

9 November 2009

Dear Shareholder,

On behalf of the Board of Marathon Resources Limited (“Marathon”), we encourage you as fellow shareholders to respond to an invitation from the South Australian Government for submissions on its proposed management policies and zones outlined recently for the Northern Flinders Ranges area.

Your company will make a full submission in its own right to the Government and all shareholders have until 19 December 2009 to put forward their proposals. The SA Government has advised that it will release the final policy document in early 2010.

When making your submission on this very important State Government framework document, Marathon will provide you, on request, with what information it can to facilitate such submissions.

The invitation from the Government for submissions follows the announcement by the Premier of South Australia, the Hon Mike Rann, MP, to Parliament on 27 October 2009 that the State was adopting a Northern Flinders Environmental Management Framework (“Management Framework”) to develop future management arrangements for balancing resource use and conservation in the Northern Flinders area of South Australia.

A document entitled “Seeking a Balance” and released on the same day by Primary Industries and Resources SA (“PIRSA”) can be accessed in the News/Latest Announcements section of our web site through www.marathonresources.com.au

The Management Framework identifies four categories of zoning, each of which defines exploration and mining inclusions, exclusions, and other conditions of access to the Northern Flinders area.

All four defined zones exist within your Company’s Exploration Licence 4355 (previously EL 3258), meaning that all future access for exploration and resource development will be affected by the zoning and conditions and will have impacts on Marathon’s activities.

Marathon advised shareholders on 21 October 2009 that on behalf of its wholly owned subsidiary, Bonanza Gold Pty Ltd, it had accepted the offer from the Government to grant an Exploration Licence over the area previously registered as EL 3258. Further, the Company advised that your Directors will continue dialogue with the relevant authorities to clarify the new conditions in the Exploration Licence and the timing of proposed amendments to the Mining Act.

We also advise that following the release of the draft Management Framework on 27 October 2009, Marathon sought clarification from PIRSA on the precise boundaries of the zones, so that the implications for ongoing activities could be ascertained for the Company, its shareholders and the general investment market. Both your Chairman and Chief Executive Officer met with PIRSA’s

Deputy Chief Executive (Resources and Infrastructure) on 28 October 2009 and on 2 November 2009 we received maps which detail the boundaries of the new zones.

As part of Marathon's full submission to the Government, the Company has consulted a number of stakeholders with interests in the future management of the Northern Flinders area. There are areas of significant cultural and biodiversity value which Marathon supports as being of value to the community. Equally there are areas of high mineral prospectivity and Marathon has identified what is currently the 5th largest undeveloped uranium deposit in Australia within EL4355.

This uranium resource will be of great economic benefit to the state of South Australia, the local and regional communities and the Adnyamathanha Native Title holders of the region.

Development can take place for the benefit of all stakeholders.

Yours sincerely



Peter Williams
Chairman
Marathon Resources Limited



Shad Linley
Chief Executive Officer
Marathon Resources Limited