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COMPANY ANNOUNCEMENTS OFFICE
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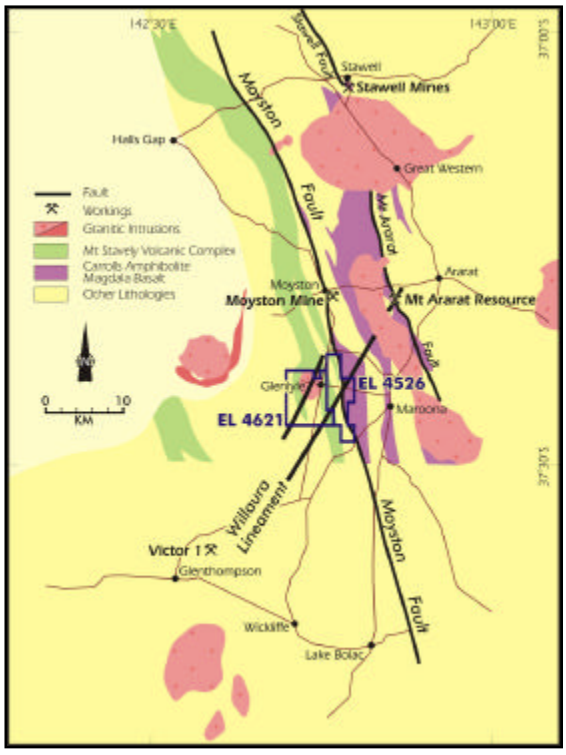
RESULTS OF GOLD/COPPER DRILLING IN WESTERN VICTORIA GLENLYLE AND KALYMNA TENEMENTS

Marathon is pleased to announce that drilling of its Glenlyle/Kalymna gold/copper project in western Victoria has been completed. The aim of the drilling was to test separate well defined anomalies with potential for porphyry copper style mineralisation and structurally controlled gold mineralisation.

The Kalymna (EL4526) and Glenlyle (EL4621) tenements are located in western Victoria and cover strategic ground associated with the Moyston Fault Zone. The total area of the tenements is approximately 55 sq km (Figure 1).

Figure 1 Location Map

The Moyston Fault Zone is a major regional scale NNW striking tectonic feature associated with gold mineralisation and historic gold production at the Moyston Mine (Figure 2) which located immediately to the north of the Kalymna tenement along the strike of the Moyston Fault Zone. The Moyston Mine formed the centrepiece of the Moyston Gold Field, which produced ~100,000 oz gold from steeply plunging shoots between 1850 and 1900, indicating a highly prospective fault system.



The region is known to be prospective, the tenements being about 20 km southwest of Ararat and 45 km south of Stawell, both well known mining centres of western Victoria.

More recently, Newcrest Exploration defined a bulk porphyry type copper prospect about 25 km to the SW of EL4621 (Figure 2), which is now being explored by Beaconsfield Gold NL with promising results [see Beaconsfield December 2005 Quarterly Report to ASX]. Evidence of large scale intrusive related alteration systems within the Grampians-Stavely Zone is provided by the large low grade Victor 1 prospect that included a best intersection of 229m @ 0.22%Cu hosted in strongly quartz-sericite-pyrite altered dacitic porphyry. The hydrothermal system has been defined over an area of at least 4 sq km.

Figure 2 Kalymna - Moyston Fault Zone

The fault zone is interpreted from aeromagnetic data to extend for 11km. Magnetic data show linear highs and broad areas of magnetic destruction suggesting a high level of structural complexity within the fault system. NE orientated lineaments cutting across the fault system are interpreted to create favorable environments. Reverse circulation drill holes KLYRC01 and 02 were paired to test under results of reconnaissance air-core drilling conducted earlier by Marathon in this area of 1m @ 0.39g/t Au (MS3: 35-36m) as shown in Figure 3.

KLYRC01 was collared in the Cambrian Glenthompson Sandstone of the Glenelg Group and terminated within the Moyston Fault Zone due to drilling difficulties. KLYRC02 was collared in Mt Stavely Complex rocks which are sheared and altered and contain significant arsenopyrite adjacent to the Moyston Fault. KLYRC02 entered fresh Glenthompson Sandstone containing minor disseminated pyrite to the east of the Moyston Fault. Both mineralized intersections occur in conjunction with strongly quartz veined zones interpreted to represent the Moyston Fault Zone.

The significant results were:

KLYRC01 – 72 to 76m: 4m @ 0.79 g/t Au;
KLYRC02 – 56 to 76m: 20m @ 0.91 g/t Au;
Including 56 to 60m 4m @ 2.84g/t Au.

Table 1: Analytical Results

HOLE-ID	Sample No	FROM (m)	To (m)	Au ppm	As ppm
KLYRC01	KLYRC01:40-44	40	44	0.17	14
KLYRC01	KLYRC01:72-76	72	76	0.79	100.5
KLYRC02	KLYRC 2: 40-44	40	44	0.02	1405
KLYRC02	KLYRC 2: 44-48	44	48	0.02	1010
KLYRC02	KLYRC 2: 48-52	48	52	0.16	2540
KLYRC02	KLYRC 2: 52-56	52	56	0.09	1165
KLYRC02	KLYRC 2: 56-60	56	60	2.84	155
KLYRC02	KLYRC 2: 60-64	60	64	0.44	39
KLYRC02	KLYRC 2: 64-68	64	68	0.30	43.6
KLYRC02	KLYRC 2: 68-72	68	72	0.34	45.8
KLYRC02	KLYRC 2: 72-76	72	76	0.62	47.9
KLYRC02	KLYRC 2: 76-80	76	80	0.28	28
KLYRC02	KLYRC 2: 88-92	88	92	0.21	14.6
KLYRC03	No Significant Results				
KLYRC04	No Significant Results				

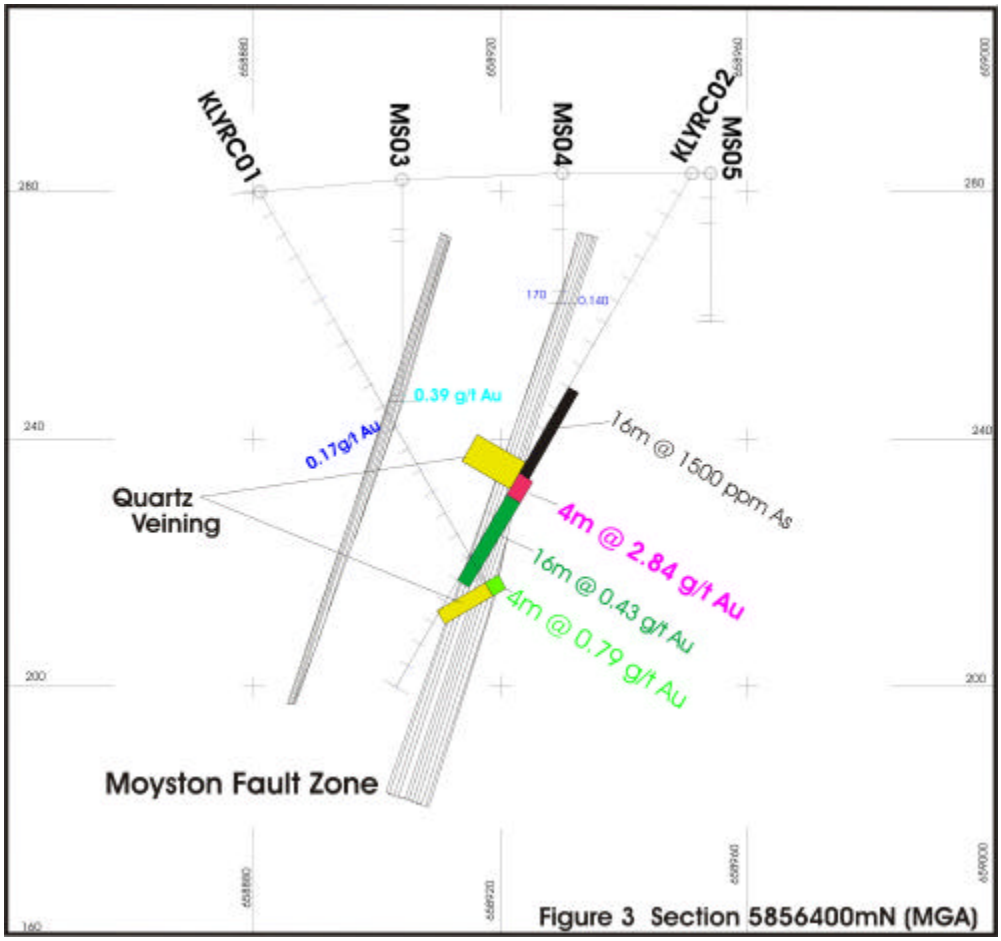


Figure 3 Section 5856400mN (MGA)

Drill holes KLYRC03 and KLYRC04 tested areas of soil sampling by Marathon and earlier explorers showing low to moderate levels of anomalous gold geochemistry. Substantial NE trending shear zones were intersected but no significant results were obtained to adequately explain the soil anomalism.

Glenlyle - porphyry style mineralization

A circular magnetic feature at Glenlyle was defined following an exploration initiative by the Victorian government in 1974. The anomaly was interpreted as an intrusive, in 1991 regional reconnaissance drilling by Geopeko Exploration Ltd identified the potential for porphyry style mineralisation based on the anomalous gold and base metal geochemistry within sericite altered sediment/volcanic sequences.

Marathon's IP lines defined moderate strength anomalous zones are interpreted as vertical porphyry intrusives and the responses are probably due to disseminated sulphide mineralization.

The RC drilling, including GRC01 and GRC02, confirmed the source of the IP anomalism to be disseminated pyrite within logged sericitic altered dacite porphyry belonging to the Stavely Volcanic Complex. This confirms the target analogy with the Victor 1 Prospect, although returned copper and gold assay results are very low (Figure 4). The IP technique was able to detect this mineralisation through the combined of cover of waterlogged Tertiary basalt and thick 'sticky clay' cover which precluded effective surface sampling.

Marathon will await the results of petrological samples to refine its exploration strategy within the project area.

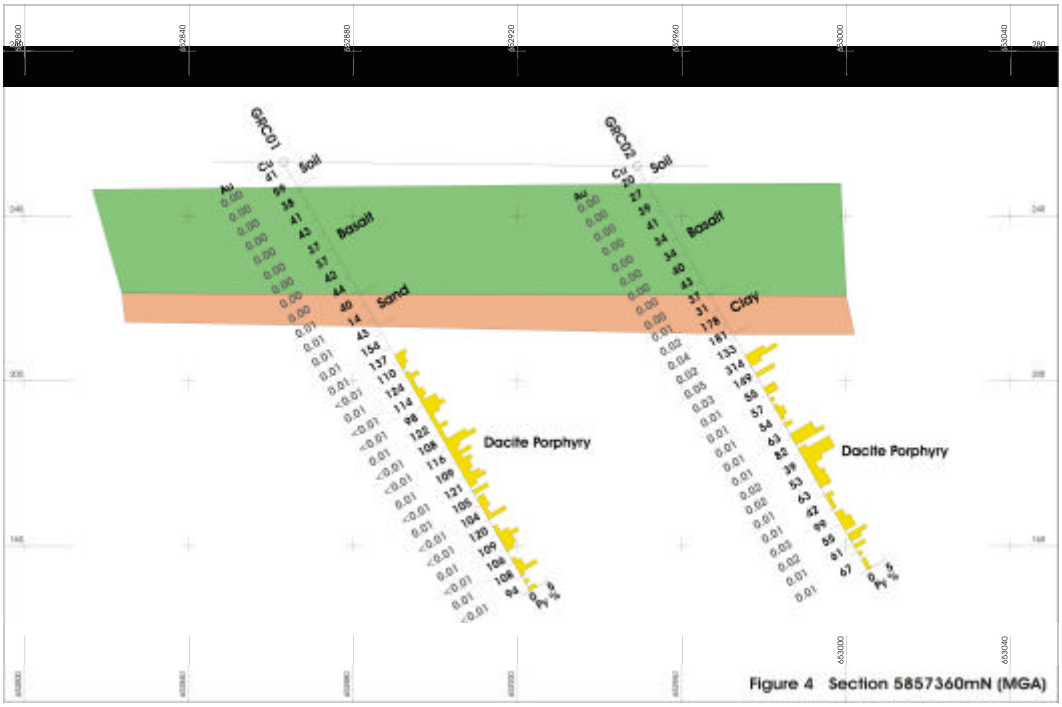


Figure 4 Section 5857360mN (MGA)

Table 2: Drill hole Collar Locations

HOLE-ID	DH TYPE	Zone	MGA North	MGA East	RL	MAG AZI	DIP	Length
KLYRC01	RC	54	658881	5856423	280	90	-60	75.5
KLYRC02	RC	54	658951	5856408	283	272	-60	96
KLYRC03	RC	54	657734	5856677	276	114	-60	124
KLYRC04	RC	54	657865	5856634	274	115	-60	96
GRC01	RC	54	652863	5857367	253	88	-60	120
GRC02	RC	54	657949	5857360	252	84	-60	113
GRC03	RC	54	653289	5857692	254	85	-60	146

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Dr W Bogacz, a full time Executive Director of Marathon Resources Ltd and a Member of the Australian Institute of Geoscientists. Dr Bogacz 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. Dr Bogacz consents to the inclusion in the report of these matters based on their information in the form and context in which it appears.

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