



PO Box 1573  
Coorparoo Q 4151  
977 Stanley Street East  
East Brisbane Q 4169

3<sup>rd</sup> May 2007

The Directors  
Australian Stock Exchange Limited  
Level 6  
Riverside Centre  
123 Eagle Street  
Brisbane QLD 4000

Dear Sir,

Marathon Resources Limited – Share code 2483  
Talbot Group Holdings Pty Ltd ATF Talbot Equities Trust

We attach copy of Form 604 Notice of change of interests of substantial holder dated 3<sup>rd</sup>  
May 2007 which has today been given to Marathon Resources Limited,

Yours faithfully,

Scott Nissen  
Administration  
TALBOT GROUP HOLDINGS

## Form 604

Corporations Act 2001  
Section 671B

## Notice of change of interests of substantial holder

To Company Name/Scheme Marathon Resources LimitedACN/ARSN 107 531 822

## 1. Details of substantial holder (1)

Name Talbot Group Holdings Pty Ltd  
<Talbot Equities A/C>ACN/ARSN (if applicable) 649 275 746There was a change in the interests of the  
substantial holder on 3 May 2007The previous notice was given to the company on 13 February 2007The previous notice was dated 13 February 2007

## 2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary	4,391,728	8.80%	10,279,364	19.90%

## 3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
16 March 2007	Talbot Group Holdings Pty Ltd	Purchase of ordinary shares	\$376,553	100,000 Ordinary shares	100,000
2 May 2007	Talbot Investments Pty Ltd	Transfer of ordinary shares	\$187,277	50,000 Ordinary shares	50,000
3 May 2007	Talbot Group Holdings Pty Ltd	Issue of ordinary shares on exercise of 20 cent options	\$160,500	802,500 Ordinary shares	802,500
3 May 2007	Talbot Group Holdings Pty Ltd	Talbot Group Holdings Pty Ltd (and its associates) became an associate of CITIC Australia Pty Ltd by virtue of the attached Memorandum of Understanding dated 3 May 2007 (refer Annexure A)	N/A	5,035,136 Ordinary shares	5,035,136

**4. Present relevant interests**

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
<b>REFER ANNEXURE A</b>					

**5. Changes in association**

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
<b>REFER ANNEXURE A</b>	

**6. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
<b>REFER ANNEXURE A</b>	

**Signature**

print name      **Donald Nissen**      capacity      **Director**

sign here            date      **3 May 2007**

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

### Annexure A

This is Annexure A of 1 page referred to in Form 604 *Notice of change of interests of substantial holder* by Talbot Group Holdings Pty Ltd


#### 4. Present relevant interests; & 5. Changes in association

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder	Nature of relevant interest	Class and number of securities <i>(all ordinary shares)</i>	Person's votes
<b>Talbot Group Holdings Pty Ltd ("TGH") &amp; its associates : #</b>					
Holder	Holder	Holder	Holder	4,152,500	4,152,500
Holder	Talbot Group Investments Pty Ltd	Talbot Group Investments Pty Ltd	Related corporation of TGH	882,636	882,636
Holder	Amanda Talbot	Amanda Talbot	Family member of Kenneth Talbot, director of TGH	18,182	18,182
Holder	Alexandra Talbot	Alexandra Talbot	Ditto	9,091	9,091
Holder	Claudia Talbot	Liam Talbot	Ditto	9,091	9,091
Holder	Liam Talbot	Courtney Talbot	Ditto	9,091	9,091
Holder	Courtney Talbot	Liam Talbot	Ditto	9,091	9,091
Holder	Mr Denis Wood & Mrs Anne Wood <The Wood Investment A/C>	Mr Denis Wood & Mrs Anne Wood <The Wood Investment A/C>	Director of TGH	136,364	136,364
Holder	Donald Ian Nissen	Donald Ian Nissen	Director of TGH	18,182	18,182
<b>CITIC Australia Pty Ltd:</b>					
Holder	CITIC Australia Pty Ltd	CITIC Australia Pty Ltd	#	5,035,136	5,035,136

# Talbot Group Holdings Pty Ltd (and its associates) became an associate of CITIC Australia Pty Ltd by virtue of the attached Memorandum of Understanding dated 3 May 2007.

#### 6. Addresses

Name	Address
CITIC Australia Pty Ltd	Level 7, 99 King Street, Melbourne, VIC 3000
Talbot Group Holdings Pty Ltd	PO Box 1573, Coorparoo QLD 4151
Talbot Group Investments Pty Ltd	PO Box 1573, Coorparoo QLD 4151
Amanda Talbot	PO Box 1573, Coorparoo QLD 4151
Alexandra Talbot	PO Box 1573, Coorparoo QLD 4151
Claudia Talbot	PO Box 1573, Coorparoo QLD 4151
Liam Talbot	PO Box 1573, Coorparoo QLD 4151
Courtney Talbot	PO Box 1573, Coorparoo QLD 4151
Donald Nissen	13/28 Amazons Place, Jindalee QLD 4074
Mr D & Mrs A Wood	9 Marram Court, Cleveland QLD 4163



Donald Nissen (Director)  
Talbot Group Holdings Pty Ltd

Dated: 3 May 2007

## **Memorandum of Understanding in respect of investments in Marathon Resources Limited**

**Between**

**TALBOT GROUP HOLDINGS PTY LTD  
("TGH") as trustees for Talbot Equities Trust  
(ABN 85 649 275 746) of 977 Stanley Street  
East, East Brisbane 4169, Queensland**

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**AND**

**CITIC AUSTRALIA PTY LTD (ACN 006 388 772) ("CITIC")  
of 99 King Street, Melbourne 3000, Victoria**

**THE PURPOSE OF THIS MEMORANDUM OF UNDERSTANDING** is to record the key terms of the in principle agreement reached between TGH and CITIC in relation to the investments in Marathon Resources Ltd ("MRL"). Signing of this Memorandum of Understanding will represent an undertaking by the parties to act in good faith and in a manner contemplated by this Memorandum of Understanding.

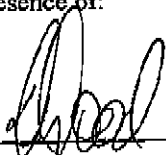
The key terms are as follows:

- 1) **Co-operation with investment in MRL:** The parties agree to discuss from time to time issues concerning the conduct of MRL's affairs including but not limited to voting at any general meeting of MRL.
- 2) **No Joint and Several:** Investments in MRL by each of TGH and CITIC are separate and independent investments by each of those parties and are not held jointly and severally.
- 3) **No Partnership:** Nothing in this Memorandum of Understanding is deemed to create or constitute a partnership between the parties under the partnership laws of Australia or any of its states and territories and expect as expressly provided in this Memorandum of Understanding no party shall act, nor does any party have express or implied authority to act for or in any way bind or commit another party to any obligation.
- 4) **No Responsibility for Tax:** No party is responsible for any other's party's obligations under the income tax laws of Australia, or of any other applicable jurisdiction.
- 5) **No Legal Effect:** This Memorandum of Understanding does not constitute a commitment or legally binding obligation between the parties.

**Executed as a Memorandum of Understanding.**

**Dated: 3 MAY 2007**

**Signed for and on behalf of  
Talbot Groups Holding Pty Ltd as  
trustees for Talbot Equities Trust**  
by its duly authorised representative  
in the presence of:

  
\_\_\_\_\_

Signature of Denis Wood

Denis Wood  
\_\_\_\_\_

Name of authorised representative

(please print)

**Signed for and on behalf of  
CITIC Australia Pty Ltd**  
by its duly authorised representative  
in the presence of:

  
\_\_\_\_\_

Signature of Chen Zeng

Chen Zeng  
\_\_\_\_\_

Name of authorised representative

(please print)