

Wednesday, 29 November 2006



COMPANY ANNOUNCEMENTS OFFICE
AUSTRALIAN STOCK EXCHANGE

ASX CODE MTN

**WILD DOG MINE
EL 3582, MYPONGA
PIRSA TO CONDUCT RESEARCH & EXPLORATION**

- **PIRSA to undertake geoscientific research at Myponga**
- **Marathon to relinquish EL 3582 in favour of PIRSA**
- **Results of research to be made available to Marathon**
- **Responsible outcome for all stakeholders**

Marathon is pleased to announce that the Geological Survey Branch of Minerals and Energy Resources of PIRSA has resolved to undertake stream geochemical and geophysical orientation surveys over the area covered by EL 3582 in the Myponga area of South Australia.

Research in these areas of the Fleurieu Peninsula being undertaken by PIRSA is authorised under Section 15 of the Mining Act, 1971. The results of the work are expected to be made available to Marathon during the first half of calendar year 2007.

Marathon was granted EL 3582 on 21 June 2006 and the intention was to assess the significance of the Wild Dog uranium mine, operational in 1955 and 1956. Initial exploration was to consist of stream sediment sampling, geological mapping and a general review of the area, including a review of all previously acquired data.

Following approaches to landholders with Notices of Entry expressing the intention of accessing land for exploration purposes discussions were held with PIRSA to alleviate concern that uranium mining might eventually take place on the tenement.

The Company is satisfied that the importance of its exploration efforts has been recognised by independent parties, not only for its value in understanding mineral occurrences in the immediate mineralised area but because of its potential to contribute insights for mineral exploration elsewhere in the State.

Marathon was and is interested in timely research or exploration information on the Wild Dog mine and its surroundings. After discussion with PIRSA it became apparent that the Company could achieve that result in cooperation with PIRSA without necessarily continuing to hold EL 3582.

Although the Company was not obliged to relinquish the tenement to allow PIRSA to proceed with its work under Section 15 of the Act, it takes the view that the interests of the Company and the community are both well served by certainty and a single focus and therefore supports PIRSA's research efforts in the area.

The Company has accordingly decided that relinquishment of the tenement, effectively in favour of the Government, is in the best interests of shareholders and it intends to attend to relinquishment immediately. The Company looks forward to consulting with PIRSA in respect of its proposed this research project.

A copy of the Ministerial Press Release of even date relating to this matter is attached.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Dr W Bogacz, a full time Executive Director of Marathon Resources Ltd and a Member of the Australian Institute of Geoscientists. Dr Bogacz has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person for the purposes of the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Bogacz consents to the inclusion in the report of these matters based on their information in the form and context in which it appears.

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News Release

www.ministers.sa.gov.au



Government
of South Australia

**Hon Paul
Holloway**

Minister for Police
Minister for Mineral
Resources Development
Minister for Urban Development and Planning

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MYPONGA EXPLORATION NOW IN GOVERNMENT HANDS

Mineral exploration activity in the Myponga region has been taken over by the Government, ending any concerns about uranium mining in the area.

Primary Industry and Resources SA's Geological Survey Branch will conduct low impact geochemical and geophysical surveys of the region early next year.

This research will be published as part of the Geological Survey Branch's mapping programs and documentation of mineral deposits and old mine sites.

As a result, Marathon Resources intends to relinquish its exploration license in the Myponga area.

Mineral Resources Minister Paul Holloway says this should end any concerns about uranium mining in the region.

"Premier Mike Rann has made it perfectly clear there will be no uranium mining anywhere near the Myponga Reservoir," says Mr Holloway.

"One of the highest priorities of the Rann Government is the safety, health and welfare of South Australians, and we will not act in anyway to compromise this priority."

"I understand that Marathon's intention was always to undertake geoscientific research as part of its efforts to refine the company's exploration efforts in South Australia."

"However, now that the company intends to relinquish its exploration license, and PIRSA has taken over the research activity, there should be no further concerns about uranium mining in the area."

Mr Holloway says the Rann Government supports mineral exploration and mining developments in South Australia, as the industry is becoming increasingly important to the State's economy.

"However, it needs to be understood that any new mines across the State will be developed within South Australia's stringent regulatory framework of best practice environmental management and community consultation," says the Minister.