

Monday, 2 July 2007

COMPANY ANNOUNCEMENTS OFFICE
AUSTRALIAN STOCK EXCHANGE

ASX CODE MTN

FINAL ASSAY RESULTS FROM RECENT DRILLING PROGRAM
AT MT GEE

PARALANA MINERAL SYSTEM

Marathon Resources announced today the intersection of further significant uranium mineralisation in both the eastern and western portions of its 100% owned Mt Gee deposit in South Australia. ^{Figure 1}

The Mt Gee deposit, with its Inferred Resource of 45.5 million tonnes of uranium mineralisation averaging 0.068% U₃O₈, or 69 million pounds of contained U₃O₈, is one of Australia's largest undeveloped uranium deposits.

The drilling results represent the fifth and final assays from the major RC drilling program completed in Q1 2007 to improve the resource definition of the Mt Gee deposit. A revised resource statement is being prepared based on the whole drilling program and is now expected to be available in August.

The Company has also outlined plans for an expanded diamond drilling program expected to commence this month on the Mt Gee East and Mt Gee West deposits.

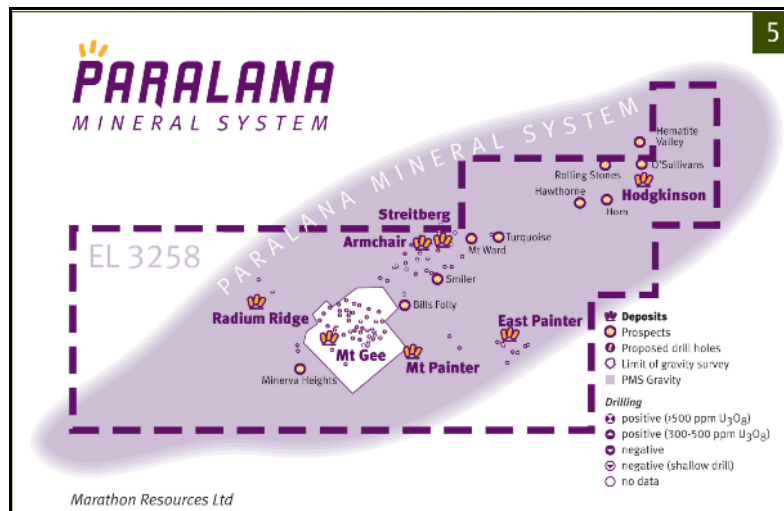


Figure 1: Paralana Mineral System, Mt Gee deposit, EL 3258, Flinders Ranges

Analytical results have been received corresponding to gamma logging results released on 9 May 2007. Significant analytical results include:

RC07MN073:	156 to 169m:	13m @ 0.08% U ₃ O ₈
RC07MN075:	118 to 143m:	25m @ 0.06% U ₃ O ₈
RC07MN085:	188 to 204m:	16m @ 0.08% U ₃ O ₈

This completes the analytical results of the RC drilling program; results from the Armchair due diligence diamond drilling program will be released as they become available.

The substantial widths shown by several of the intersections enhance the exploration and resource potential of the Mt Gee East area and the possibility of defining substantial areas amenable to bulk mining.

Below is a direct comparison of the new analytical results and previously released gamma logging results:

Hole ID	Analytical Results					Gamma Logging Results (released)			
	From	To	m	U ₃ O ₈ ppm	U ₃ O ₈ %	From	To	m	eU ₃ O ₈ %
RC07MN073	49	52	3	794	0.08	49	53	4	0.05
	130	133	3	501	0.05				NSI
	156	169	13	759	0.08	156	159	3	0.08
RC07MN074	50	53	3	889	0.09	NSI; not able to penetrate below 130m			
	106	109	3	607	0.06				
RC07MN075	115	120	5	677	0.07	115	120	5	0.06
	132	135	3	623	0.06				
RC07MN076	118	143	25	641	0.06	NSI; not able to penetrate below 85m			
RC07MN077	46	55	9	856	0.09	45	53	8	0.07
	128	135	7	922	0.09	127	133	6	0.07
RC07MN078		Did not reach target zone				Not Logged			
RC07MN079		Did not reach target zone				Not Logged			
RC07MN080	81	91	10	528	0.05	Not Logged			
RC07MN081				NSI		Not Logged			
RC07MN082				NSI		NSI			
RC07MN083		Did not reach target zone				NSI; not able to penetrate below 45m			
RC07MN084		NSI				NSI; not able to penetrate below 105m			
RC07MN085	188	204	16	784	0.08	NSI; not able to penetrate below 104m			
	218	224	6	513	0.05				
RC07MN086	68	71	3	816	0.08	68	71	3	0.08
	161	164	3	529	0.05	160	163	3	0.07
	240	244	4	650	0.07				

New Diamond Drilling Program

A diamond drill rig should be arriving onsite about the 5th July to commence drilling of some of the deferred RC holes in the Mt Gee East area; additional holes will be planned to assess some of the major intersections listed above and announced earlier. When a second diamond drill rig can be sourced, hopefully by mid July, drilling in Mt Gee West to obtain geotechnical data and metallurgical samples will be commenced. These holes will be positioned as twins to the RC drillholes to ascertain the variability of the mineralization within the major intersections.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Mr Allan Younger, Chief Geologist and full time employee of Marathon Resources Ltd, a Member of the Australasian Institute of Mining and Metallurgy. Mr Younger 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. Mr Younger consents to the inclusion in the report of these matters based on their information in the form and context in which it appears.

Contact

Allan Younger
 Chief Geologist
 Tel (08) 8348 3500

Sean Whittington
 Field Public Relations
 Tel (08) 8234 9555
 Mob 0412 591 520

Notes to Editor

Marathon Resources is a minerals exploration company focused on the development of Mt Gee, one of Australia's largest undeveloped uranium deposits.

The Mt Gee project is located within the Paralana Mineral System of South Australia, a uranium-rich state which is home to the world's largest uranium deposit at Olympic Dam. Mt Gee has an Inferred Resource of 45.5 million tonnes of uranium mineralisation averaging 0.068% U₃O₈, or 69 million pounds of contained U₃O₈, and is one of Australia's largest undeveloped uranium deposits.

Marathon's portfolio also includes highly prospective copper-gold-uranium properties in the Gawler Craton of South Australia.

The company has other gold and copper-gold projects in other parts of South Australia and western Victoria, including first class copper-gold and base metal (silver-lead-zinc) projects in the Adelaide Geosyncline in South Australia and a prospective copper-gold project in the Moyston Fault Zone in Victoria.

Marathon also has a joint venture with listed uranium explorer UraniumSA Ltd (ASX: USA), in which the company holds a 7% stake; and with Primary Resources Ltd (ASX: PRZ) in the Warburton Project in Western Australia.

Marathon Resources listed on the Australian Securities Exchange on 15 March 2005, under the stock code of MTN.

www.marathonresources.com.au

Drill hole collar information:

Hole ID	MGA EAST	MGA NORTH	RL	MAG AZI	DIP	LENGTH (m)
RC06MN014	340133	6655240	519	90	-80	122
RC06MN015	340136	6655244	520	25	-60	150
RC06MN016	340190	6655337	547	250	-65	190
RC06MN017	340199	6655337	548	5	-85	246
RC06MN018	340228	6655384	565	340	-60	294
RC06MN019	340229	6655381	568	15	-80	318
RC06MN020	340234	6655361	562	40	-70	296
RC06MN021	340233	6655358	563	90	-80	300
RC06MN022	340265	6655327	565	0	-90	234
RC06MN023	340235	6655315	552	0	-90	200
RC06MN024	340200	6655324	546	190	-70	192
RC06MN025	340203	6655323	545	0	-90	200
RC06MN026	340205	6655323	547	145	-60	200
RC06MN027	339986	6655328	551	0	-90	154
RC06MN028	340033	6655350	554	0	-90	126
RC06MN029	340074	6655351	551	0	-90	174
RC06MN030	340113	6655342	551	0	-90	150
RC06MN013	340798	6655036	501	0	-90	150
RC07MN031	340165	6655369	553	25	-70	246
RC07MN032	340028	6655243	540	0	-90	50
RC07MN033	340028	6655279	539	0	-90	50
RC07MN034	340030	6655307	538	0	-90	100
RC07MN035	340139	6655358	549	320	-60	198
RC07MN036	340136	6655364	551	0	-60	198
RC07MN037	340167	6655362	550	0	-90	199
RC07MN038	340323	6655276	563	5	-80	248
RC07MN039	340333	6655242	563	0	-90	280
RC07MN040	340342	6655226	560	15	-70	280
RC07MN041	340380	6655034	574	140	-60	81
RC07MN042	340385	6655045	573	80	-60	72
RC07MN043	340369	6655121	561	0	-90	126
RC07MN044	340369	6655119	562	180	-60	90
RC07MN045	340374	6655193	568	0	-90	240
RC07MN046	340248	6655259	540	250	-60	150
RC07MN047	340250	6655258	540	215	-80	240
RC07MN048	340282	6655236	536	0	-90	90
RC07MN049	340287	6655226	537	140	-75	144
RC07MN050	340255	6655259	539	46	-72	234
RC07MN051	340322	6655165	546	0	-90	156
RC07MN052	340325	6655165	545	55	-75	208
RC07MN053	340261	6655124	525	0	-90	100
RC07MN054	340258	6655155	525	0	-90	96
RC07MN055	340246	6655200	521	0	-90	90
RC07MN056	340119	6655240	518	330	-60	120
RC07MN057	340119	6655233	518	290	-60	120
RC07MN058	341416	6655003	485	0	-90	412
RC07MN059	341120	6655126	485	0	-90	318
RC07MN060	341121	6655128	485	95	-65	312
RC07MN061	341111	6655191	487	0	-85	300
RC07MN062	341110	6655186	488	90	-70	326
RC07MN063	341057	6655238	493	45	-60	277
RC07MN064	341054	6655239	491	0	-85	311
RC07MN065	340963	6655254	488	0	-90	280
RC07MN066	341134	6655012	488	230	-60	270
RC07MN067	341135	6655012	488	260	-60	181
RC07MN068	341046	6655135	484	0	-90	300
RC07MN069	340999	6655118	480	180	-65	276
RC07MN070	340883	6655309	494	0	-90	294
RC07MN071	340879	6655309	490	70	-60	318
RC07MN072	340926	6655116	483	230	-70	288
RC07MN073	340870	6655153	487	0	-90	276
RC07MN074	340778	6655151	489	275	-65	200
RC07MN075	340778	6655151	487	0	-90	200
RC07MN076	340778	6655150	487	225	-60	240
RC07MN077	340738	6655235	503	0	-90	183
RC07MN078	340661	6655252	519	270	-60	136
RC07MN079	340659	6655252	520	270	-60	190
RC07MN080	340665	6655254	520	195	-70	240
RC07MN081	340664	6655282	518	340	-70	215
RC07MN082	340544	6655411	538	250	-65	180
RC07MN083	340541	6655415	533	300	-60	229
RC07MN084	340541	6655419	540	0	-90	212
RC07MN085	340864	6655438	501	10	-70	240
RC07MN086	340856	6655439	501	260	-70	240

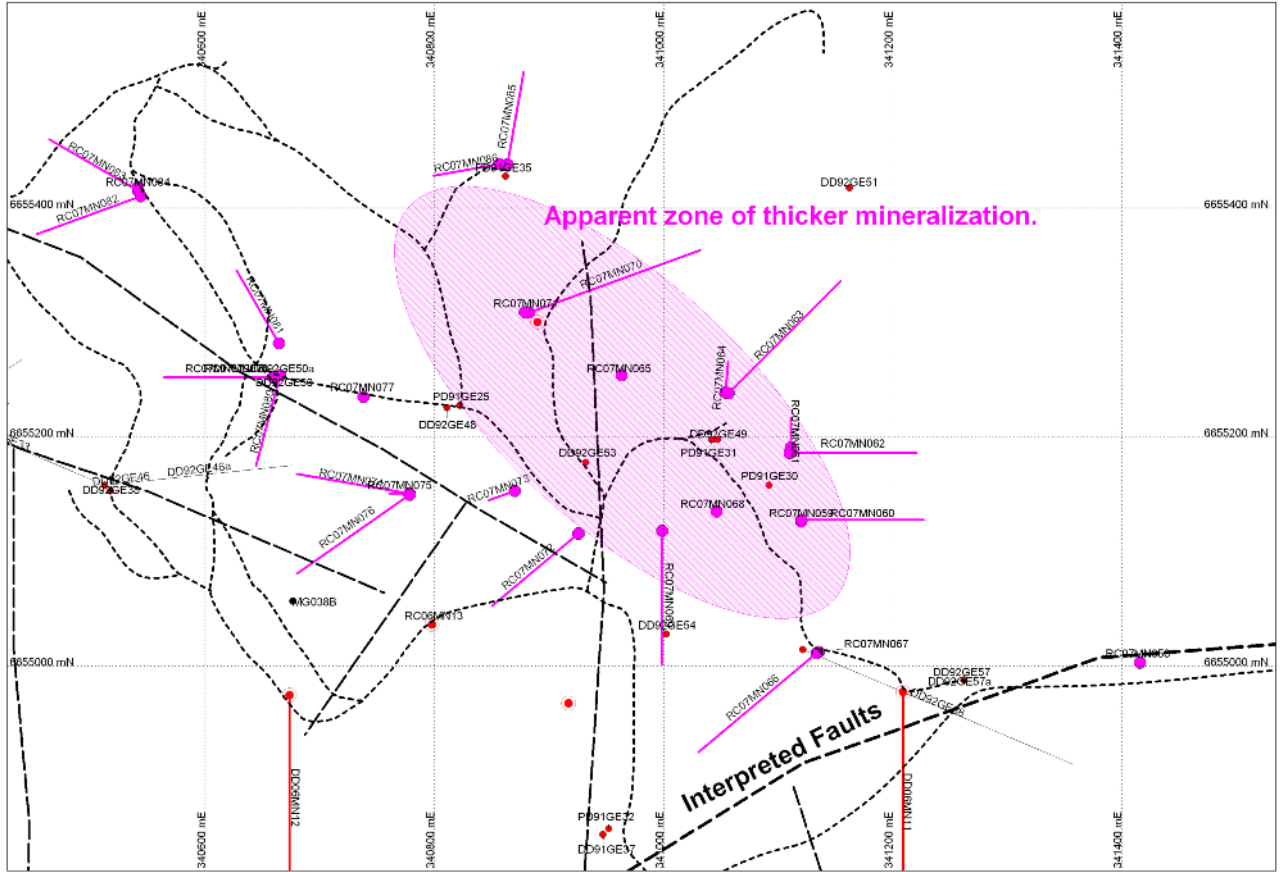


Figure 2 Completed RC drill holes locations, Mt Gee East.

Notes

Drillholes denoted RC represents Reverse Circulation drill holes.
All samples are derived from cone splitter mounted immediately below the rig cyclone.
Following a 4- acid digest, all samples were analysed using ICP/MS or OES by Genalysis Laboratories Services, Perth.
Intersections are calculated as arithmetic averages, no cutting of results has been applied.
Intersections are based primarily on 500ppm U₃O₈ cut-off and allowing 2m internal dilution.