

**QUARTERLY ACTIVITY REPORT****SEPTEMBER QUARTER 2021****Aurora Tank Gold Discovery 100% owned**

Marmota carried out its largest diamond drilling program to date during the quarter. Work commenced in July and adjourned mid-August due to on-going rig issues. A new rig and crew from a different drilling company commenced in September, successfully completing in October [see ASX:MEU [21 Sept 2021](#), [12 Oct 2021](#)] .

- **Diamond drill:** 16 holes (per ASX:MEU [6 July 2021](#) + 6 additional)
- **Total drilling:** 1,247 m (per ASX:MEU [6 July 2021](#) + 247m)
- **... of which total core:** 909 m
- **Maximum depth:** 217 m



The diamond program [see ASX:MEU 6 July 2021] is primarily a production-focused program, designed to provide the necessary detail to advance Aurora Tank to production, including:

1. **Geotechnical:** design of **optimal pit walls** at Aurora Tank
2. **Bulk Density measurements:**
Required for completing (a) **resource estimation** and (b) **scoping/feasibility studies**
3. **Bulk samples** to enable **final phase metallurgical testing**.

Note: A number of critical steps have to be completed before the core is cut and sent for assay. These steps include detailed structural and lithological logging of the core, along with multiple geotechnical analyses (point load testing, strength tests, shear tests, triaxial tests, Atterberg limit tests).

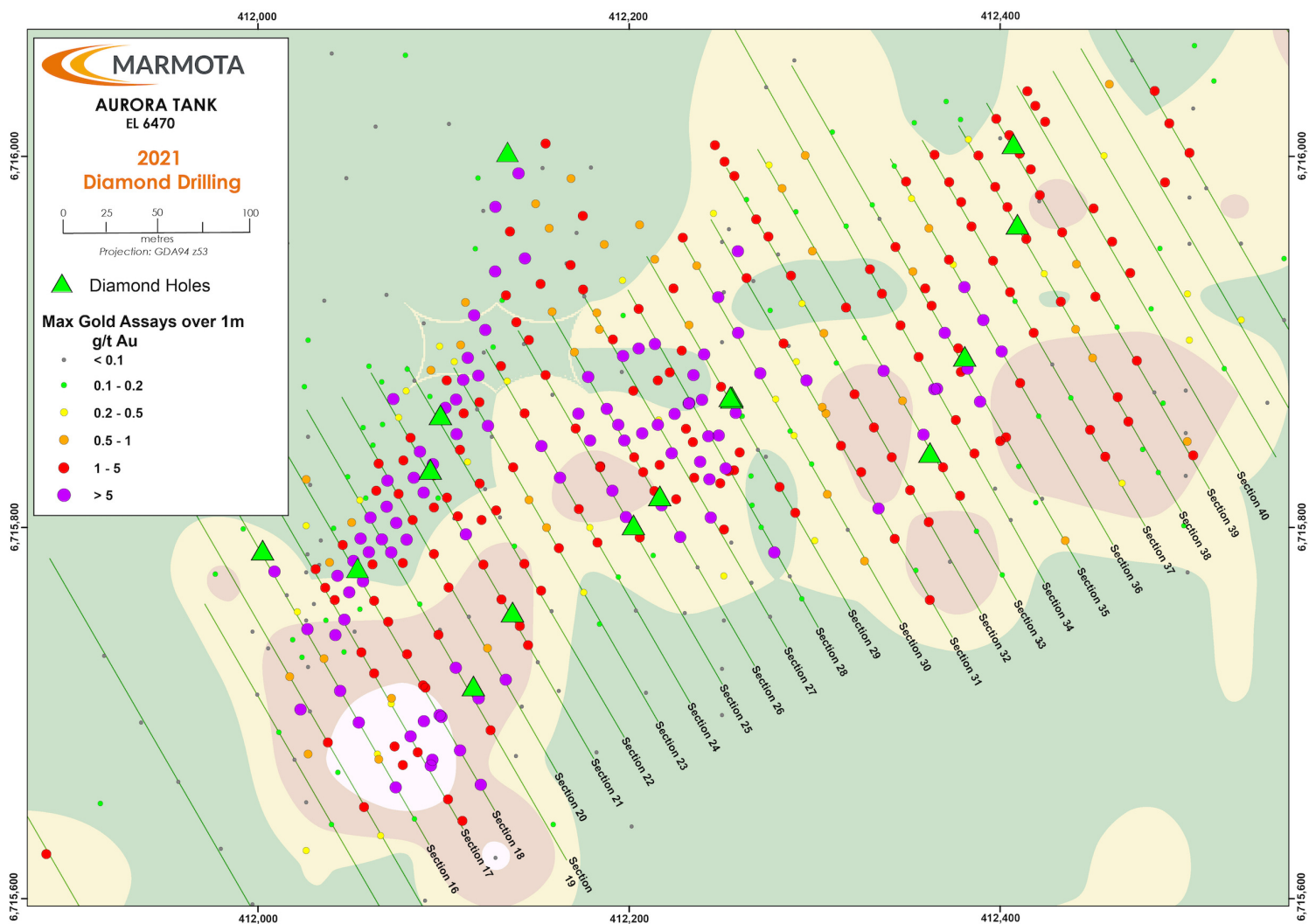


Figure 2: Aurora Tank (Main zone)

2021 Diamond holes



Acquisitions

1. MEU acquisition of Jumbuck Gold Project

Ministerial Consent has been granted [ASX:MEU 13 Oct 2021] .

Marmota has already made payment of the entire cash component into a trust account for the benefit of Tyranna (released at settlement).

The acquisition is expected to settle imminently.

2. Junction Dam Uranium

Marmota has 100% acquired the Junction Dam uranium tenement on which it already holds a substantial uranium JORC resource, adjacent to the Honeymoon uranium mine/project. For further detail, see page 7 below [ASX:MEU 6 Oct 2021] .

Corporate

AGM The AGM will be held at 3pm (Adelaide time) on:

Wednesday 24 November 2021 at:
BDO, Level 7, 420 King William St, Adelaide

For full detail, please see the **Notice of Meeting** [ASX:MEU 21 Oct 2021]

The Company intends to live-stream the AGM via Zoom: details will be provided.

Twitter Marmota now has a twitter feed at:

twitter.com/MarmotaLimited

All shareholders are warmly encouraged to follow the twitter feed [**\$MEU**], and to join and contribute to a growing community.

Marmota is Hiring

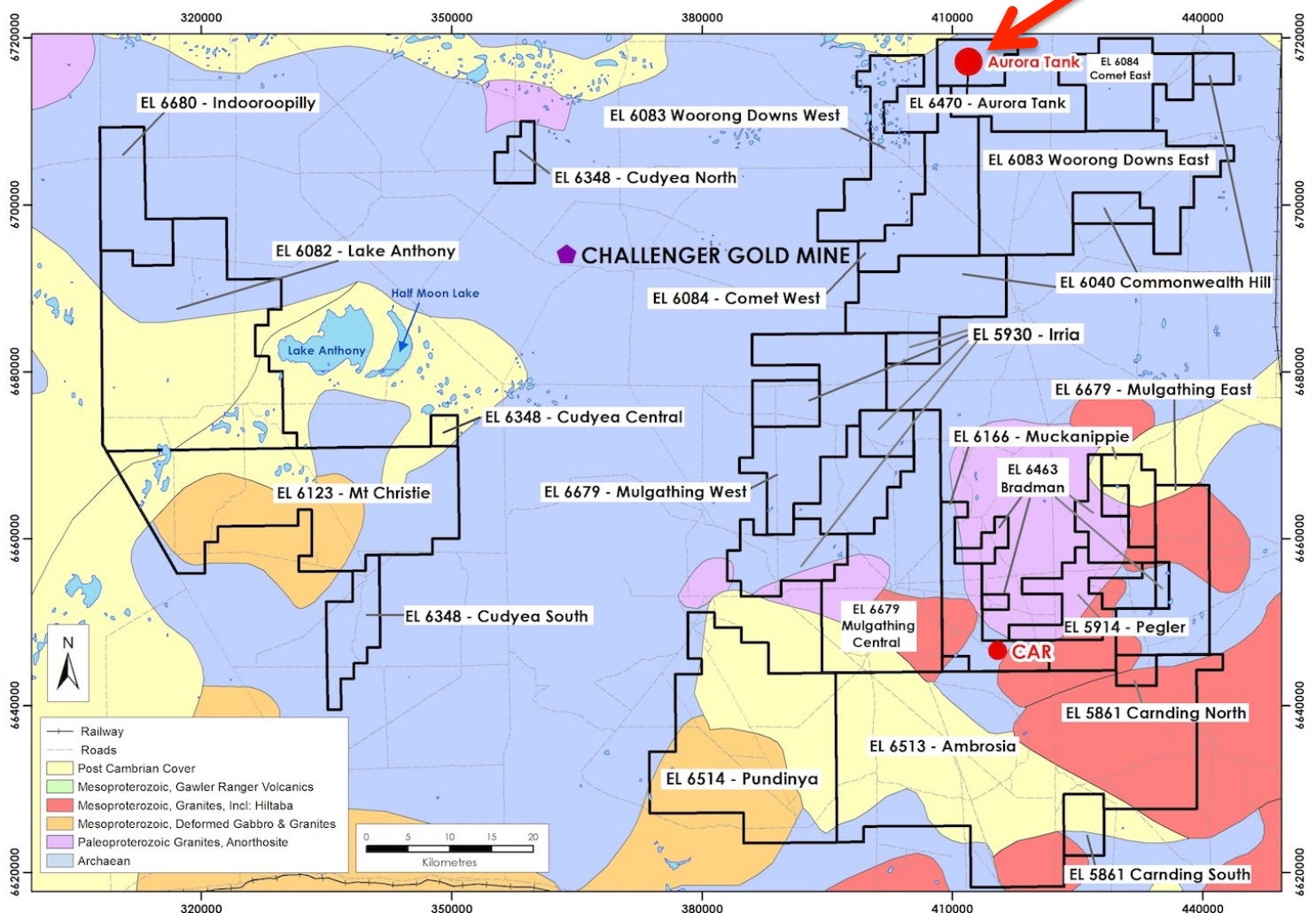
Marmota is expanding our team of exploration geologists. We are creating 2 new positions for exceptional geologists with experience in gold and uranium, seeking to develop the Company's outstanding projects at Aurora Tank (gold) and Marmota's substantial surrounding tenements, and at Junction Dam (uranium).

Tenement Overview during Quarter

GOLD

Gawler Craton

Tenement	Name	MEU Holding
EL 6470	Aurora Tank	100%
EL 6513	Ambrosia	100%
EL 6514	Pundinya	100%
EL 6166	Muckanippie	100%
EL 6680	Indooroopilly	100%
EL 6123	Mt Christie	100%
EL 6082	Lake Anthony	100%
EL 6348	Cudyea	100%
EL 6679	Mulgathing	100%
EL 6083	Woorong Downs	100%
EL 6084	Comet	100%
EL 6463	Bradman	100%
EL 5861	Carnding	100%
EL 5930	Irria	100%
EL 5914	Pegler	100%
EL 6040	Commonwealth Hill	100%



**Figure 3: Marmota's Gawler Craton Gold Project, around the Challenger Gold mine
Aurora Tank Gold discovery (RED arrow)**

Gawler Craton Gold 100% owned

Aurora Tank

Marmota's Aurora Tank gold discovery is located about 100km SW of Coober Pedy, and 50km NE of the Challenger Gold Mine, in the Woomera Prohibited Defence Area of South Australia [see Fig. 3].

Marmota is actively refining the Company's substantial tenement holding as our exploration team works through our tenement holding, adding ground and/or relinquishing as deemed desirable.

During the quarter, Marmota carried out its largest diamond drilling program to date. The program commenced in July and concluded in October. Summary details are provided on pages 1 to 2 of this Quarterly Report.

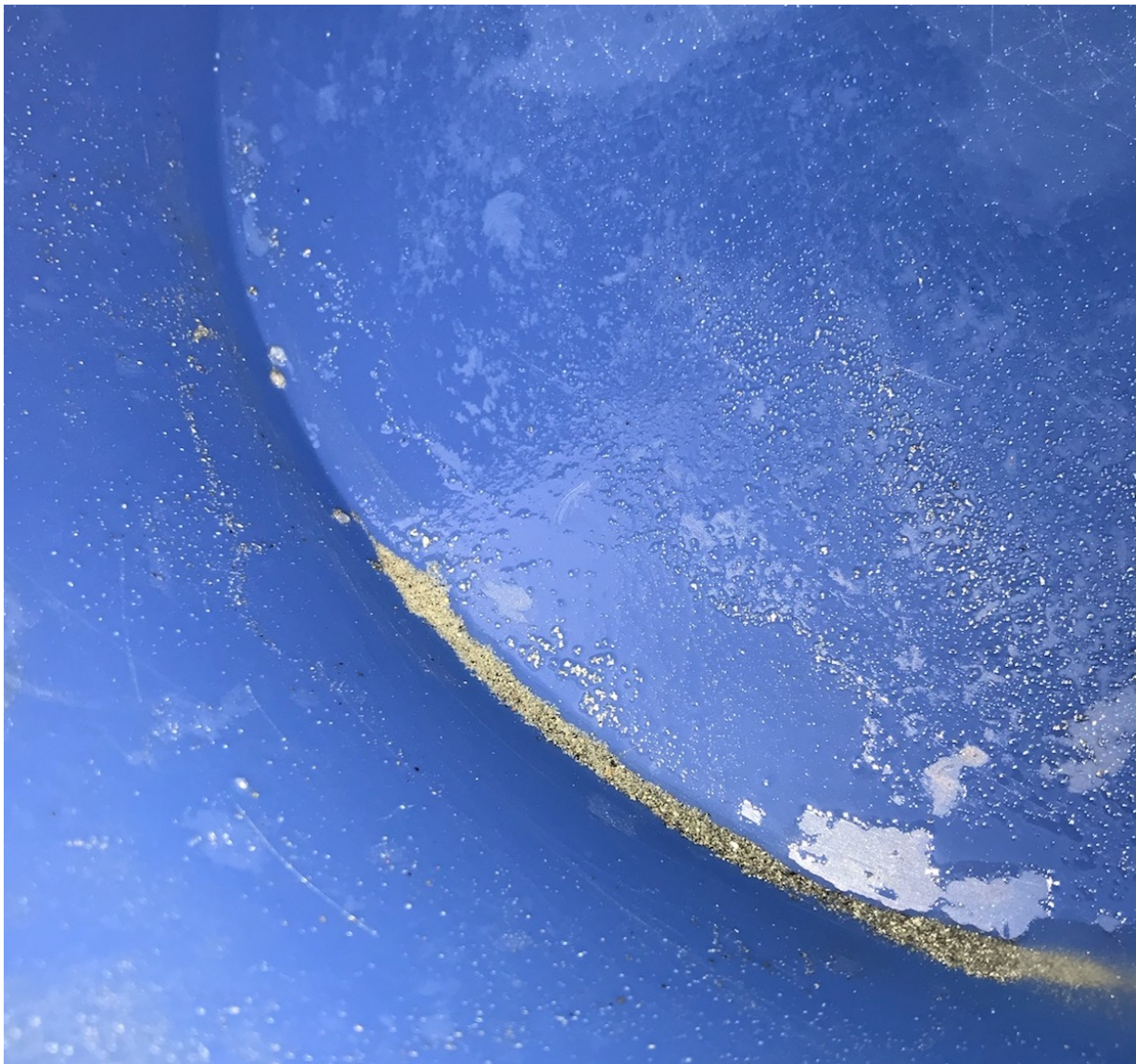


Fig. 4: Gold grains panned on site by one of the drillers from some loose sandy material in the core barrel while drilling Planned Hole 6 (50m hole) [ASX:MEU 20 Aug 2021]



Fig. 5: Bertie the Bearded Dragon joins the Marmota team for breakfast at the Aurora Tank camp during the diamond drilling program

COPPER

Copper Coast – Yorke Peninsula

Tenement	Name	MEU Holding
EL 5832	West Melton	100%

- Champion Copper (EL 5832) is situated on the Yorke Peninsula in South Australia approximately 50km north of Rex Minerals Ltd Hillside copper-gold deposit.

URANIUM Junction Dam project

Tenement	Name	MEU Holding
EL6530	Junction Dam	100%

Junction Dam is strategically located 15 km east from the Honeymoon (ASX:BOE) in-situ recovery (ISR) uranium mine (west of Broken Hill).

Marmota has just **acquired the Junction Dam uranium tenement EL6530** in South Australia immediately adjacent to the Boss Energy Ltd (ASX:BOE) Honeymoon tenement featuring the Honeymoon in-situ recovery (ISR) uranium mine. [see ASX:MEU 6 Oct 2021]

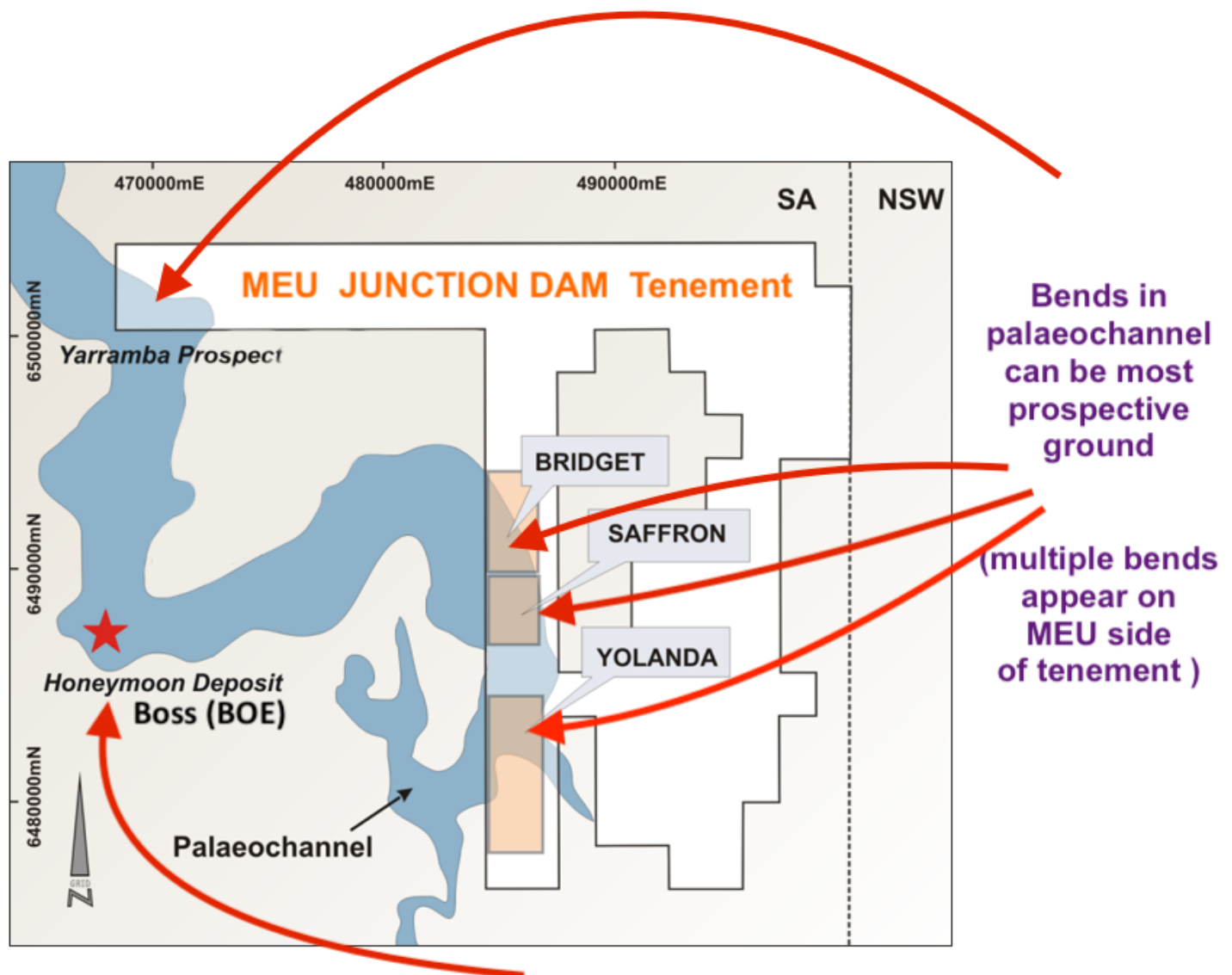


Fig. 6: The Junction Dam uranium tenement (now 100% MEU) bookends both sides of the palaeochannel of the Boss Energy Ltd (ASX:BOE market cap ~ \$680m) Honeymoon uranium plant

Marmota has:

- JORC Inferred Resource of **5.4 million pounds** U_3O_8 with average grade of 557ppm U_3O_8 [ASX:MEU 18 Nov 2011, 20 Feb 2012, 17 July 2013]
- Overall Exploration Target¹ of **22–33 million pounds** U_3O_8 at approx. 400 to 700 ppm U_3O_8
- Assay grades of up to 8,143ppm U_3O_8 at the Saffron deposit

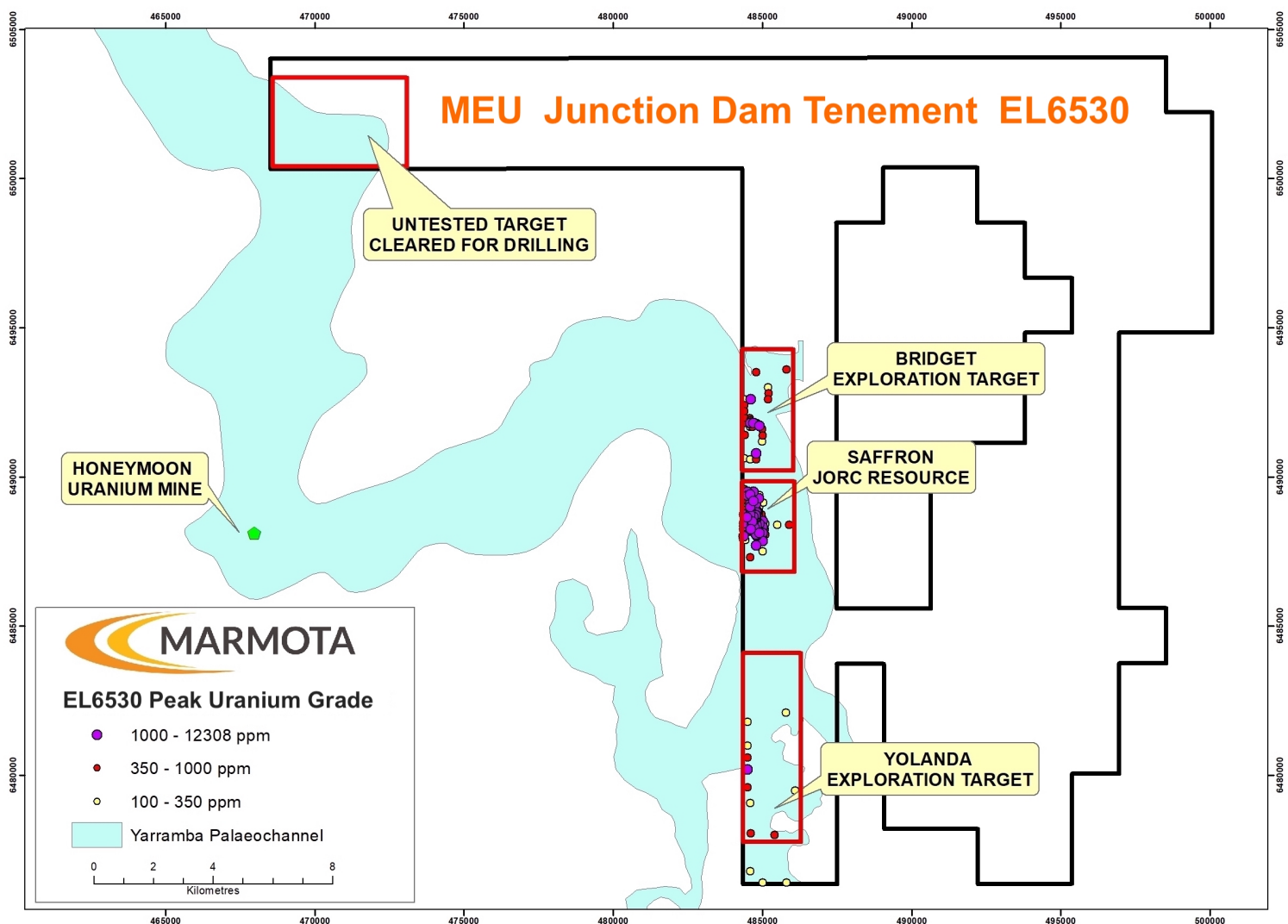


Figure 7: Junction Dam tenement – Peak Uranium Grades
– highlighting work so far on Bridget, Saffron and Yolanda areas

¹ Saffron deposit with Bridget and Yolanda prospects: see ASX:MEU 9 July 2012. The potential quantity and grade of an Exploration Target is conceptual in nature. The estimates of Exploration Targets should not be misunderstood or misconstrued as estimates of Mineral Resources. It is uncertain if further exploration over those zones currently defined by an Exploration Target will result in the determination of a Mineral Resource.

Background

1. Marmota started life as a successful uranium explorer. By the end of 2014, Marmota had spent over A\$8 million developing the Junction Dam uranium project, and had earned 100% of the uranium rights on the Junction Dam tenement [ASX:MEU 29 Sept 2014].
2. The Junction Dam tenement is strategically situated immediately adjacent to the Boss Energy (ASX:BOE) Honeymoon uranium tenement and mine – one of just 4 permitted uranium mines in Australia (three of which are in South Australia).
3. The Junction Dam tenement book-ends BOTH sides of the palaeochannel that runs through the Boss Honeymoon uranium project:
 - to the east, **Marmota already has a substantial uranium JORC resource** (see below at Saffron)
 - to the north (adjacent to the Boss Jason's uranium resource), Marmota has an untested **obvious high-priority target** (previously cleared for drilling).
4. In the aftermath of Fukushima, work stopped on the Junction Dam tenement in 2014.
5. Over the last few months, there has been a dramatic upturn in both uranium prices and sentiment.
6. Boss Energy (ASX:BOE) – owners of the Honeymoon plant (market cap: ~ \$680m) on the immediately adjacent tenement – appear to be making solid progress towards bringing the Honeymoon plant back into operation. According to their own feasibility studies, BOE need a larger resource to achieve economies of scale to lower cost of production and to extend mine life through development of satellite resources [cf. ASX:BOE 21 June 2021, 4 Aug 2021 (p.6), 2 Sept 2021].

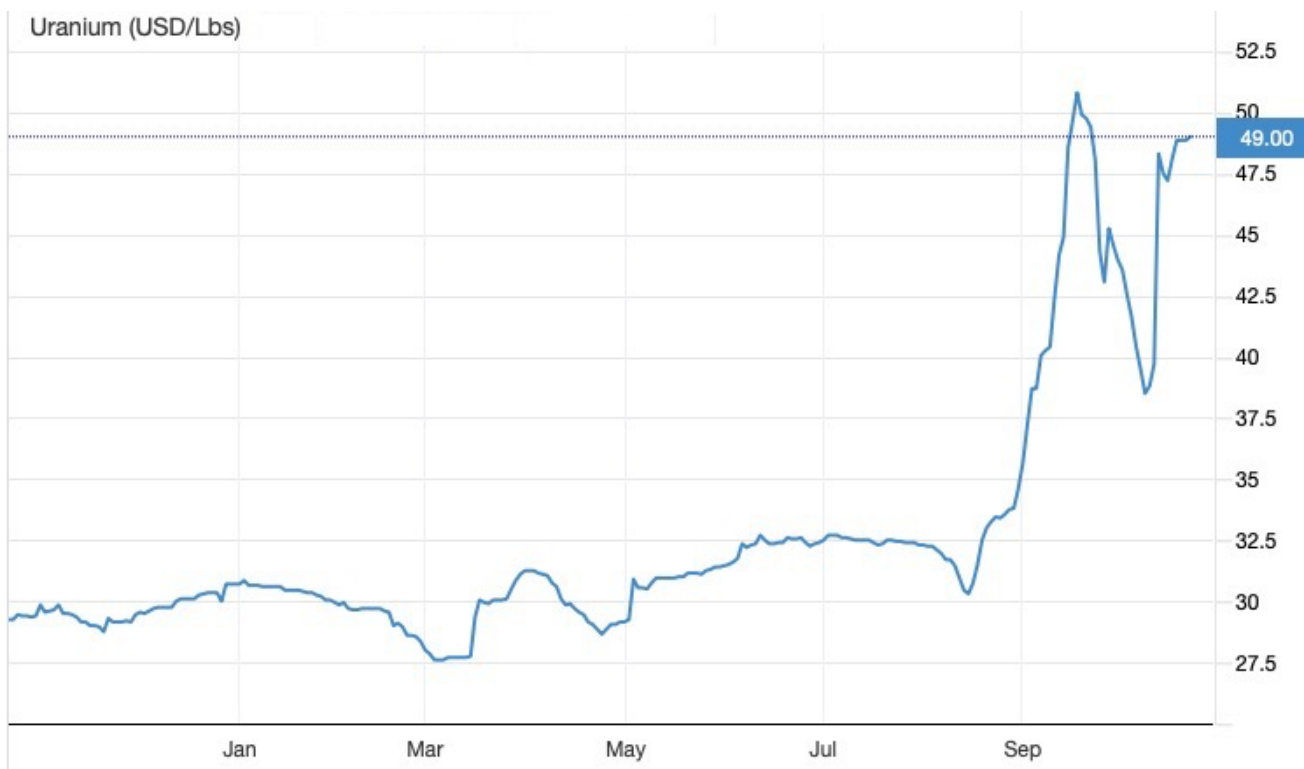


Figure 8: Uranium spot prices have started increasing significantly in recent months

Over the year:

1. Sentiment in the uranium sector has dramatically improved, and continues to improve, as have uranium prices.
2. The MEU Board commenced a strategic review of its uranium assets to add value to shareholders. The first outcome of that process has been the acquisition of the Junction Dam tenement by Marmota, bringing with it control and the ability to move quickly, without requiring permission from other parties.

Marmota Chairman, Dr Colin Rose, said:

“ Marmota is particularly well-placed for any upturn in the uranium sector, with an existing uranium JORC Resource that the Company spent millions of dollars to develop in prior years, and which is located adjacent to 1 of only 4 permitted mines in Australia.

The acquisition of the Junction Dam tenement makes Marmota, for the first time, masters of our own destiny in the uranium space. It is the first and critical step for the company to grow value for our shareholders from this outstanding asset. ”

What is next?

Aurora Tank Gold

- **Follow up work from the diamond drilling program completed in October**
- **Structural and lithological logging of the core**
- **Multiple geotechnical analyses**
(point load testing, strength tests, shear tests, triaxial tests, Atterberg limit tests)
- **Cutting of core and lab assaying**
- **RC drilling program to follow**

Accelerated Discovery Initiative: ADI

- **Infill of selected targets**
- **Analysis and interpretation of calcrete and biogeochemical data**
- **Selection of best targets for drilling**
(possibly at same time as Aurora Tank RC drilling)

Marmota acquisition of Jumbuck Gold project

- On 30 November 2020, Marmota entered into a binding agreement with Tyranna Resources to acquire all of the rights, title and interest of Tyranna Resources Ltd in the Jumbuck Gold project, adjacent to MEU ground.
- Marmota has made cash payment of outstanding \$2.4m cash into trust account. Ministerial Consent has been received [ASX:MEU [13 Oct 2021](#)]. Completion is expected imminently.
- Planning work has already commenced for first work programs.
- For detail regarding the transaction, see: ASX:MEU [30 Nov 2020](#), [13 Oct 2021](#) .

Competent Persons Statement

Information in this Release relating to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Dr Kevin Wills, who is a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves." Dr Wills consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Where results from previous announcements are quoted, Marmota confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

For the purpose of ASX Listing Rule 15.5, the Board has authorised for this announcement to be released.

For further information, please contact:

Marmota Limited

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About Marmota Limited

Marmota Limited (ASX: MEU) is a South Australian mining exploration company, focused on gold, copper and uranium. Gold exploration is centred on the Company's dominant tenement holding in the highly prospective and significantly underexplored Gawler Craton, near the Challenger gold mine, in the Woomera Prohibited Defence Area. The Company's copper project is based at the Melton project on the Yorke Peninsula. The Company's uranium project is at Junction Dam adjacent to the Honeymoon mine.

For more information, please visit: www.marmota.com.au

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MARMOTA LTD

ABN

38 119 270 816

Quarter ended ("current quarter")

30 SEPTEMBER 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation (if expensed)		
	(b) development		
	(c) production		
	(d) staff costs	(25)	(25)
	(e) administration and corporate costs	(81)	(81)
1.3	Dividends received (see note 3)		
1.4	Interest received	1	1
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	Net cash from / (used in) operating activities	(105)	(105)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation (if capitalised)	(319)	(319)
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(319)	(319)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (right of use asset lease payment)	(9)	(9)
3.10	Net cash from / (used in) financing activities	(9)	(9)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,126	4,126
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(105)	(105)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(319)	(319)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(9)	(9)
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	3,693	3,693

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,655	4,088
5.2	Call deposits	38	38
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,693	4,126

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
26
32

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Item 6.1 and 6.2 sets out payment of non-executive and executive directors' fees, salaries and superannuation to the directors for the quarter.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities****7.5 Unused financing facilities available at quarter end**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities**\$A'000**

8.1	Net cash from / (used in) operating activities (Item 1.9)	(105)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(319)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(424)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	3,693
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	3,693
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	8.7

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Not applicable

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not applicable

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by:



Lisa Askham-Levy: CFO and Company Secretary

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

TENEMENT STATUS

(as at 30 September 2021)

SOUTH AUSTRALIA

Project name	Tenement	Number	Area (km ²)	Details	Marmota's interest %	Status
Junction Dam	Junction Dam	EL 6530	341	MEU 100% acquired [ASX:MEU 13 Oct 2021)	100%	Granted
Melton	West Melton	EL 5832	88		100%	Granted
Gawler Craton West Block	Indooroopilly	EL 6680	100		100%	Granted
	Lake Anthony	EL 6082	495		100%	Granted
	Mt Christie	EL 6123	466		100%	Granted
	Cudyea	EL 6348	110		100%	Granted
Gawler Craton NE Block	Aurora Tank	EL 6470	48		100%	Granted
	Woorong Downs	EL 6083	458		100%	Granted
	Comet	EL 6084	268		100%	Granted
	Commonwealth Hill	EL 6040	196		100%	Granted
Gawler Craton SE Block	Ambrosia	EL 6513	854		100%	Granted
	Muckanippie	EL 6166	145		100%	Granted
	Mulgathing	EL 6679	652		100%	Granted
	Pundinya	EL 6514	435		100%	Granted
	Bradman	EL 6463	83		100%	Granted
	Carnding	EL 5861	53		100%	Granted
	Irria	EL 5930	196		100%	Granted
	Pegler	EL 5914	77		100%	Granted

The above table does not yet include any tenements the subject of Marmota's acquisition of the Jumbuck Gold Project, prior to formal final settlement of same.