



MARMOTA



AURORA TANK and GAWLER CRATON Gold

Gold Exploration UPDATE
May 2017

Seeking the next Challenger

- Challenger (right) has produced **over 1 million ounces** of high-grade gold (A\$1.7 billion of gold at current prices)
- At opening: one of Australia's most profitable gold mines ¹
- Discovered by drilling calcrete gold anomalies
- Marmota has a dominant tenement holding around Challenger
- We are seeking the next Challenger or look-alike



Challenger Pit

Source: Kingsgate Consolidated Limited

¹ cf. Southern Gold Annual Report 2009 p. 11

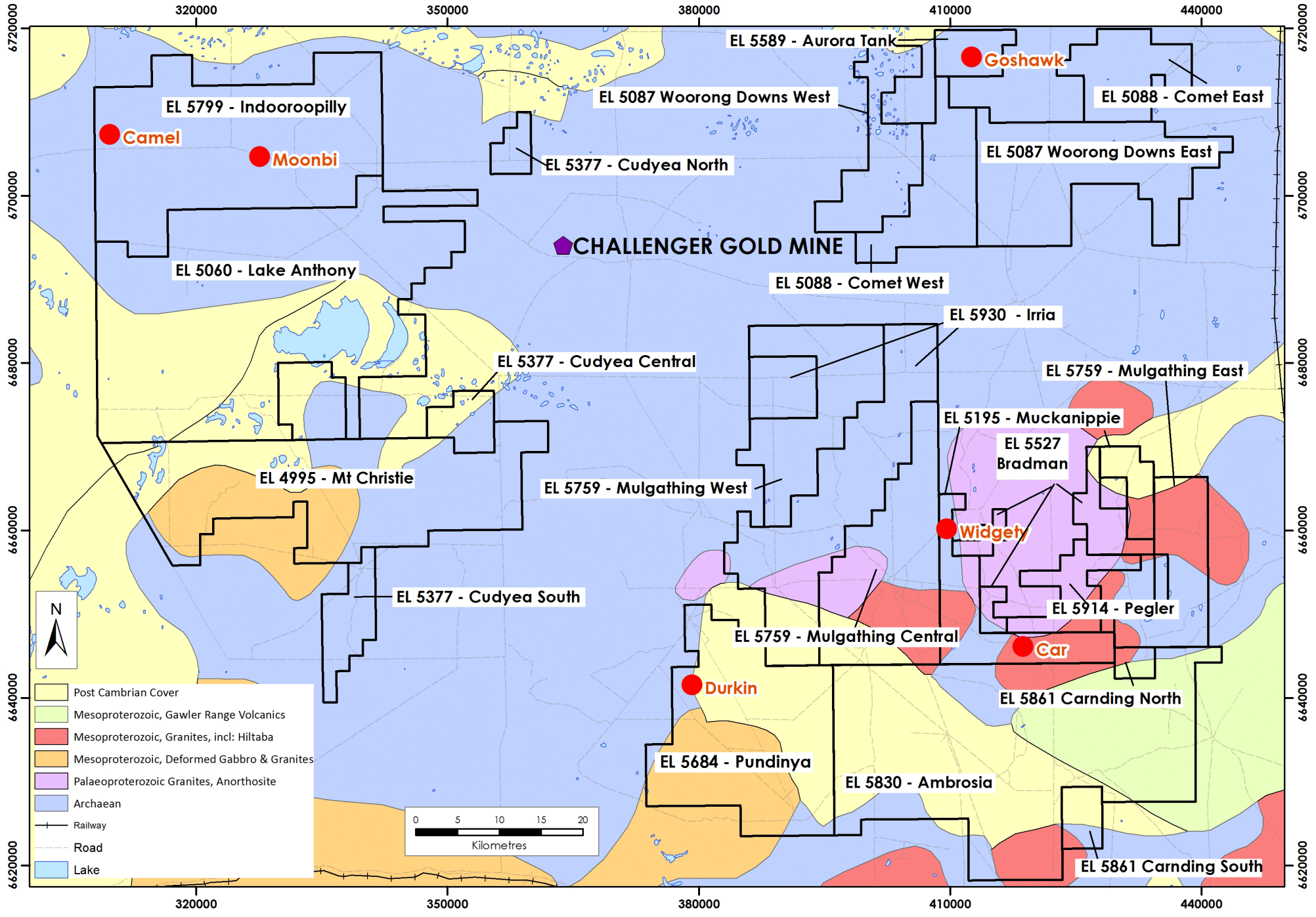
Consolidation

Marmota has been **consolidating and expanding** our

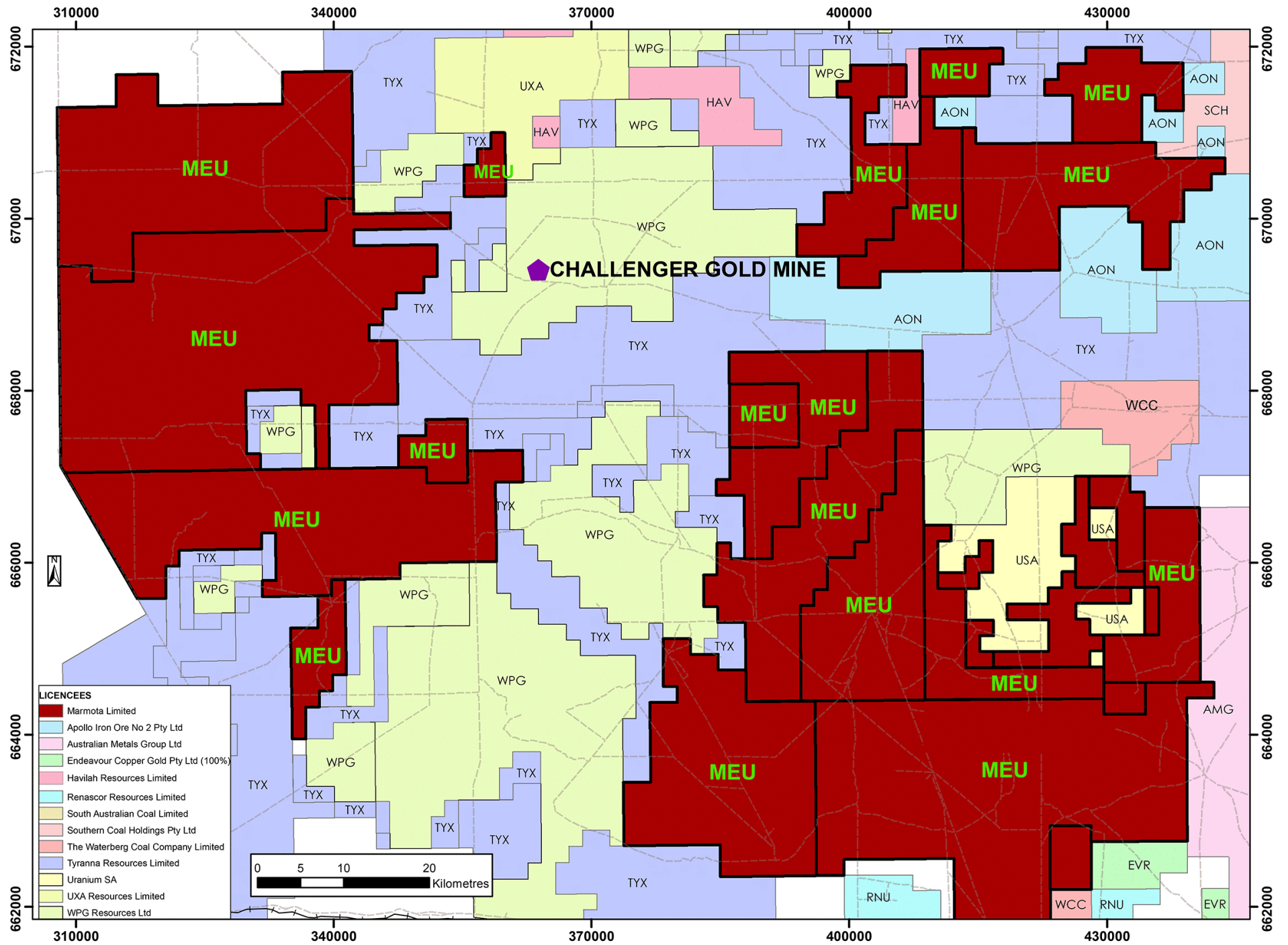
DOMINANT tenement holding around Challenger

- **See diagrams:** next 2 pages
- MEU tenements now cover over **5,700 km²** of highly prospective ground around the Challenger gold mine

MEU
Tenements
around
Challenger



MEU,
Challenger
and
Neighbours



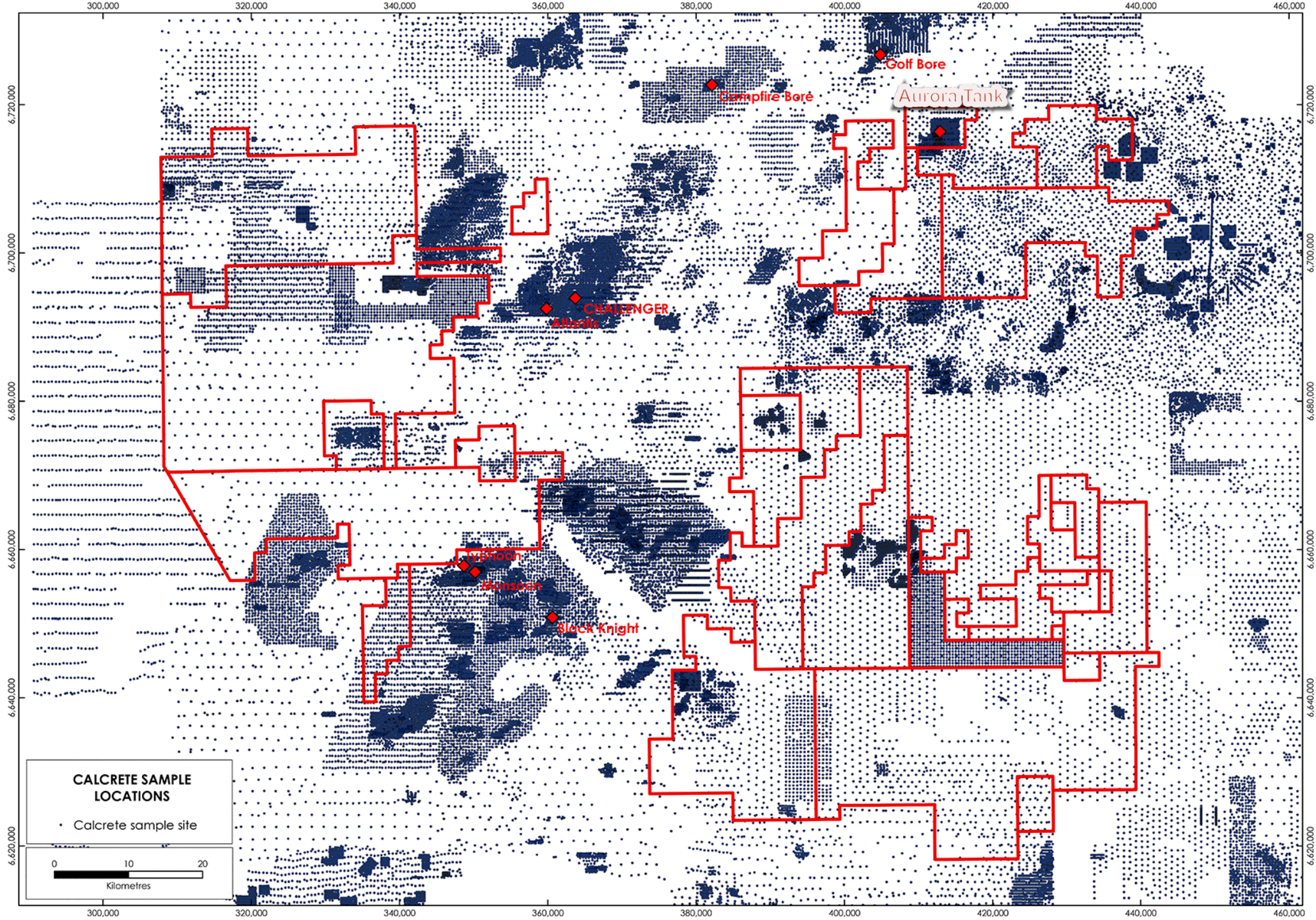
Gawler Exploration Taskforce (GET)

- In 2016, we brought in Dr Kevin Wills – the geologist who designed the programs that discovered Challenger – to head up exploration
- Marmota's tenements are **significantly underexplored** = more potential (not old ground that has already been overworked): see next diagram
- Woomera prohibited area: desirable area of exploration focus ¹
- Highly **prospective** geology
 - Significantly underdrilled in comparison to WA goldfields

¹ Bloomberg (19 June 2015): [Bombed, Blasted, Nuked: Outback may yield \\$27 billion in minerals](http://www.bloomberg.com/news/articles/2015-06-19/riches-buried-below-rocket-range-draw-miners-seeking-27-billion),
<http://www.bloomberg.com/news/articles/2015-06-19/riches-buried-below-rocket-range-draw-miners-seeking-27-billion>

Calcrete sampling in the Gawler Craton

Marmota's tenements are significantly underexplored



We have only just started ...

- In that time, Marmota has already identified 7 new anomalous gold-in-calcrete zones
- More detail will be available at Marmota's presentation at the forthcoming:

SAREIC Conference **Adelaide 24 May 2017**

[South Australian Resources & Energy Investment Conference]

The best happens undercover

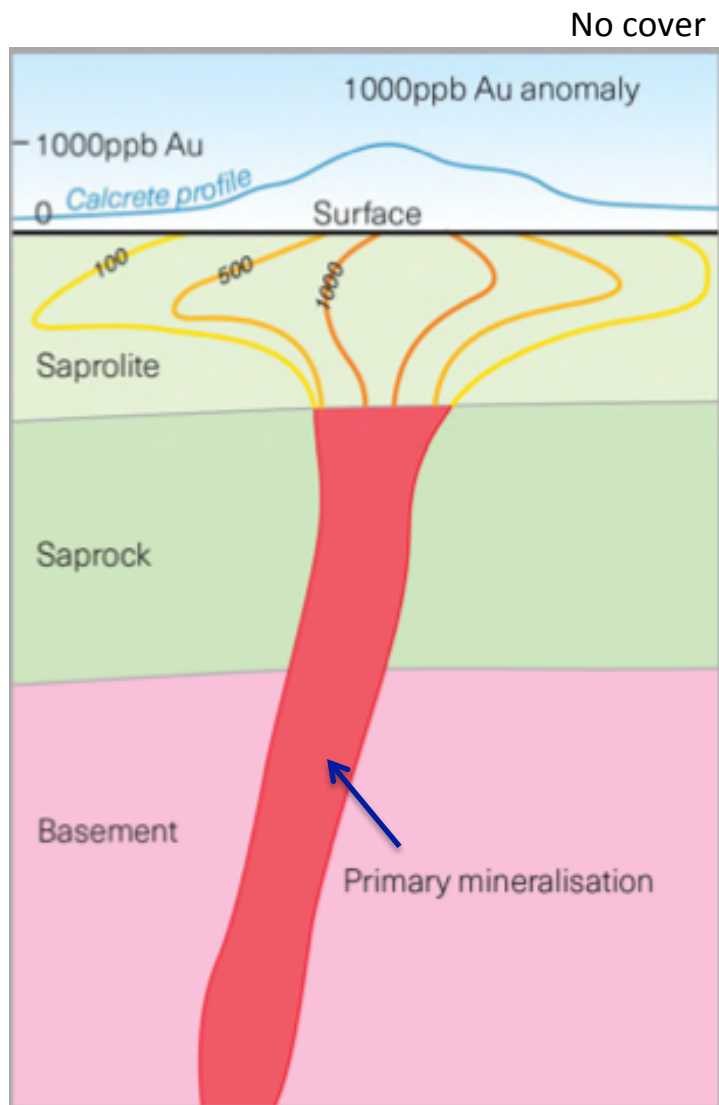
Most of Marmota's Gawler Craton ground is blanketed by a **thin veneer of residual or transported surface cover**.

This is an **advantage** because:

- It means the old-timers / prospectors would not have been able to find whatever riches may be lying underneath
- Thin layer of soft cover = cheap to drill

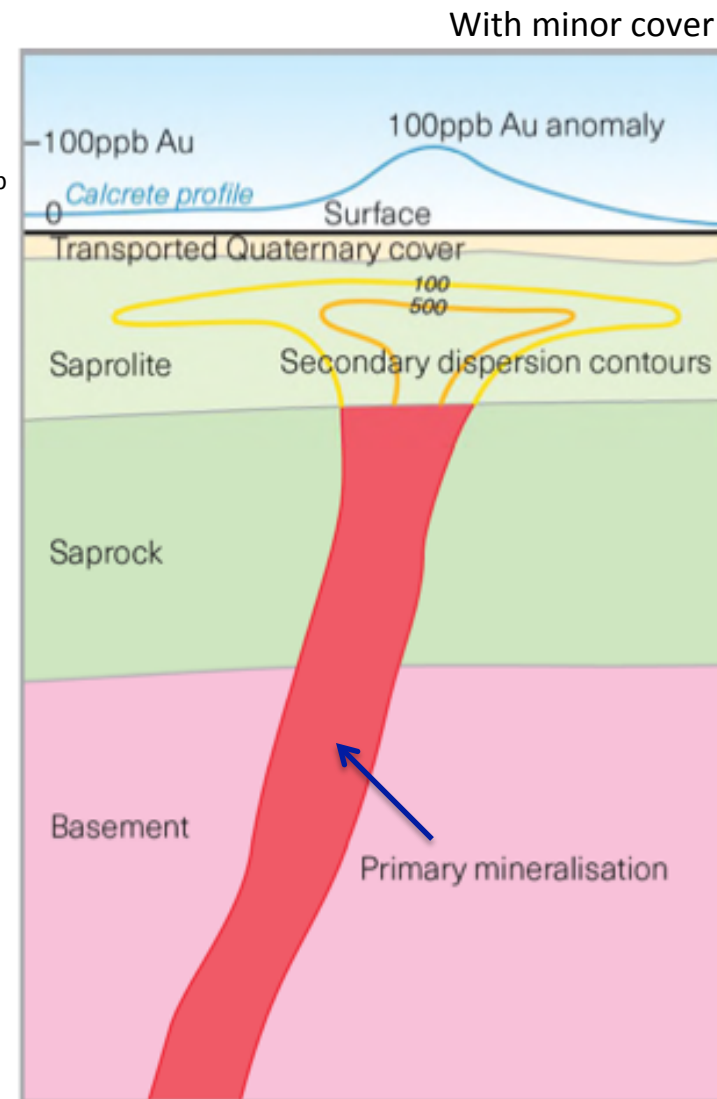
Gold-in-calcrete anomalies depend on thickness of cover

Gold-in-Calcrete:
Peak 500 to 1000ppb Au
but generally 0 to 100ppb



Type (a) Weathered basement at/near surface
Gold present near surface e.g. Challenger

Gold-in-Calcrete:
Generally 0 to 100ppb

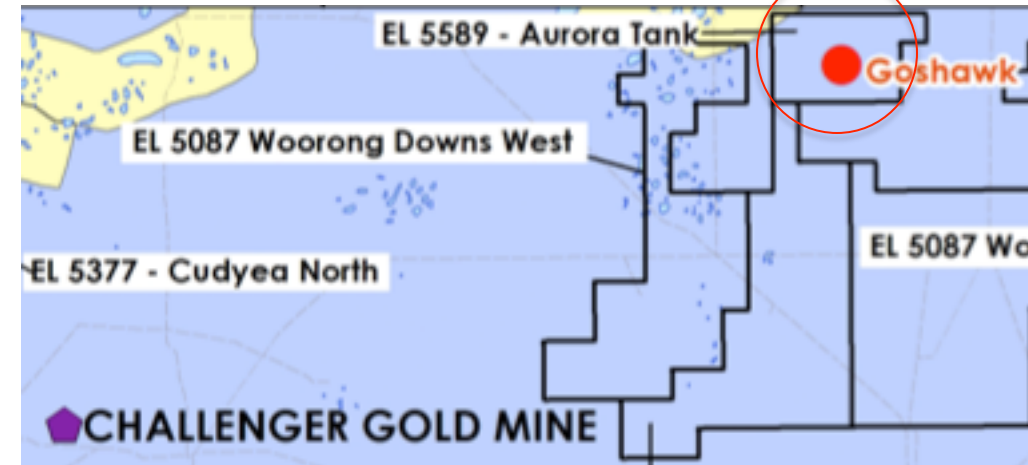


Type (b) Mineralisation under thin
transported Quaternary cover

Aurora Tank Gold (100% owned)

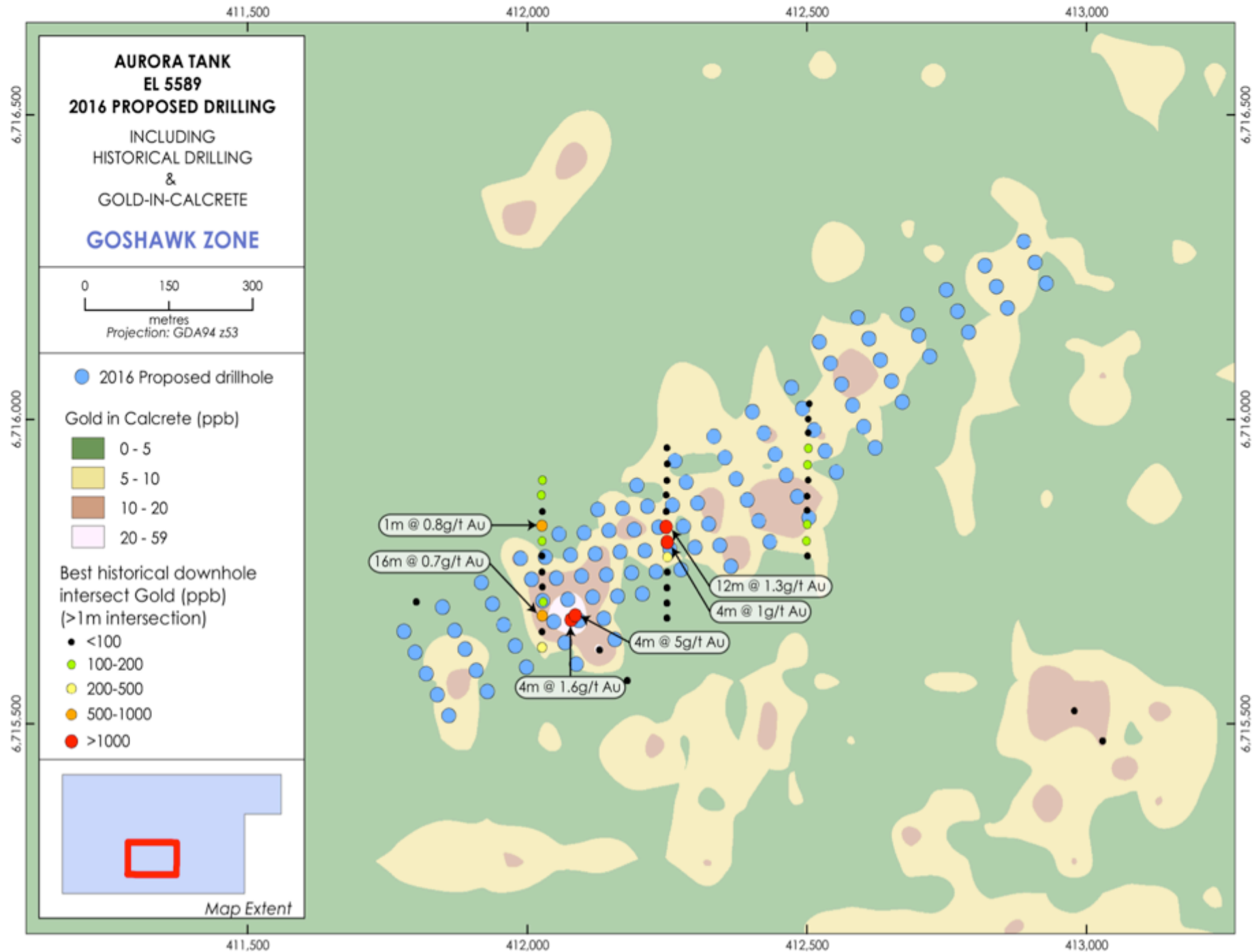
- Aurora Tank is situated 50km NE of the Challenger gold mine
- Gold first identified by calcrete sampling
- In September 2016, Marmota **commenced its first drilling program** at Aurora Tank
- Already yielding excellent results
- 45 intersections greater than 1g/t gold, all close to the surface, including:

■	3m at	11.3 g/t	gold	from 22m	– Hole 16AT019	(incl 1m @ 23 g/t gold from 22m)
■	4m at	9.0 g/t	gold	from 25m	– Hole 16AT043	(incl 1m @ 34 g/t gold from 27m)
■	4m at	3.7 g/t	gold	from 24m	– Hole 16AT044	(and 1m @ 11 g/t gold from 20m)
■	4m at	6.2 g/t	gold	from 35m	– Hole 16AT061	(incl 1m @ 23 g/t gold from 35m)
■	4m at	9.4 g/t	gold	from 40m	– Hole 16AT126	
■	4m at	5.0 g/t	gold	from 32m	– Hole 16AT100	
■	4m at	3.9 g/t	gold	from 20m	– Hole 16AT062	
■	4m at	3.3 g/t	gold	from 36m	– Hole 16AT028	
■	4m at	3.1 g/t	gold	from 16m	– Hole 16AT107	
■	4m at	3.2 g/t	gold	from 12m	– Hole 16AT115	
■	4m at	3.2 g/t	gold	from 44m	– Hole 16AT124	

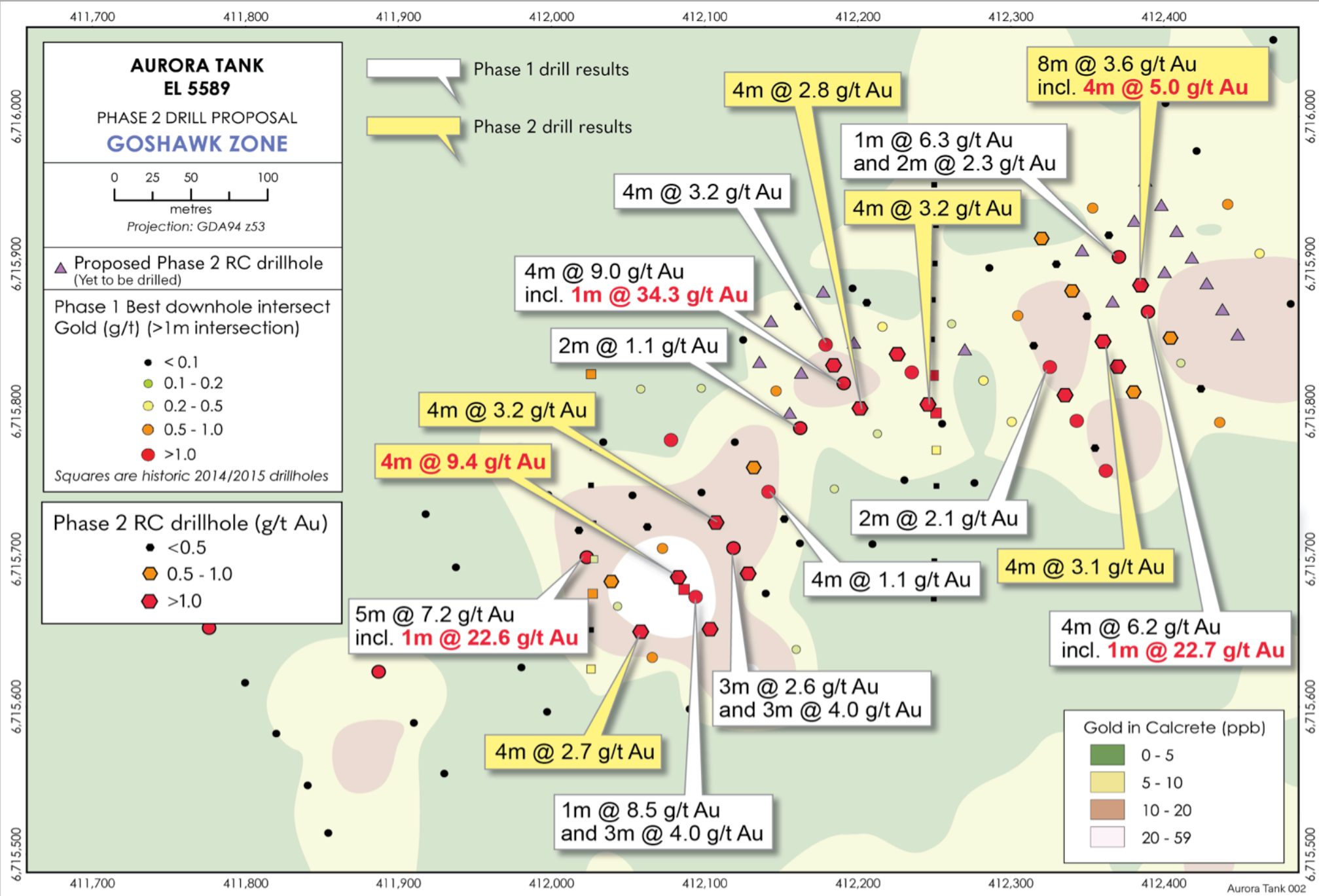


- Significant gold mineralisation over a 750m strike length is now confirmed
- Mineralisation is consistently within 50 metres of the surface

Aurora Tank
How it was ...
a few months ago
(Sept 2016)



Just a few
months
later
(Feb 2017)



What's Next

Aurora Tank

- Expanded Phase 2 drilling program at Goshawk expected to commence around **end of May**. A detailed announcement will follow shortly, as soon as finalised.
- Some of the best mineralised samples will be sent for determination of cyanide-extractable gold

Calcrete Sampling Program

- 2017 Program is also about to commence ...

Disclaimer

Disclaimer

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Cautionary Statement

The estimates of exploration target sizes mentioned above should not be misunderstood or misconstrued as estimates of Mineral Resources. The estimates of exploration target sizes are conceptual in nature and there has been insufficient results received from drilling completed to date to estimate a Mineral Resource compliant with the JORC Code (2004) guidelines. Furthermore, it is uncertain if further exploration will result in the determination of a Mineral Resource.

Forward Looking Statement

This report may contain forward looking statements that are subject to risk factors which are based on MEU’s expectations relating to future events. Forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside the control of MEU, which could cause actual results to differ materially from such statements. MEU makes no undertaking to update or revise the forward-looking statements made in this report to reflect events or circumstances after the date of this release.

Competent Persons Statement

Information in this exploration update 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 his information in the form and context in which it appears.

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