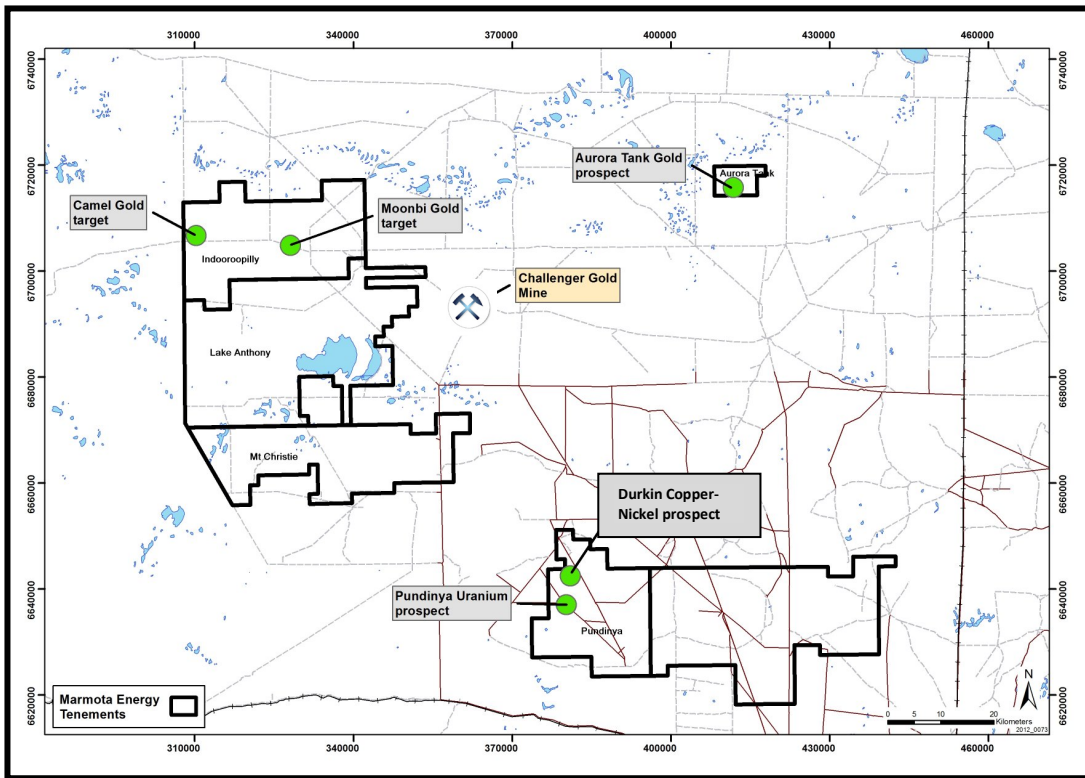


Figure 1: Durkin copper/nickel prospect location.

During the Quarter AEM survey and ground gravity results were modelled to provide vital information relating to the potential depth extent and shape of conductive features which may represent mineralised bodies such as sulphides. Combining the gravity data with surface geochemistry and conductivity data over target areas provided a number of prospective targets for drill testing.

Drilling that is underway is focussed on the three best electromagnetic (EM) conductors that lie within the Durkin target zone that also host a large Cu and Ni-in-calcrete anomaly and outcrop zone. Previously reported, drill testing commenced at the largest target, which covers the zone containing 'Conductor 3' highlighted by the heli-borne EM survey conducted by Marmota.

Drilling at Conductor 3 focused on coincident conductive and anomalous magnetic features shown in the model below by the grouped pink blocks. The zone drill tested at Conductor 3 extends for approximately three kilometres in length. This lies along an interpreted fault zone which the Company believes acted as a possible pathway for a potentially mineralised intrusive system.

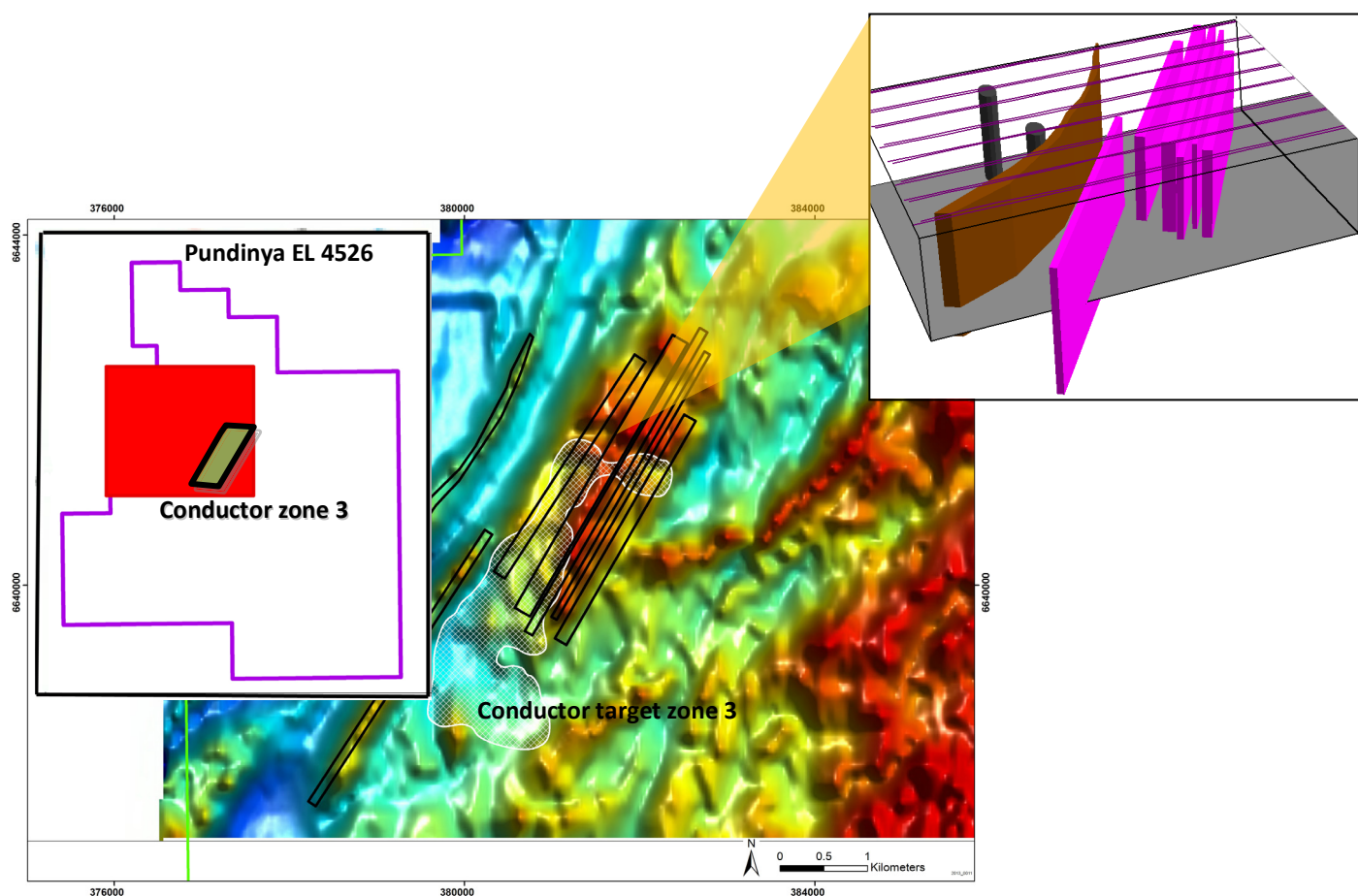


Figure 2: Durkin – conductor 3 target zone area magnetic anomaly image with outline of AEM anomaly overlain (white stipple). Modeled bodies for drill testing associated with anomalous conductive and gravity results inset (pink shapes).

Geophysical modeling (Figure 2) completed at Conductor 3 suggests a dense and magnetic body with an associated conductive response. The top of the body is modelled at approximately 80 metres deep. The geophysical signatures observed are considered to represent a layered mafic - ultramafic body containing sulphide mineralisation.

Highly prospective geological setting

The reason for the presence of the anomalies may be that the Durkin prospect lies within rocks and structures of the Gawler Craton, that have been compared with the mineral-rich Thompson Nickel Belt in Manitoba, Canada. Both regions have many structural and lithological similarities, with both areas appearing to have experienced similar geological histories. Importantly, both contain mafic and

ultramafic rocks, including sulphidic schists and iron formations, locally intruded by nickel-rich mafic and ultramafics in a complex former tectonic plate collisional zone.

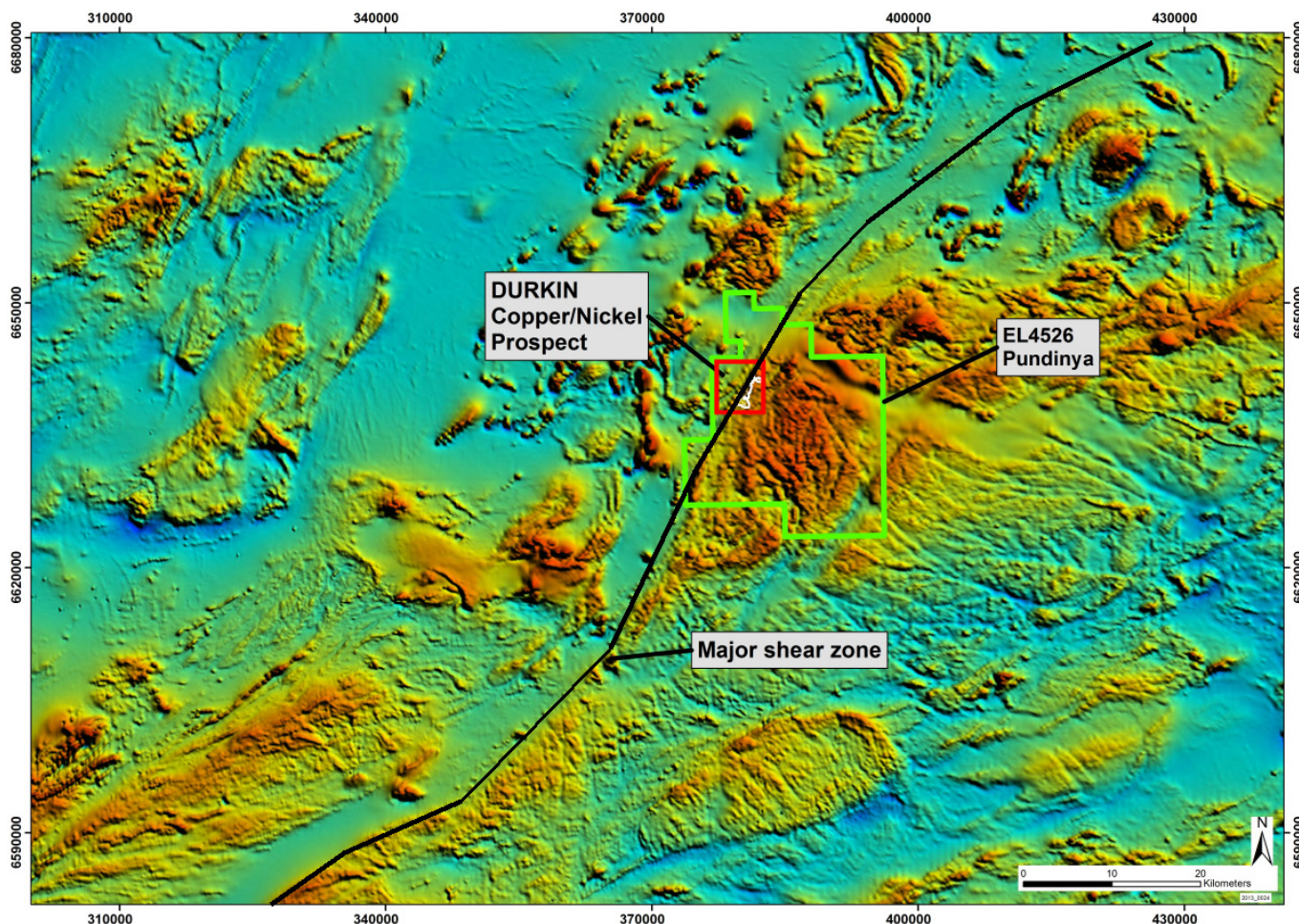


Figure 3: Durkin – conductor 3 target zone area (white outline) over total magnetic intensity image with major fault zone shown by black lines.

The Durkin prospect is positioned within northern blocks of the Fowler Domain. Structural interpretations indicate that some of the major faults and shear zones (Figure 3) of the Domain pass through Durkin and these features have the potential to host copper and nickel mineralisation. Structures such as these provide weaknesses within the Archaean and Proterozoic basement rocks for mafic and ultramafic intrusions to occur. The EM data acquired by Marmota, highlight conductors nearby to one such structure that are possible intrusions which could host nickel and copper mineralisation.

RC Drilling program update

The Company announced on the 17 April that the first drilling of the largest target at Durkin, which covers the zone containing ‘Conductor 3’ had intercepted sulphides.

The second RC drill hole of the program (DRC006) intercepted mafic rocks containing sulphides at a depth of approximately 28 metres, shallower than what was modelled. Drill holes DRC005 and DRC006 were drilled to a depth of 300 metres, the maximum capacity of the RC rig with both holes ending in sulphide mineralisation. Sulphide zones were intercepted in drill holes DRC005, DRC006 and DRC009 from shallow depths and were present throughout the extent of each drill hole. It was further

announced that drill holes DRC001 and DRC012 located at a target adjacent to the northern end of the main Durkin target area have also intercepted mafic rocks containing sulphides from a depth of approximately 37 metres, with sulphides being present in DRC001 to bottom of hole. Drilling is continuing at Durkin with samples from the drilling to be processed for laboratory assay following the completion of the drilling program.

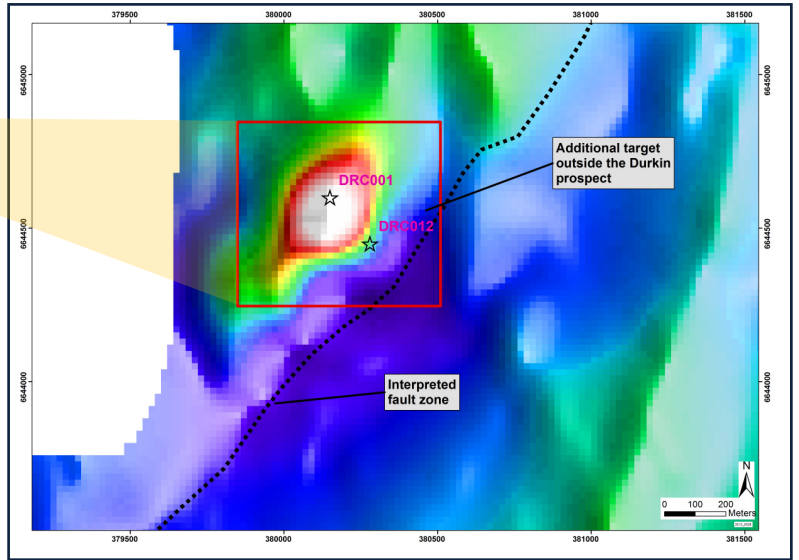
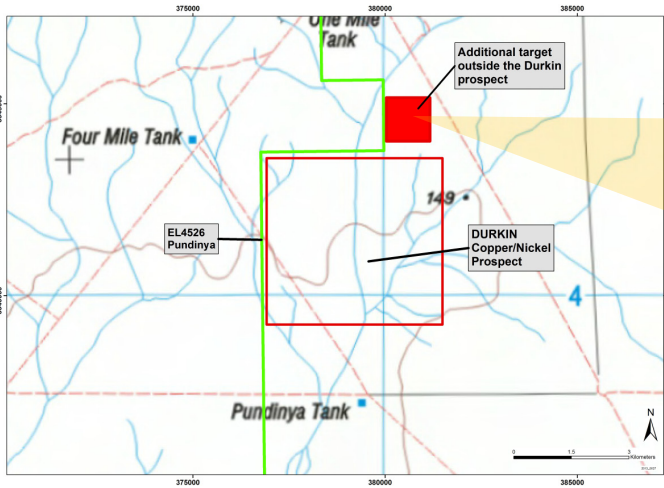


Figure 4: Above – additional target location map.

Right - Magnetic intensity image of additional target area with recent drill hole locations shown.



Figure 5: Drill rig in operation at Durkin – Conductor 3 target zone.

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

Central Gawler Craton - Indooroopilly and Aurora Tank gold projects

Marmota's Indooroopilly and Aurora Tank projects are located west and east respectively of Kingsgate's Challenger Gold Mine (Figure 7), which produces 100,000oz gold annually. Large scale gold targets have been defined which Marmota considers to be a high priority for drilling.

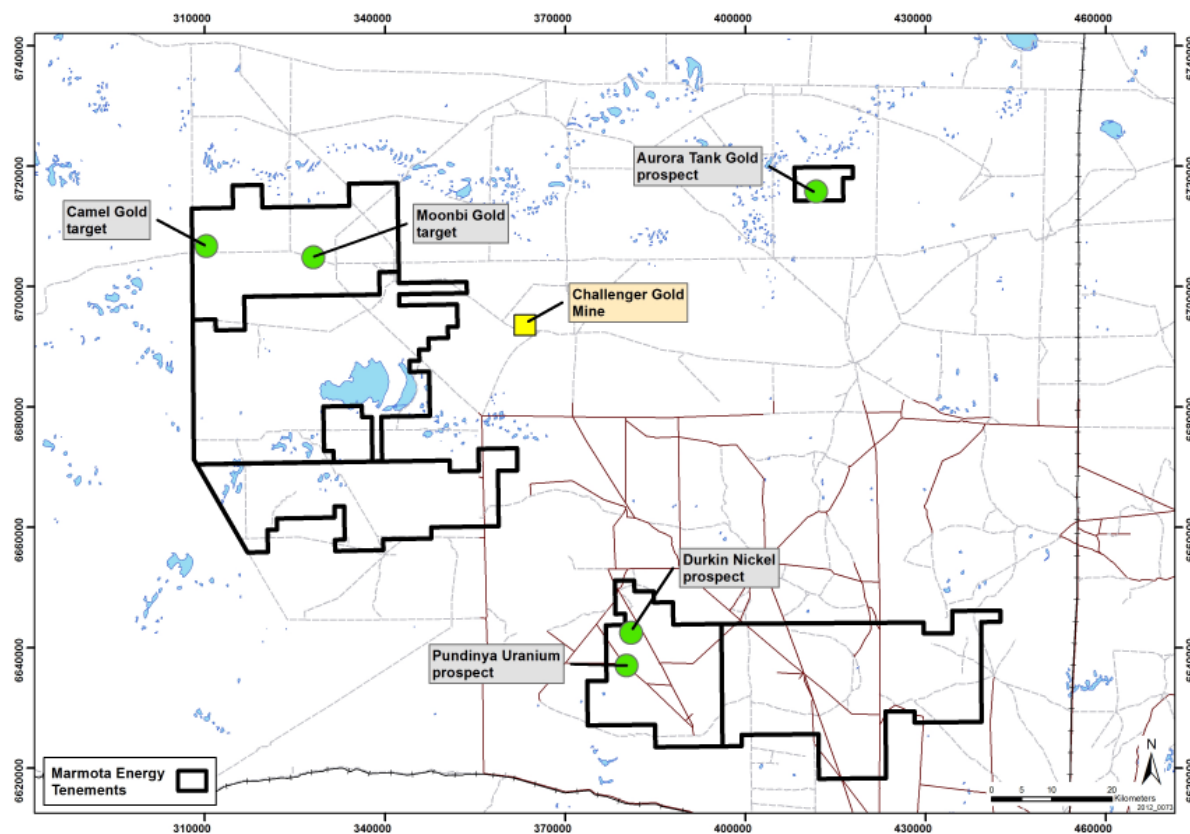


Figure 6: Indooroopilly and Aurora Tank location map

Indooroopilly copper-gold project

Gravity and magnetic data has 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 upon completion of first pass drilling at the Durkin Project.

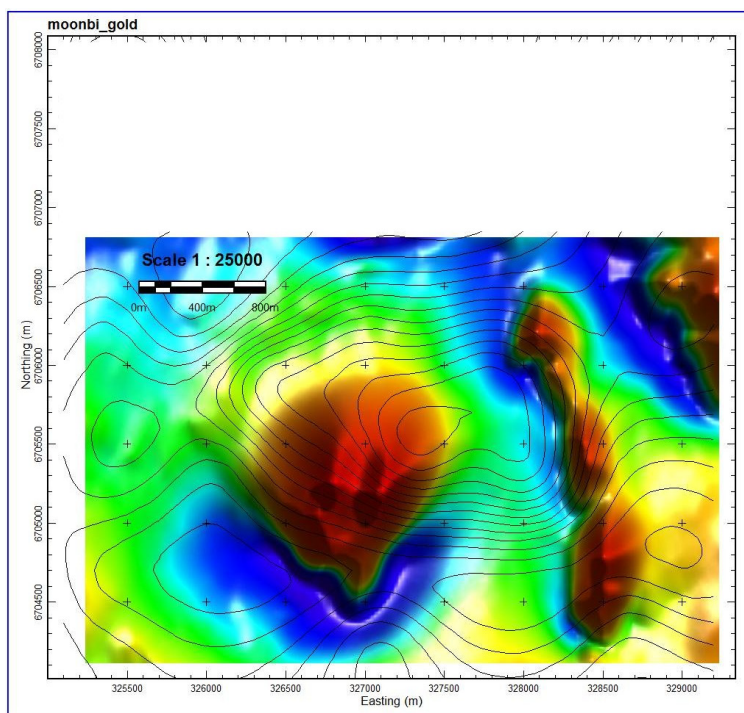


Figure 7: Moonbi target, gold in geochem contours over magnetic image.

SA Government collaborative funding awarded to support drilling at Indooroopilly

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

Aurora Tank gold project

The Aurora Tank project is located 50km northeast of the Challenger Gold Mine within the northern Gawler Craton (Figure 6). Exploration completed on the tenement has identified targets with potential for Challenger style gold mineralisation.

Announced during the Quarter, an exploration farm-in agreement with Apollo Minerals Ltd (ASX: AON) ("Apollo" or "the Company") for Marmota's wholly owned and gold prospective Aurora Tank tenement (EL 4433) in South Australia had been signed (Figure 1).

The Aurora Tank tenement covers 48 km² and is located approximately 110 km southwest of Coober Pedy in South Australia's highly prospective Gawler Craton.

Under terms of the Agreement, Apollo may earn a 75% interest in the tenement by sole funding the greater of:

- a) a minimum of \$900,000 of exploration and development activities over a period of up to three years, or
- b) all exploration and development costs to the Bankable Feasibility Study stage.

Apollo has committed to a minimum exploration spend of \$150,000 on EL4433 during the first year including a minimum of 1000 metres of drilling.

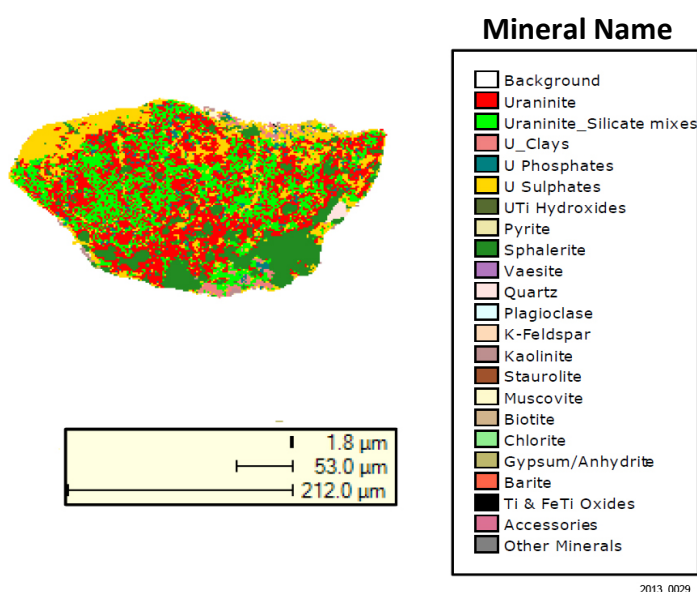
Junction Dam uranium project (SA)

(Marmota 87.3% of uranium under JV Agreement with Teck Australia Pty Ltd (Teck), PlatSearch NL and Eaglehawk Geological Consulting Pty Ltd)

Uranium Mineralogy

During the March Quarter, Marmota completed QEMSCAN mineralogical analysis of sample from its cored drill holes completed across the Saffron and Bridget prospects.

Uranium mineralisation contained within the previously announced Saffron deposit and adjoining Bridget prospect is predominantly contained in the minerals uraninite and autinite. This is a very encouraging outcome as these two minerals are readily leachable and are the predominant constituent of the other significant in-situ recovery uranium mining operations in South Australia and also around the world.



Samples from the core drilling program were analysed using QEMSCAN (an electron microscopy technique, service provided by SGS Lakefield Oretest Pty Ltd). The dominant component of the samples was sub-angular quartz grains with uranium mineralisation present as uraninite/autinite at the grain margins and surface, and in fractures within the grains as fine grained intergrowths of uraninite/autinite. **The analysis also indicated that only 2% of the uranium mineralisation appears to be locked in the grain, with the remaining 98% potentially open for processing and extraction.**

This mineralogical assemblage is very encouraging and indicates the mineralisation should be readily leachable with further metallurgical testing planned.

Next Phase

Planning is underway to drill several wide diameter bore holes to obtain 10kg bulk samples to submit for bottle roll testing. Bottle roll testing will be used to confirm what optimal solution can be used for extraction along with how much metal can be extracted.

Melton and West Melton copper project – Paskeville region sampling results

(West Melton: Marmota Energy Limited (ASX: MEU) 100%)
 (Melton: Marmota 50% under Melton JV Agreement with Monax)

The 2013 infill auger calcrete sampling program was completed across key target zones of the Melton and West Melton copper- gold projects on South Australia’s Yorke Peninsula during the Quarter.

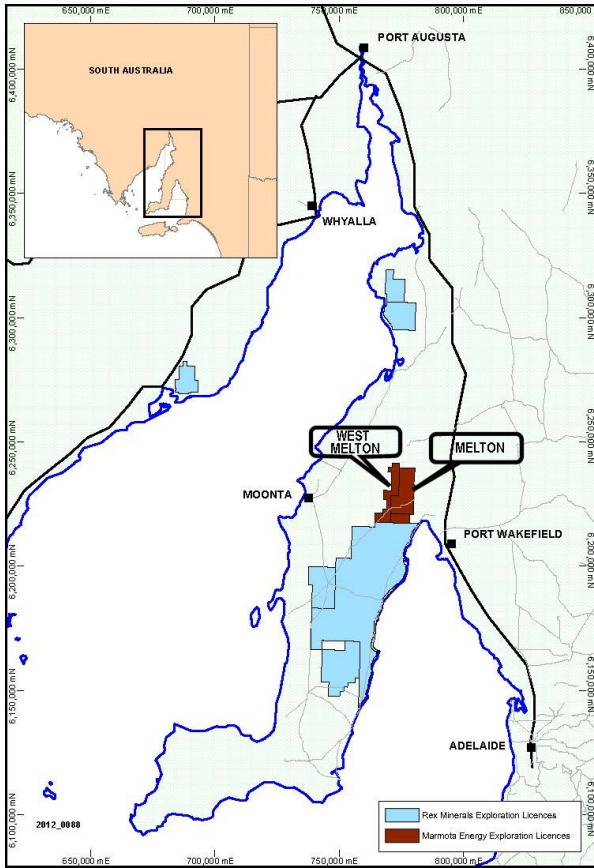


Figure 8a: Melton projects location.

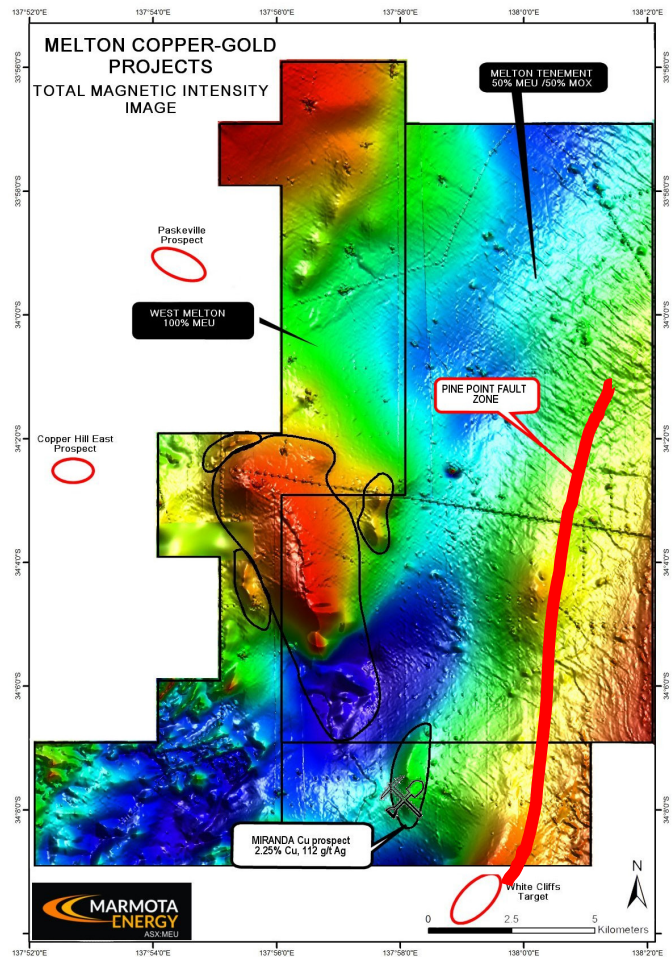


Figure 8b: Melton projects total magnetic intensity image with calcrete sampling areas shown.

The auger sampling program focused on key zones over West Melton and near to the Pine Point fault zone, particularly the eastern side of the fault zone. The depth to basement on the eastern side of the fault zone is interpreted to be shallow and has returned a strong coincident copper and gold-in-calcrete anomaly. This anomaly is associated with high frequency geophysical fabric indicative of potential shallow basement.

A number of zones have been highlighted that have coincident gold and copper-in-calcrete anomalism (Figure 9) which are considered comparable to results for copper and gold-in-calcrete utilised in targeting for recent discoveries nearby to Marmota’s western tenement boundary (Figure 8b).

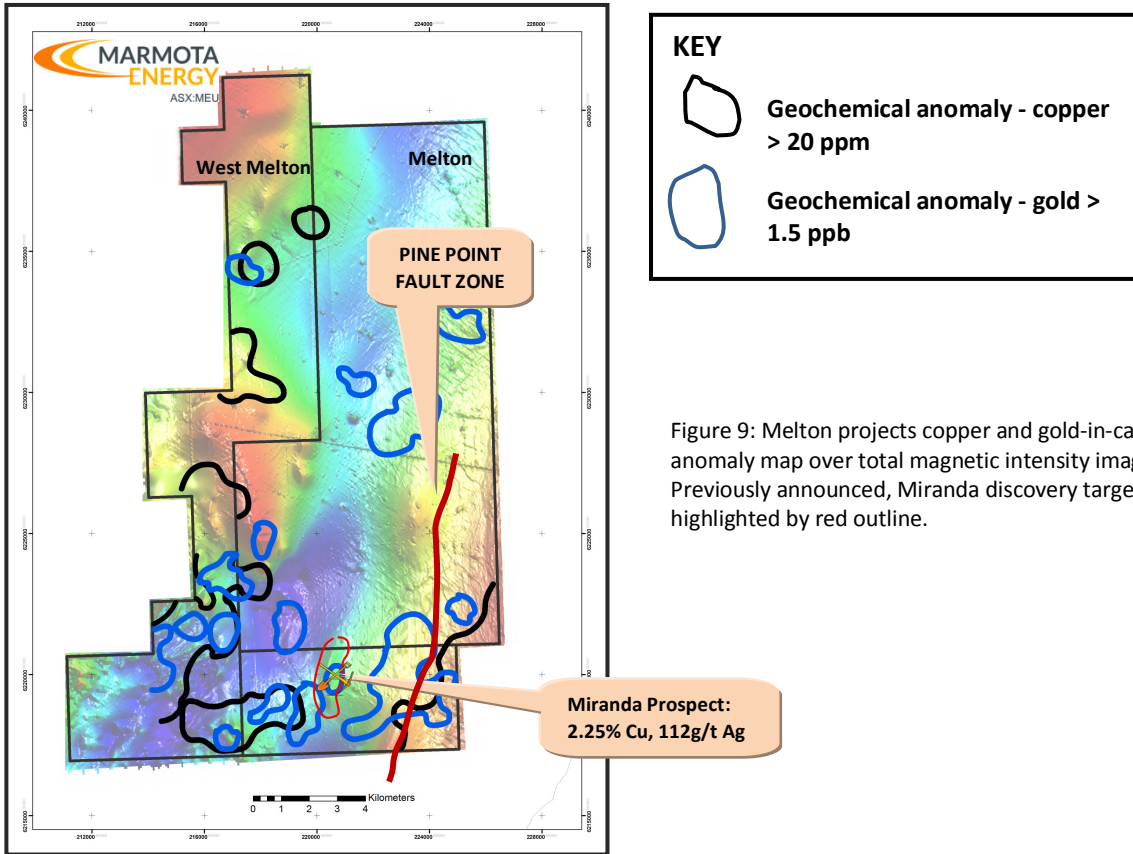


Figure 9: Melton projects copper and gold-in-calcrete anomaly map over total magnetic intensity image. Previously announced, Miranda discovery target highlighted by red outline.

Forward program

Results from geophysical and geochemical surveys will be modelled to finalise targets for shallow aircore drill testing.

Indicative forward program

At Durkin first pass RC drill testing of copper-nickel targets is underway with drill testing of targets along the western side of the major fault running through the project remaining to be tested. The same contractor will be utilised to undertake drill testing of gold targets at the nearby Indooroopilly project to the north of the Durkin prospect.

Data will be modelled for target assessment and drill testing at the Melton and West Melton projects. Planning is underway to obtain bulk samples for bottle role tests at the Junction Dam uranium project.

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
Q1 2013	Junction Dam	<ul style="list-style-type: none"> Submit sample for Qemscan
Q1 2013	Melton / West Melton	<ul style="list-style-type: none"> Infill sampling programs over key target areas
	Durkin Cu/Ni project	<ul style="list-style-type: none"> Modelling of AEM data and drill target finalisation Final approvals from authorities to drill
Q1-Q2 2013	Durkin Cu/Ni project	<ul style="list-style-type: none"> First pass RC drill program
	Indooroopilly gold project	<ul style="list-style-type: none"> RC drilling of PACE co-funded gold targets
Q2 2013	Angel Wing gold – Nevada USA	<ul style="list-style-type: none"> Follow up drilling of gold targets
Q2 2013	Durkin Cu/Ni project	<ul style="list-style-type: none"> Analyse assay results from RC drilling program Results dependant diamond drilling followup
Q2 2013	Melton / West Melton	<ul style="list-style-type: none"> Modelling of geochemical and geophysical survey results for drill hole planning



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")

31 March 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		-
1.2 Payments for (a) exploration & evaluation	(313)	(1,906)
(b) development	-	-
(c) production	-	-
(d) administration	(225)	(815)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	43
1.5 Interest and other costs of finance paid	-	(7)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
GST	19	45
Other	-	-
Net Operating Cash Flows	(518)	(2,640)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects		
(b) equity investments	-	-
(c) other fixed assets	(4)	(14)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	2
1.11 Loans repaid by other entities	8	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	4	(12)
1.13 Total operating and investing cash flows (carried forward)	(514)	(2,652)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(514)	(2,652)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2	3,035
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	-	(166)
	Net financing cash flows	2	2,869
	Net increase (decrease) in cash held	(512)	217
1.20	Cash at beginning of quarter/year to date	2,968	2,239
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,456	2,456

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	236
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

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

US\$30,215 contributed by Ramelius Nevada LLC for exploration on 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	650
4.2 Development	-
4.3 Production	-
4.4 Administration	225
Total	875

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	186	418
5.2 Deposits at call	2,270	2,550
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,456	2,968

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	EL 4411	Surrendered	100%	0%
6.2	Interests in mining tenements acquired or increased	ELA 2013/00055	Application	0%	100%
		EL 5195 (formerly ELA 2012/00192)	Granted	100%	100%
		EL 5209 (subsequent licence application ELA 2012/00251 for EL 4000)	Granted	100%	100%

+ 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 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	228,249,235	228,249,235		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	50,000	50,000	\$0.036	
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	250,000 325,000 125,000 250,000 125,000	- - - - -	<i>Exercise price</i> \$0.040 \$0.1016 \$0.083 \$0.073 \$0.036	<i>Expiry date</i> 23/12/13 05/03/15 21/12/15 29/07/16 24/07/17
7.8 Issued during quarter				
7.9 Exercised during quarter	50,000	-	\$0.036	
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				

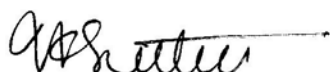
+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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:
(~~Director~~/Company secretary)

Date: 30/04/2013

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.