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**MARATHON**

MARKET UPDATE

Marathon Upgrades Mt Gee Uranium Deposit

Since ASX listing on 15 March 2005 Marathon has accelerated the evaluation of its Mt Gee uranium deposit, where historical data has demonstrated the existence of a substantial amount of primary and secondary uranium mineralization.

“European consultants have been engaged by the Company to integrate the data from the existing drilling, to create a 3D computer model of the deposit and to provide a resource estimation,” Marathon CEO Dr John Santich said today.

Marathon’s deposit was drilled extensively by Exoil (625 drill holes) focusing on the near surface regions and then by CRA to deeper levels, in excess of 350m, (69 holes), commencing in the 1960s and ending in 1994.

Based on its drilling, Exoil reported a resource of 5.3 million tonnes averaging 1 kg/t of uranium-oxide ore, including 220.000 tonnes at 2.2 kg/t at Hodgkinson area of the deposit.

Later, although CRA drilling revealed a number of excellent uranium-rich intersections, including: 65 metres at an average grade of 1.3kg/t including 8 metres @ 3.3kg/t (CRA hole DD91GE33) no resource estimation was undertaken.

The existing data and the geophysical, geological and tectonic setting indicate a favorable uranium-bearing environment, outside the known mineralisation, extending throughout the whole area of the tenement.

Based on gravity data there is the possibility for continuity of the mineralisation and significant exploration potential at much deeper levels. Work on a more detailed gravity survey and on deep exploration is in progress.

Marathon’s aim is to use computer-based unification of the database for the deposit to achieve a comprehensive geological and ore system model for use in deposit evaluation and to:

- guide further drilling in the existing mineralisation
- extend the mineralisation by further drilling outside the known areas
- work towards a JORC compliant resource calculation

Marathon is also exploring the uranium potential of its Gawler Craton tenements near Coober Pedy and Glendambo. These tenements, prospective for Olympic Dam style (copper-uranium-gold) deposits, are presently the subject of geophysical and geochemical evaluation prior to forshadowed drilling.

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