

01 Apr 2008 - 12:41:57 PM EST

## COMPANY ALERT

### Marathon

#### Drill holes continue the story

## Company Announcement

### Buy

Reuters:MTN.AX Exchange:ASX Ticker:MTN

Price (AUD)	<b>1.52</b>
Price target (AUD)	<b>6.30</b>
52-week range (AUD)	<b>6.75 - 1.30</b>
Market cap (USDm)	<b>86</b>
Shares outstanding (m)	<b>61.9</b>
Daily volume (USDm)	<b>0.09</b>
Net debt/equity (%)	<b>-203.3</b>
Book value/share (AUD)	<b>0.16</b>
Price/book (x)	<b>9.3</b>

FYE 6/30	2007A	2008E	2009E
Sales (AU-Dm)	0	0	0
Net profit (AUDm)	-3.0	-1.4	4.4
EPS (AUD)	-0.06	-0.02	0.04
PER (x)	-	-	35.0
Yield (net) (%)	0.0	0.0	0.0

The accelerated drilling program commenced late last year has generated some encouraging results. Exploration works was done both on the defined orebody and in areas around it. The former is needed to allow resources classifications to be upgraded, while the latter is indicating that resource extensions seem probable. We retain our favourable view of the prospects for the large uranium resource at Mt Gee; Buy maintained.

The drilling has returned grades consistent with the existing Inferred Resource of 629ppm, a healthy grade. While no upgrade was made to the resource at this time the indications are that there is potential for the Mt Gee West and Mt Gee East sections to be linked in to a continuous orebody. Previously there has been little drilling in the intermediate area; we expect this was because of the surface topography - a ridge runs between the two. Should continuous mineralisation be delineated we would see this as a further reason for the orebody to be developed by underground methodologies.

**Brendan Fitzpatrick**  
Research Analyst  
(+61) 2 8258-1519  
brendan.fitzpatrick@db.com

#### Deutsche Bank AG/Sydney

All prices are those at the end of the previous trading session unless otherwise indicated.

Deutsche Bank does and seeks to do business with companies covered in its research reports. Thus, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report.

Investors should consider this report as only a single factor in making their investment decision.

Independent, third-party research (IR) on certain companies covered by DBSI's research is available to customers of DBSI in the United States at no cost. Customers can access this IR at <http://gm.db.com>, or call 1-877-208-6300 to request that a copy of the IR be sent to them.

THE VIEWS EXPRESSED ABOVE ACCURATELY REFLECT PERSONAL VIEWS OF THE AUTHORS ABOUT THE SUBJECT COMPANY(IES) AND ITS (THEIR) SECURITIES. THEY HAVE NOT AND WILL NOT RECEIVE ANY COMPENSATION FOR PROVIDING A SPECIFIC RECOMMENDATION OR VIEW IN THIS REPORT. FOR OTHER DISCLOSURES PLEASE VISIT [HTTP://GM.DB.COM](http://GM.DB.COM)