

ASX ANNOUNCEMENT

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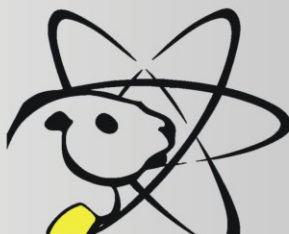
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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr D J Calandro, who is a Member of the Australian Institute of Geoscientists. Mr Calandro is employed full time 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
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Further copper mineralisation intersected at the Miranda Target on the Melton copper-gold project

- **Drilling program at the Melton Project on the Yorke Peninsula, located within two hours drive of Adelaide intercepts copper in a second hole drilled (MIRDD04) at Miranda.**
- **Downhole geophysical surveys scheduled to commence in MIRDD01 and MIRDD04 in July 2010.**
- **Ultra detailed infill helimag survey planned over 4.5 km long Miranda target.**

Melton Copper – Gold Project

Marmota Energy Limited (ASX: MEU) 50% mineral rights with Monax Mining Limited (ASX: MOX)

Marmota Energy Limited ('the Company') is pleased to announce the initial drilling results from holes drilled on the 'Miranda' target at the Melton project ('the project') on the northern Yorke Peninsula in South Australia.

Assays have returned copper mineralisation intersected from two drill holes, which had been drilled into the southern end of the 'Miranda' geophysical target (Table 1). Drill holes MIRDD01 and MIRDD04 intersected what has been interpreted as the potential margin of a large low grade halo of alteration.

The assay results ranged up to 3 metres @ 0.26% Cu from 487m depth in MIRDD04 to 21 m@ 0.11% Cu from 451m in MIRDD01 (Table 1).

Drill holes in the Miranda target intersected copper mineralisation associated with an amphibole-magnetite-pyrite-chalcopyrite alteration system. The alteration is interpreted to be related to the intrusion of an extensive mafic body into metasediments and granites.

The Miranda target is a large anomaly incorporating a significant magnetic and even larger sized coincident gravity response which extends for more than four kilometres in length (Figure 1). A total of four holes were drilled into the Miranda target to test for the presence of mineralisation in different parts of the anomaly. MIRDD02 and 03 have similar geological relationships to those at MIRDD01 and 04 but returned lower copper values over the intervals assayed.

The presence of copper in this large target is considered encouraging with further exploration planned in 2010.

Down hole geophysics is planned for MIRDD01 and MIRDD04 in July 2010, which will offer the ability to target any potential copper mineralisation between the two holes and beyond in 3D. This data may also assist in locating higher grade zones which will be important to Marmota's planning for follow up drill testing early in 2011.

Ultra detailed infill magnetic surveys are also planned over the Miranda target to further improve structural detail of the anomaly and in differentiating critical bedrock lithologies.

The schematic diagrams below are a representation of the down hole mineralisation intercepts encountered in drilling at MIRDD01 and MIRDD04 (Figure 2a and b). Figure 2a displays both holes from surface with copper intercepts highlighted. A significant interpreted copper zone shallowing to the west is illustrated by the red envelope.

Figure 2b on the right, is a detailed section of the copper intercept zones. It can be observed from the blue histogram that a large low grade copper zone has been intercepted from 400 metres. Maximum copper grades intercepted are also shown in the figure.

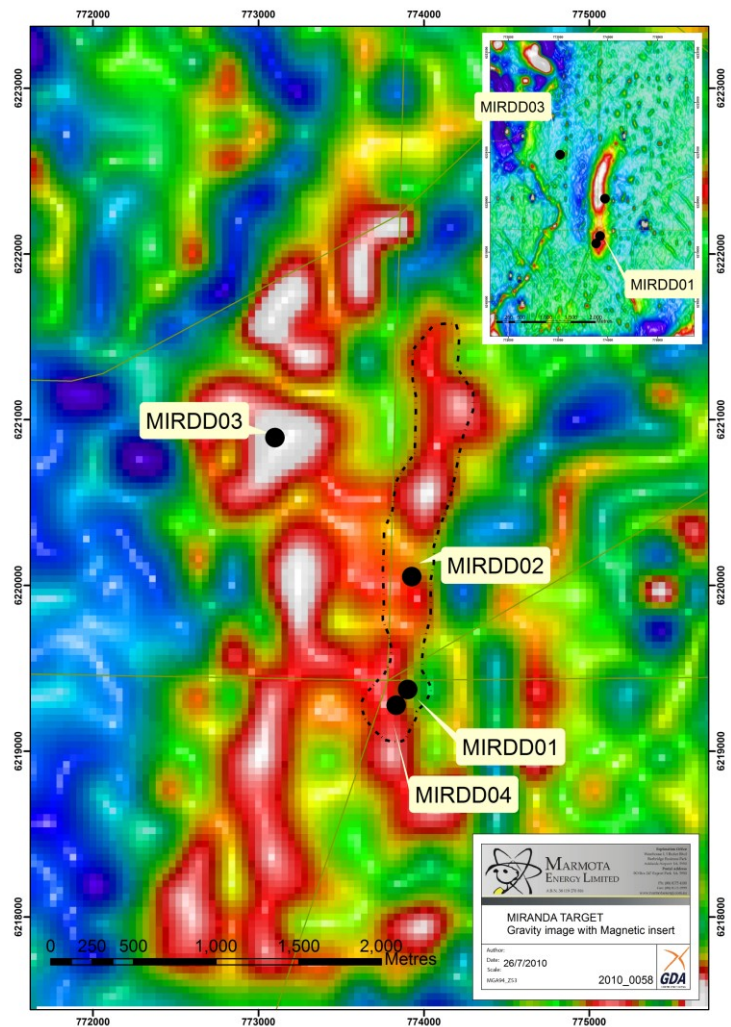


Figure 1. Reprocessed gravity data (red - white: high gravity response), Miranda target area with coincident magnetic anomaly location outlined in black dashed line. Drill hole locations also shown.

Hole	m From	m To	Interval	Cu (ppm)	Cu %
MIRDD01	447	507	60	451	0.045
<i>including</i>	451	472	21	1115	0.11
MIRDD04	432	490	58	471	0.047
<i>including</i>	432	436	4	1584	0.15
<i>including</i>	463	467	4	1352	0.13
<i>including</i>	487	490	3	2587	0.26

Table 1. Miranda drill holes
MIRDD01 and 04 best assay results.

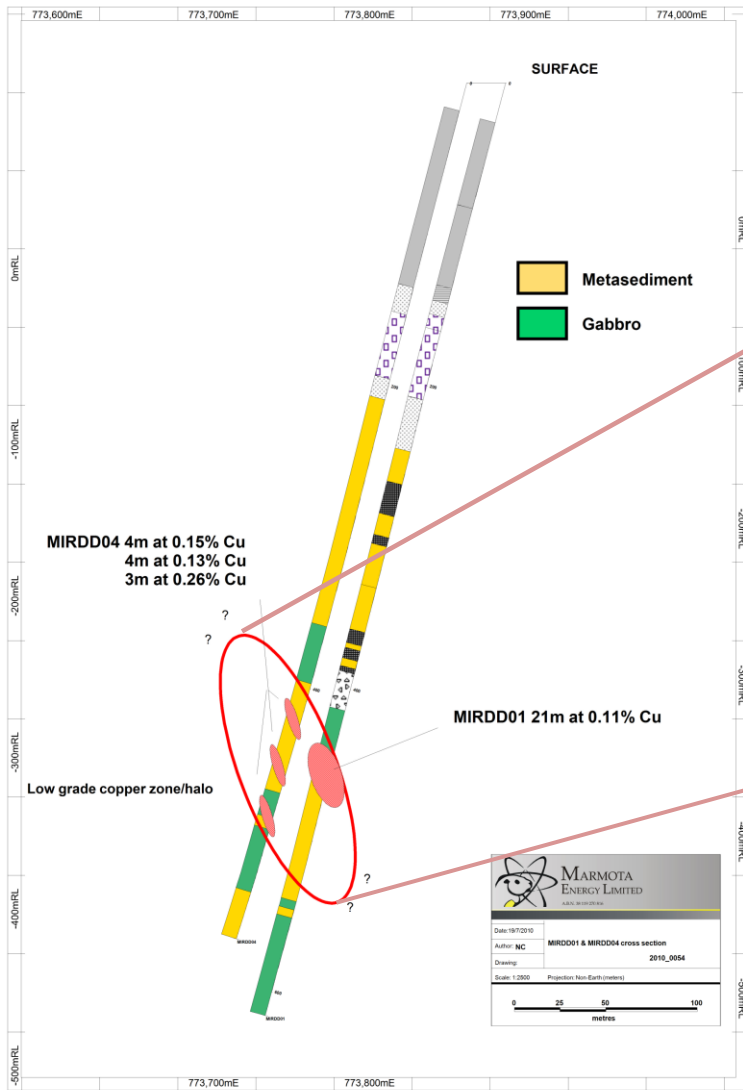


Figure 2a. Miranda drill hole schematic from surface.

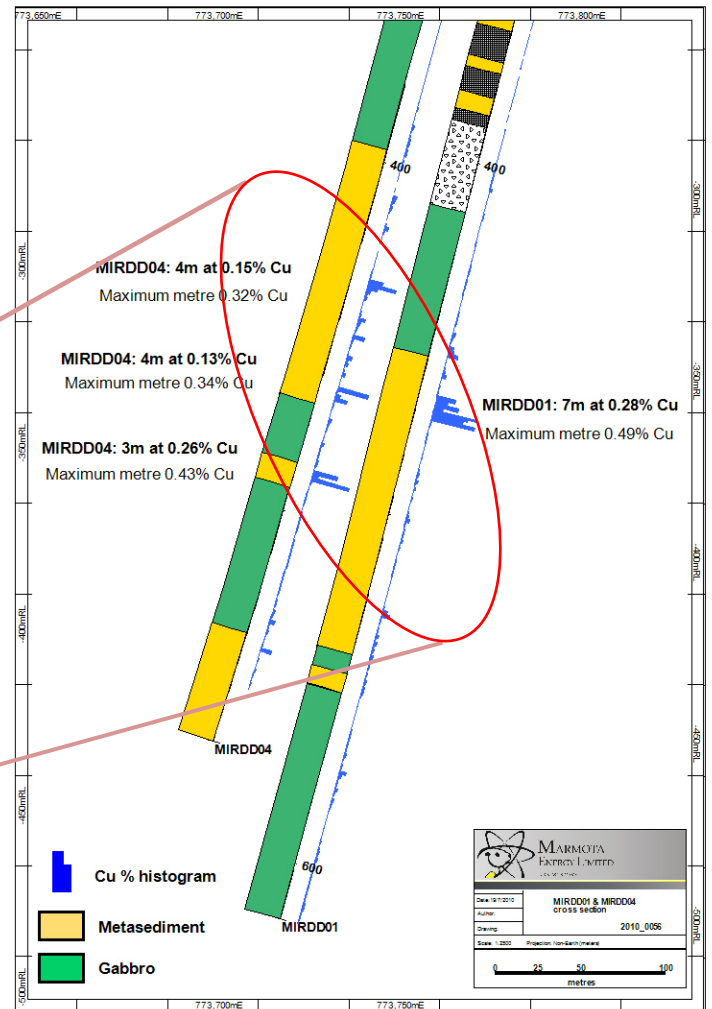


Figure 2b. Miranda drill hole schematic zoom into copper zones.

Samples from selected intervals of drill core at the other two targets tested in phase 1 at North White Cliffs and Melton are currently being assayed. Depth to basement at these two targets varied between 400 and 500 metres.

The downhole electrical geophysical survey planned for MIRDD01 and MIRDD04 at the end of July should map conductive zones between the two holes and beyond. It is anticipated that the survey results will assist in mapping the potential zone of mineralisation as proposed in the above diagram (Figure 2a). The technique will map zones of conductivity, with more conductive zones representing potentially stronger mineralisation.

This will assist in planning for phase 2 drilling at the Miranda target.

Background - Melton Copper Gold Project

Marmota Energy Limited (ASX: MEU) 50% mineral rights with Monax Mining Limited (ASX: MOX)

Marmota Energy has completed the initial drill testing of three large scale anomalies at its Melton copper - gold project in South Australia. The objective of this program was to test greenfields targets for copper potential. The Melton project is located on the northern Yorke Peninsula and contains a 15km section of the highly prospective Pine Point Fault Zone (PPFZ – see Figure 4).

Reprocessing of high-resolution aeromagnetic data over the Melton project outlined five significant magnetic anomalies, of which three in particular have been interpreted to be associated with the PPFZ. The reprocessed data has highlighted the strong magnetic signatures of these anomalies, as well as delineating the prominent north-south trending structural grain together with northeast-southwest and northwest-southeast trending cross-structures.

Drilling at Rex Minerals' neighbouring Hillside discovery highlighted the correlation between magnetite and copper mineralisation. The reprocessed aeromagnetic data is the first step in developing a drilling program and the addition of detailed gravity data has provided a better understanding of the geology of the region.

Data from the surface gravity survey has been processed and, together with the high-resolution magnetic survey has assisted in targeting interpreted potential mineralised zones within the regional targets. Marmota's drilling program targeted zones of coincident magnetic and gravity anomalies, as well as independent gravity and magnetic targets. This will assist in providing a clearer understanding of what each feature represents and assist in the design of potential future follow up drilling programs.

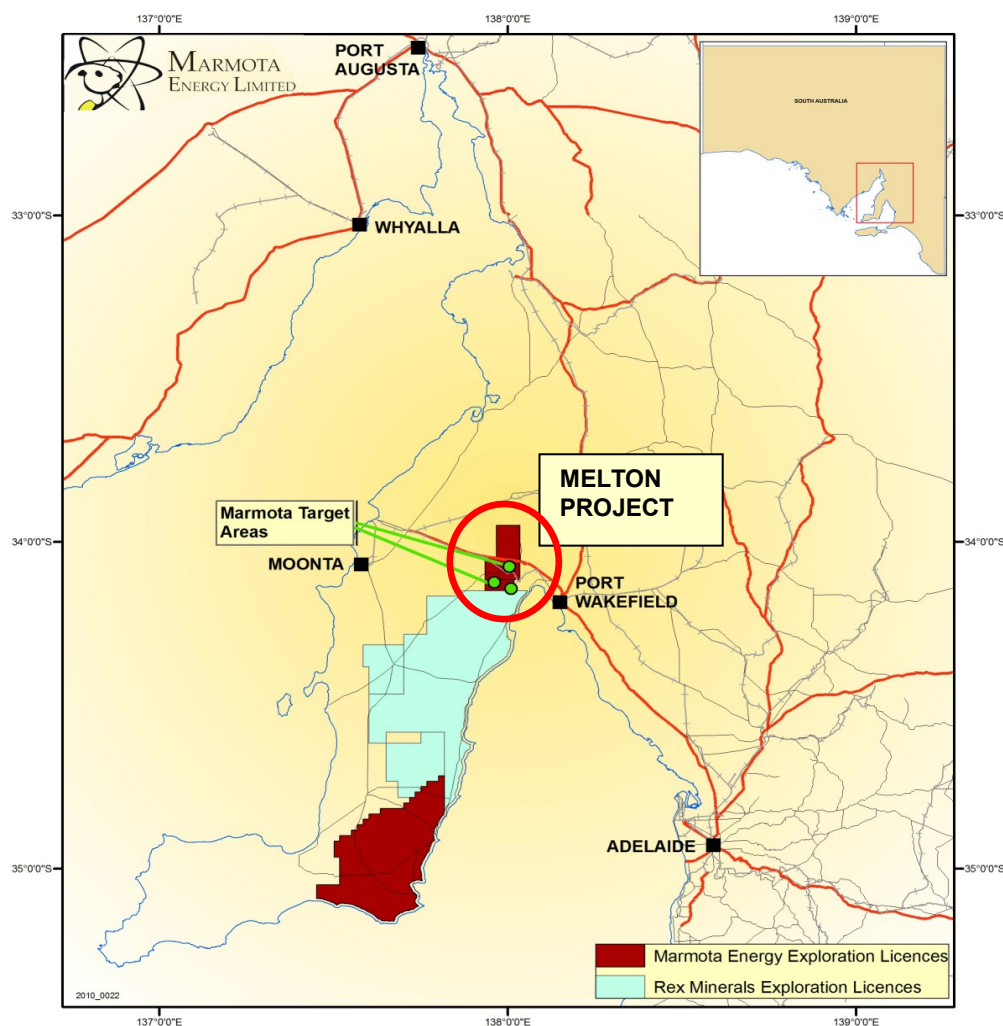


Figure 3. Melton project location diagram

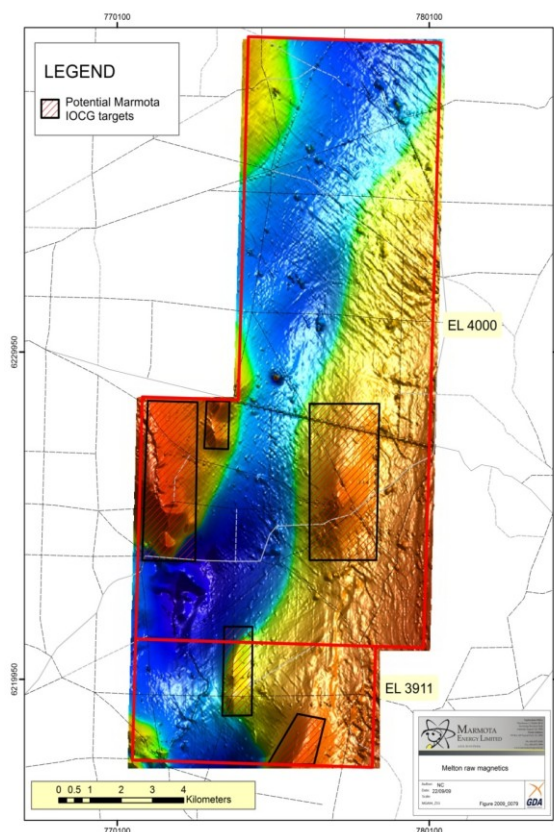


Figure 4. New high resolution magnetic data over the entire Melton project, with potential target zones defined (in red hachure's).

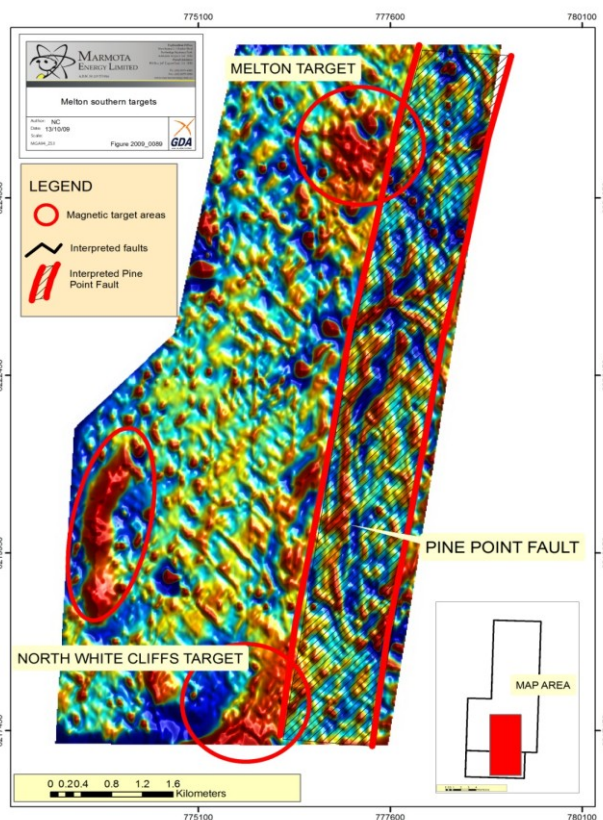


Figure 5. Reprocessed total magnetic intensity, covering the first three of five anomalies on the Melton project.

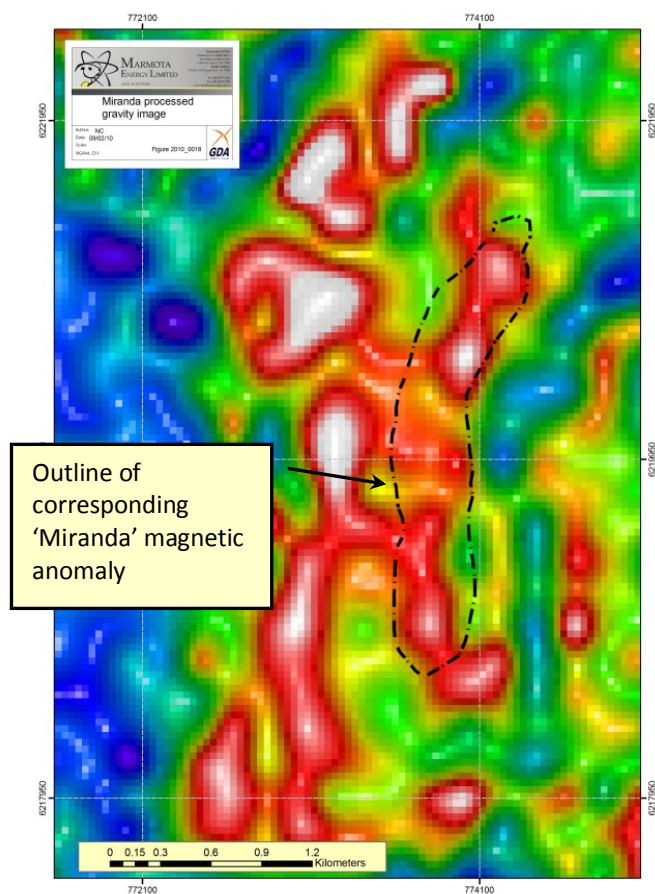


Figure 6. Reprocessed gravity data (red - white: high gravity response), over the Miranda target area with coincident magnetic anomaly location outlined in black dashed line.

Figure 6 shows the gravity data over the high-priority Miranda target. The Miranda target represents the strongest gravity anomaly and is up to 4km in length, with the magnetic feature also exhibiting a significant gravity response.

Due to time constraints relating to landholder requirements, seven of the eight to ten drill holes planned have been completed as part of this maiden program. Results from this phase of the program will be assessed and integrated into modelling processes in preparation for potential follow up drill testing.

The results achieved in this phase of drilling are very encouraging. The objective of this, our first year of drilling at Melton, was simply to see if there is copper present which the latest assays have certainly confirmed. We will continue further exploration work for the rest of the year with a view to recommencing drilling at Melton early in the New Year once the summer cropping season is completed.

Mr Dom Calandro

**Mr Dom Calandro
MANAGING DIRECTOR**

28 July 2010