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# NEWS

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## **MARMOTA SAYS NEW S.A. DRILL RESULTS CONFIRM CURNAMONA AS PREMIER “URANIUM ADDRESS”**

The remote deserts around Lake Frome, east of the Flinders Ranges, remain the “best uranium address” in South Australia and it is only appropriate that they have yielded the first greenfields uranium discovery in the State in two years, according to one of Adelaide’s prominent uranium explorers.

Speaking today at the annual general meeting of Marmota Energy Limited (ASX: “MEU”) in Adelaide, Managing Director, Mr Dom Calandro, hailed the Company’s high-grade uranium drilling results at its Junction Dam project two weeks ago as a “significant greenfields discovery” for both the Company and the State.

“These kind of peak results – of up to 7,551 parts per million (ppm) of uranium oxide ( $eU_3O_8$ ) – have not been seen as part of a maiden greenfields discovery in the Curnamona-Lake Frome region for some time,” Mr Calandro said.

“It is fair to say that this qualifies the Junction Dam outcome as the first greenfields uranium discovery in South Australia since late in 2007,” he said.

“Combined with other Curnamona results, where Marmota has intersected multiple uranium occurrences at our Mulyungarie project in addition to the outstanding Junction Dam grades, this localised region is becoming an important uranium address in South Australia.”

Marmota has been undertaking its maiden 20 hole reconnaissance drilling program in recent weeks at the 340 km<sup>2</sup> Junction Dam joint venture project, 10km east of the Honeymoon uranium mine and 50km west of Broken Hill.

The Company’s campaign – **due to be completed this week** – has uncovered a number of outstanding high-grade uranium intercepts, including peak grades of 7,551 ppm  $eU_3O_8$  and 3,226 ppm  $eU_3O_8$  – and nine holes to date in excess of 1,000 ppm  $eU_3O_8$ .

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**FIELD PUBLIC RELATIONS PTY LTD ABN 74 008 222 311**

231 South Road, MILE END SA 5031

Ph: 08 8234 9555 Fax: 08 8234 9566

admin@fieldpr.com.au

“These holes cover a 1.5 kilometre strike length which is still open at both ends, and which our initial data points to being part of a major 20-kilometre extension of the Yarramba Palaeochannel, which hosts the Honeymoon mine,” Mr Calandro told shareholders.

“Following the assessment of our results, we plan to commence a comprehensive definition drilling program at Junction Dam and to further test Mulyungarie, in March next year.

“These two projects represent a significant low risk venture with very promising near-term revenue potential for shareholders,” he said.

Mr Calandro also flagged a drill-start in February at Marmota’s Melton copper-gold project on SA’s northern Yorke Peninsula. Early surveys there have identified five “large scale magnetic anomalies” that appear in signature to be similar to those at the neighbouring Hillside project where high-grade copper intersections have been discovered by Rex Minerals.

### **Pressure on dwindling global supplies**

Mr Calandro credited South Australia with the country’s most “supportive and adaptable” regulatory environment for uranium exploration and mining – which, he said, would help drive the development of new uranium mines to cater for the world’s growing appetite for nuclear energy.

“ABARE’s assessment of the short-medium term outlook for Australia’s uranium exports confirms the trade will grow considerably in response to continuing and increasing demand for nuclear energy as a reliable, climate-friendly electricity source,” Mr Calandro said.

“Driving this growth are concerns about energy security, environmental considerations and rapid growth in electricity demand in developing economies. With these factors, you soon realise just what this potentially means for nuclear energy production – and demand for high-grade uranium.

“ABARE points to the plans of countries like China, Japan, India and Russia and says that during the next six years, 64 nuclear power reactors are expected to be commissioned.

“ABARE also concludes that in 2014, Australia will expect to export 13,990 tonnes of uranium oxide, compared with 10,139 tonnes shipped overseas in 2008.

“On current consumption alone, it appears that global uranium production will have to increase significantly between now and the end of 2013,” Mr Calandro said.

### **MEDIA CONTACTS**

Dom Calandro  
Marmota Energy  
(08) 8375 4300

Kevin Skinner  
Field Public Relations  
(08) 8234 9555 / 0414 822 631