

ASX ANNOUNCEMENT

16th February 2010

Marmota Energy Limited
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ASX: MEU

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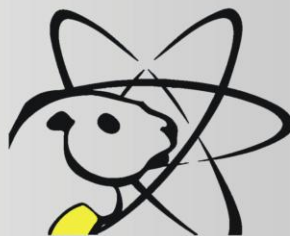
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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr D J Calandro, who is a Member of the Australian Institute of Geoscientists. Mr Calandro is employed full time by the Company as Managing Director and, has a minimum of five years 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.



**MARMOTA
ENERGY LIMITED**

A.B.N. 38 119 270 816

NEW GRAVITY DATA FURTHER DEFINES FIVE HIGH PRIORITY IOCG TARGETS AT MELTON COPPER GOLD PROJECT, SOUTH AUSTRALIA

- Five discrete coincident gravity–magnetic targets are confirmed at the Melton project, with the most significant (the 'Miranda' target) displaying the strongest gravity anomaly directly associated with its magnetic anomaly.
- Landholder access agreements completed for the highest priority targets to be drill tested.
- Drilling to commence in the last week of February 2010.

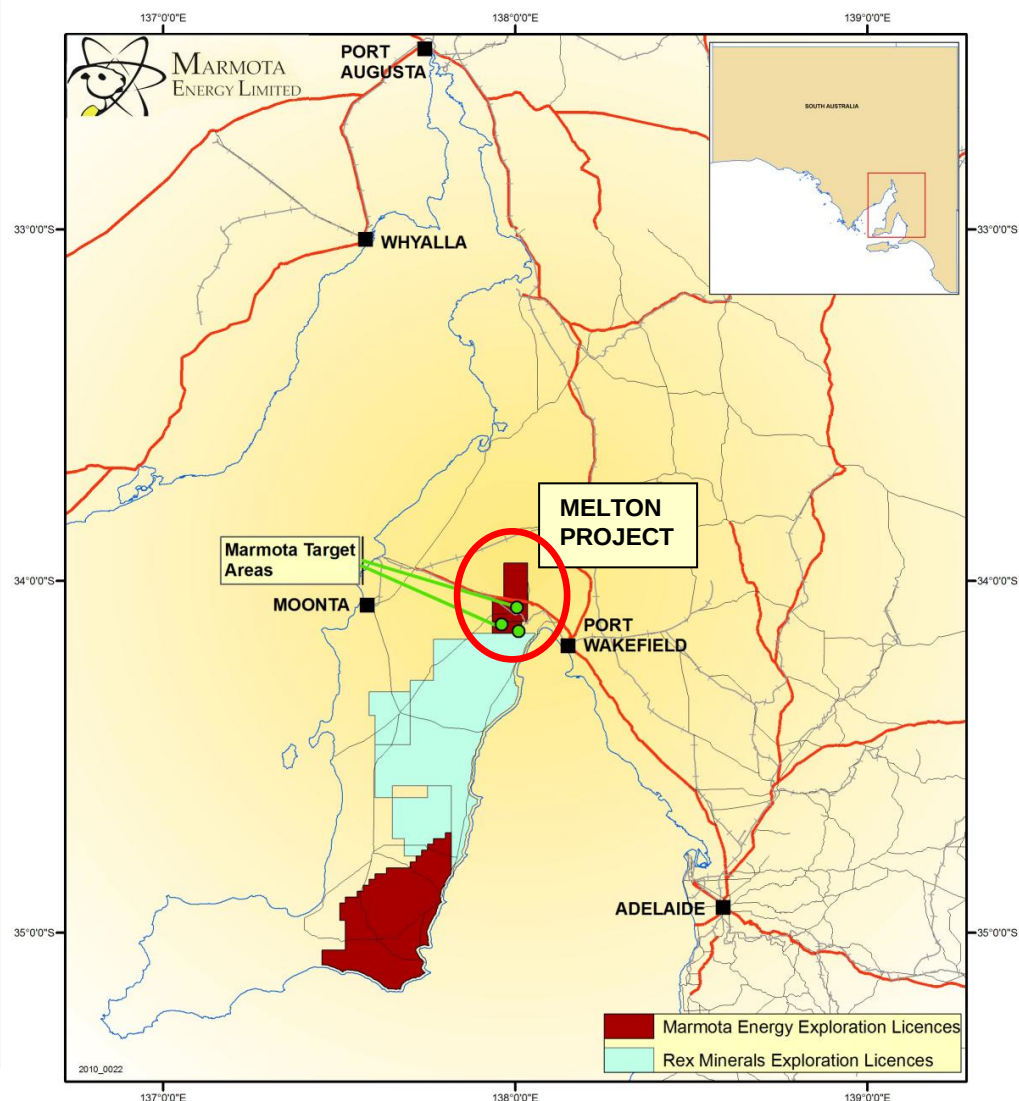


Figure 1. Melton project location diagram

Melton copper gold project

Marmota Energy Limited (ASX: MEU) earning 50% under Melton JV Agreement with Monax Mining Limited (ASX: MOX)

Marmota Energy Limited (ASX: MEU) is pleased to announce excellent results from its recently completed detailed gravity survey on the Melton iron-oxide copper gold (IOCG) project. A high resolution ground gravity survey was completed on the southern half of Marmota's project area to augment the findings of highly promising aeromagnetic data recently acquired over key targets on the Company's two tenements.

The new high resolution gravity survey along with the magnetic survey data has assisted in drillhole selection on the five major targets defined. Results from the gravity survey also provide subtle structural information that has enabled a greater understanding of structure interpreted from the magnetic data. The gravity survey has also provided important density characteristics of each target.

Gravity data acquired over the North White Cliffs and Melton target regions in the south of the Melton project are coincident with and overlap the respective anomalies identified in the original aeromagnetic data. The results also indicate an increase in the extent of the original target regions. The extents of the Pine Point Fault and related cross cutting and parallel features have also been further defined. Marmota interprets these features to be potentially important fluid conduits during the mineralisation process.

The most significant gravity anomaly was associated with the 'Miranda' magnetic target which displayed the strongest and largest gravity response extending up to a four kilometre strike length. The Company believes that this gravity response significantly improves the IOCG potential of the Miranda target. All three highest priority targets are located adjacent to or along the Pine Point Fault Zone (PPFZ), associated fault systems and/or fault intersections. The PPFZ is interpreted to be the controlling structure for IOCG mineralisation south of MEU's Melton project at Rex Minerals' Hillside prospect.

The two Marmota Energy tenements (EL3911 and EL4000) comprising the Melton project, cover the northern extension of the Pine Point Fault and contain a number of discrete magnetic and gravity features consistent with copper-gold mineralisation elsewhere along the fault.

Marmota has completed access agreements with landholders within the target areas, paving the way for the timely execution of its exploration programs. Maiden drilling to test the first three of the five targets identified by Marmota is due to commence in the final week of this month. During this initial drill program, Marmota will achieve its 50% earn-in on the Melton project, while joint venture partner Monax Mining Limited can elect to commence contributing to the program to preserve its equity interest.

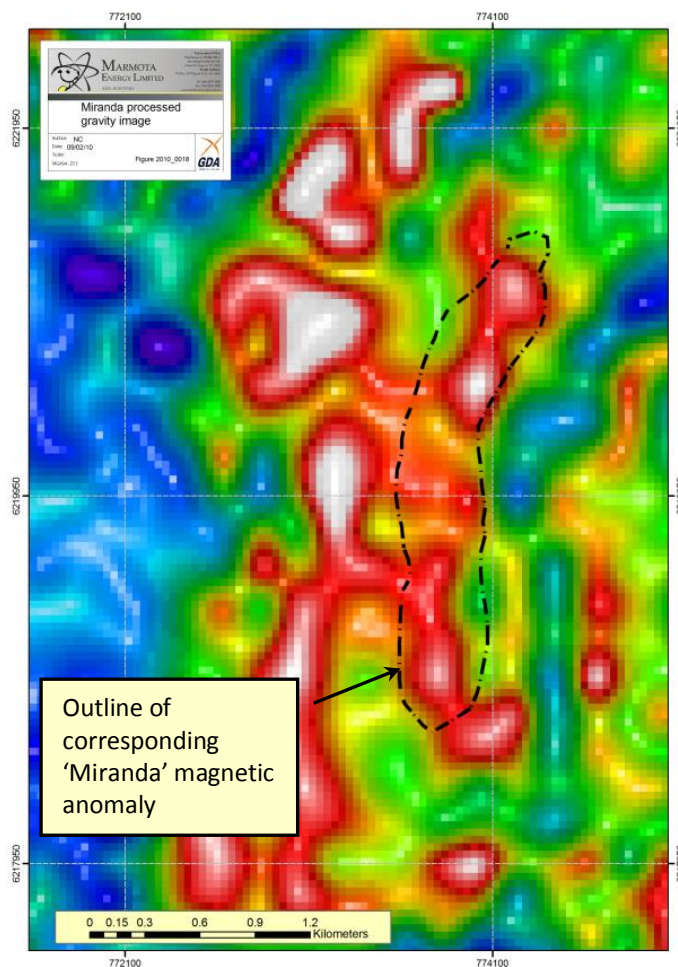


Figure 2. Reprocessed gravity data (red - white: high gravity response), Miranda target area with coincident magnetic anomaly location outlined in black dashed line.

Mr Dom Calandro

**Mr Dom Calandro
MANAGING DIRECTOR**

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