# DURKIN COPPER/NICKEL PROSPECT EXPLORATION UPDATE – SA

- **Large scale conductors mapped from Durkin Helitem AEM survey.**
- **Four conductive targets coincident with gravity anomalies within the Durkin target zone.**
- **Three additional conductors coincident with gravity anomalies located beyond the current target zone, to the north and east.**

## Durkin copper/nickel prospect

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

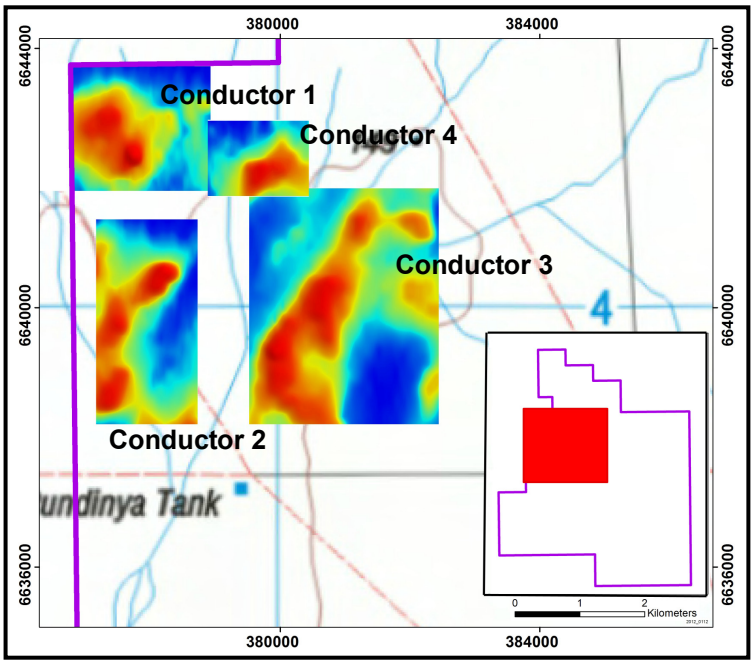


Figure 1: Durkin area Ch25 Z field conductivity anomalies within the Durkin target zone. High conductivity signified by the yellow to red colours.

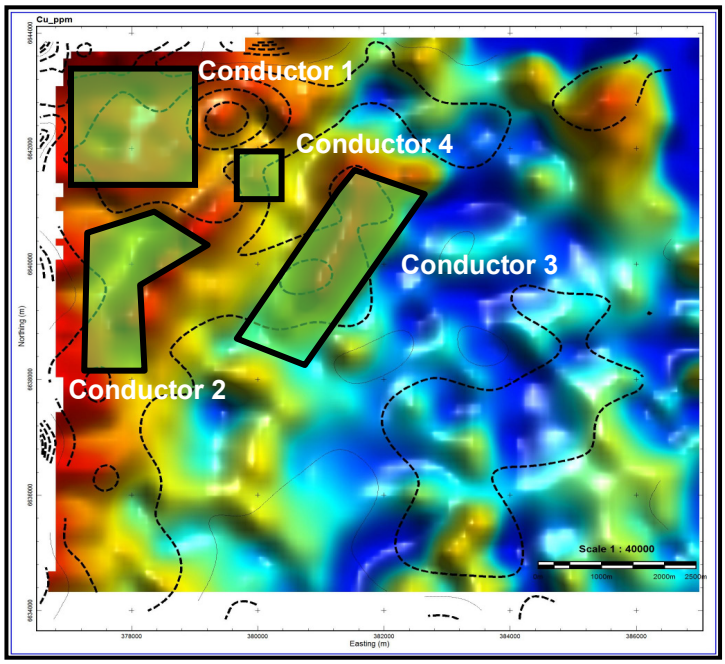


Figure 2: Durkin area gravity anomaly image with outline of copper in calcrete anomaly overlain (black dashed line). Gravity high associated with rocks of higher density denoted by red colour. First pass conductor locations shown by green shaded shapes.

**Airborne Electromagnetic (AEM) results**

Marmota Energy (ASX:MEU) is pleased to announce that it has received final data from a high resolution airborne electromagnetic (AEM) survey covering the Durkin prospect. Seven strong conductors have been mapped in later time channel results returned from the survey (Ch 15-29), three of which are considered to be large scale. First pass emphasis was placed on the selection of anomalous features within the later channels, as these provide response from features at depth, with relation to anomalies from the recently acquired gravity and magnetic data. These are shown in Figure 1, which is plotted from the late conductivity channel 25 within the Z (vertical) orientation of the receiver coil.

The largest conductive feature (conductor 3, Figure 1) extends for more than 2.5 kilometres in length. From a first pass assessment, the conductors are coincident with gravity anomalies mapped from surveys completed in early November and appear to be steeply dipping to the east. Several strong conductivity features have also been mapped beyond the current target zone to the east and north. The three best conductors lie within the

Durkin target zone that hosts a large Cu and Ni-calcrete anomaly and outcrop zone. These conductors are also coincident with strong gravity anomalies as shown in Figure 2.

Conductive responses were also encountered in key areas from shallow early time results. These earlier time responses correspond to zones containing previously announced copper and nickel assay results. A conductive response can be seen from early time channels that persist into later time channel responses. This reinforces the shallow nature of potential mineralisation at Durkin and has facilitated a first pass selection of targets.

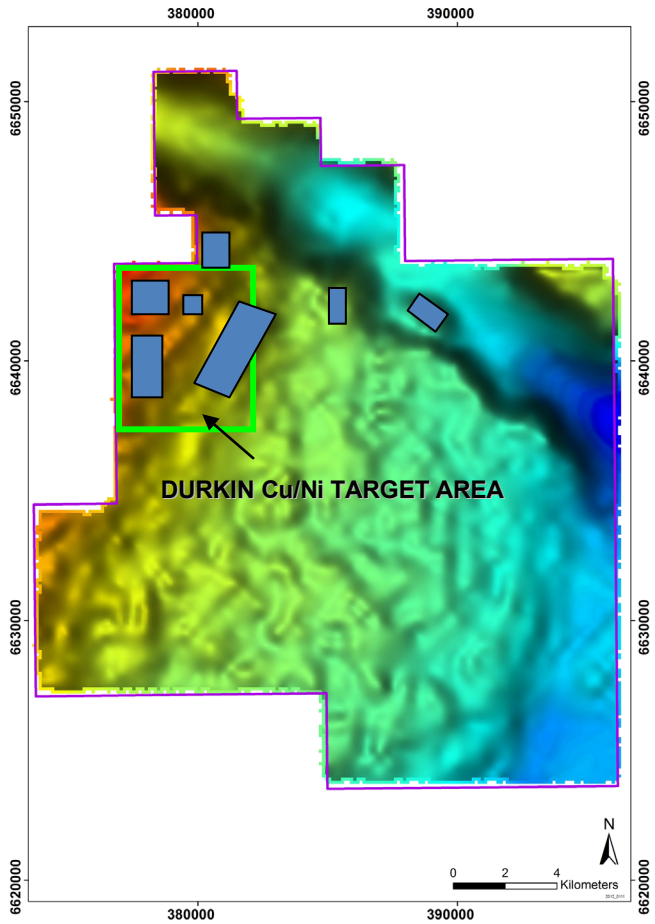


Figure 3: Bouguer gravity anomaly map for Pundinya tenement with Durkin prospect area defined by green box. Location of AEM conductors from first pass assessment displayed as blue boxes.

AEM survey results are being modeled in combination with ground gravity results to provide vital information relating to the potential depth extent and shape of conductive features which may represent mineralised bodies such as sulphides.

Ground magnetic surveys were completed in the target zone which in conjunction with AEM and ground gravity data will greatly enhance understanding of the conductors. Combining the gravity data with surface geochemistry and conductivity data over the target area will significantly improve drill targeting.

**Forward Exploration Plan**

The Company will continue to progress its exploration program at Durkin in preparation for drill testing of ranked targets, forward program to include:

- Completion of surface sampling program and laboratory analysis;
- Assessing and modeling of new gravity data;
- Completion of AEM survey, then processing and modeling of results;
- Compilation of surface sampling results to create a target zone specific geochemical anomaly map;
- Approvals for drilling by the regulator;
- Data and model results assessment for design of Stage 1 drilling program;
- Stage 1 Reverse Circulation (RC) drill testing of targets;
- Assessment of Stage 1 drilling results; and
- Result dependent follow-up Stage 2 drilling, diamond core holes.

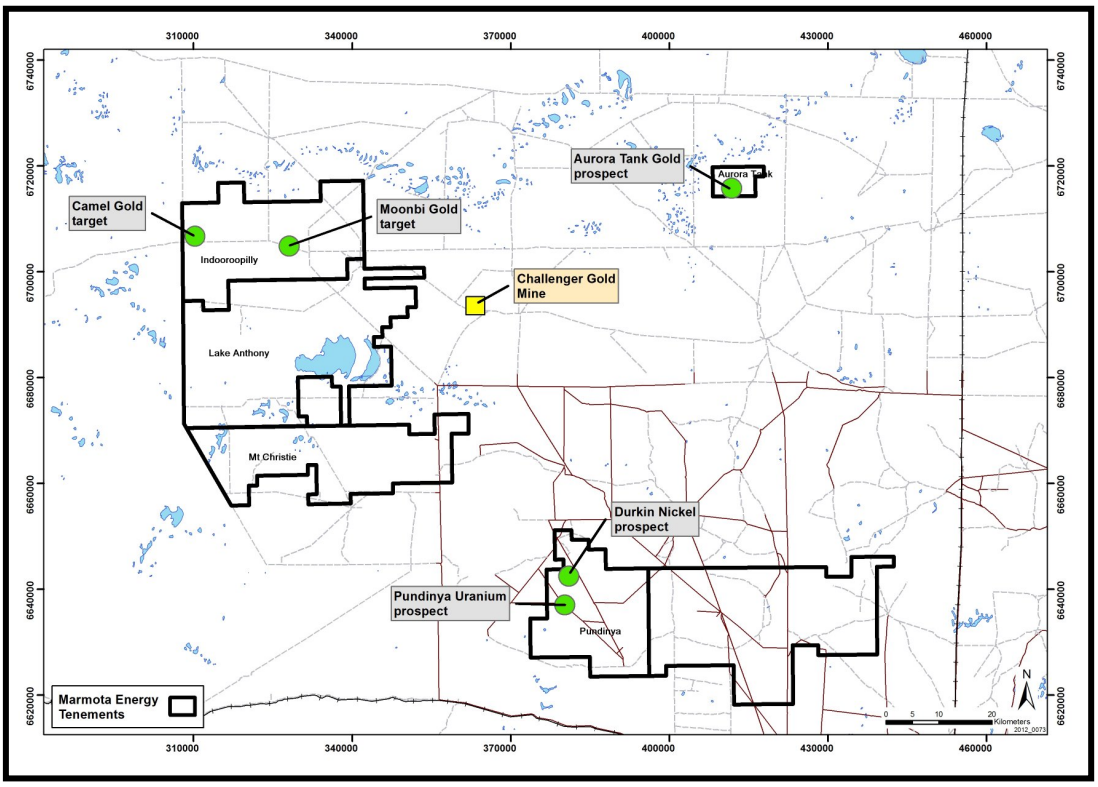


Figure 4: Durkin copper/nickel prospect location map.

*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**

**10 December 2012**

*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.*