Tuesday, 26 July 2005

Marathon Resources Ltd
ABN 31 107 531 822
10 George Street
Stepney SA 5069
T 08 8366 2500
F 08 8362 5955
admin@marathonresources.com.au
www.marathonresources.com.au

COMPANY ANNOUNCEMENT OFFICE
AUSTRALIAN STOCK EXCHANGE

NEW TENEMENT APPLICATIONS – EXCELLENT URANIUM POTENTIAL

Assessment of the geological database on Marathon's tenements and their surroundings, and on other parts of South Australia, has led to the identification of areas with strong potential for uranium mineralisation. As a result, Marathon applied for additional uranium tenements in the central Gawler Craton, in the Glendambo area, and on the Fleurieu Peninsula, some 70 km south of Adelaide.

ELA 252/05 – Wild Dog

During 1954-1955 uranium production of some 346t @ 0.36% U_3O_8 from a deposit of massive pitchblende was recorded from the Wild Dog underground mine. The deposit is hosted by the Palaeoproterozoic Barossa Complex within the southernmost extension of the Myponga Inlier. Two lodes were identified, with most production coming from the No 1 lode, a north plunging fold-like structure which passed into a shear at depth, while the No 2 lode occurs within a southwest dipping, northwest trending shear zone. The area surrounding the deposit remains essentially unexplored (Figure 1).

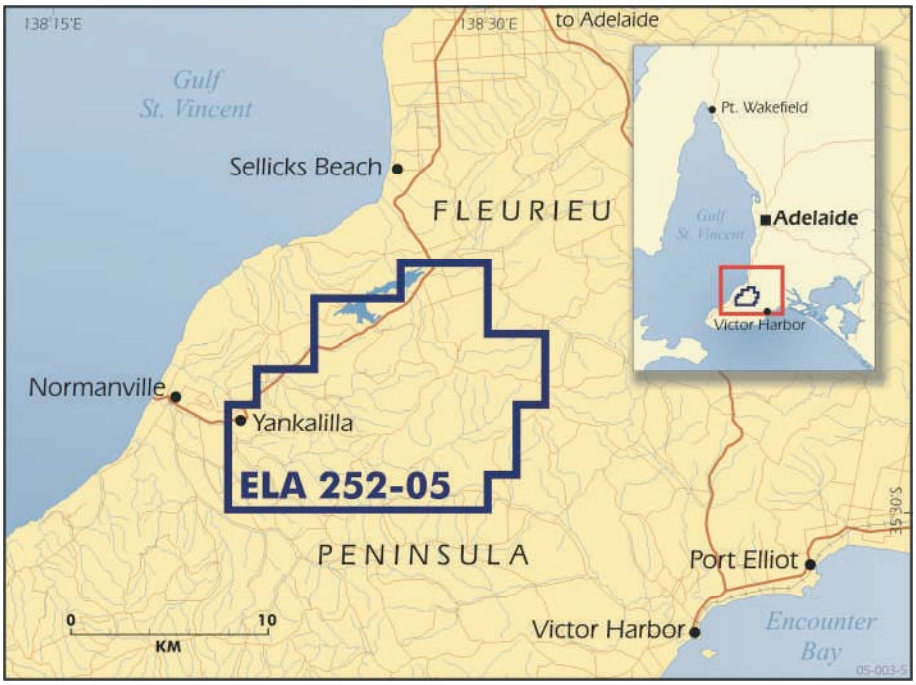

Figure 1: ELA 352/05 Wild Dog

The deposit was originally located by surface prospecting with a hand held Geiger counter and defined by a subsequent airborne radiometric survey. During operations, twenty-two diamond drill holes were completed; the longest being 96m, and none apparently assayed, with one showing visible uranium mineralisation.

Lack of modern exploration, strong uranium-related geochemistry, adjacent thorium/monazite occurrences, structural control of the Wild Dog deposit and potential for high-grade lodes with a primary uranium mineralisation are very attractive and suggest that the area for which Marathon has applied, ELA 252/05, has excellent exploration potential.

ELAs 358/05 and 359/05 – Kingoonya Palaeo-channel System

Marathon has also applied for two tenements (ELA 358/05 and ELA 359/05) showing potential for palaeo-channel uranium mineralization near Marathon's Glendambo tenements in the central Gawler Craton (Figure 2).

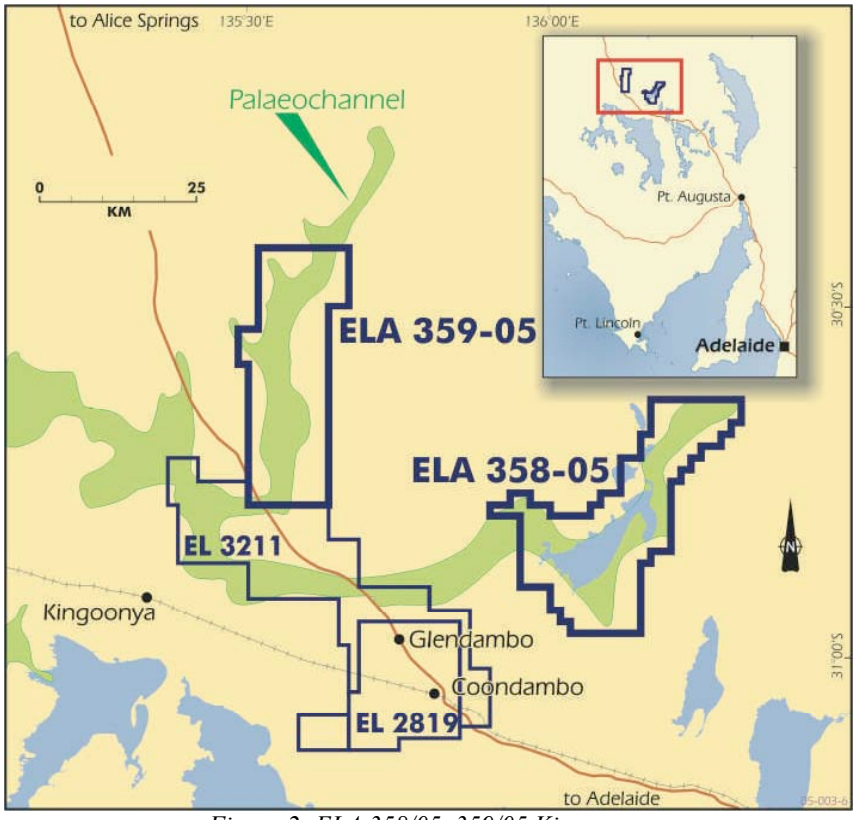

Figure 2: ELA 358/05, 359/05 Kingoonya

The Glendambo tenements (Mulga Well EL3211, Coondambo EL2819) are at the eastern end of the Harris Greenstone Belt. Marathon's database indicates that complex palaeo-channel structures, forming part of the regional Kingoonya Palaeo-channel System, are strongly developed within these tenements and their surroundings. Research by PIRSA has revealed their Tertiary age and the palaeo-channel drainage system, which in this region overlies weathered bedrock with channel sediments up to about 145 m thick.

The potential for the palaeo-channel related uranium mineralization in the area is considered high. To the west the Warrior uranium deposit (4000t at 0.034% U_3O_8 of mineralisation, located 55km WNW of Tarcoola) is downstream within the same palaeo-channel system. The tenement applications cover upstream extensions to the north and east of the Company's existing Glendambo tenements and Marathon now controls approximately 150km of the Kingoonya Palaeo-channel system.

Contact	Dr John Santich Chief Executive Officer		
Company Code	MTN		
Telephone	(08) 8366 2500		
Facsimile	(08) 8362 5955	Web	www.marathonresources.com.au