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MEDIA RELEASE

*Priority Offer for Marathon Resources shareholders in UraniumSA IPO is
Oversubscribed and Closes Early*

In a telling indication of the strength of interest in the Australian uranium sector, the directors of UraniumSA have announced today, the early closure of their oversubscribed IPO. The company has commenced the return of oversubscriptions and intends to seek ASX listing in the week commencing 16 October 2006.

Shareholders in Marathon Resources and Stellar Resources were offered a priority participation in the float (up to 6,269,797 UraniumSA shares, representing approximately 10.24% of UraniumSA's undiluted post IPO share capital) at \$0.20 per share.

UraniumSA will be issuing some 4,370,061 shares in UraniumSA to Marathon (approximately 7.13% of UraniumSA's undiluted post IPO share capital), in consideration for Marathon entering into a number of joint ventures with UraniumSA.

Marathon Resources CEO Dr John Santich in commenting on the overall outcome of the UraniumSA IPO said "This is very pleasing result for Marathon shareholders – for both those who participated in the IPO and of course, also for those who did not."

The holding in Uranium SA will provide Marathon with a joint venture partner that is focused on exploration in the Kingoonya Palaeochannel System and greater exposure to uranium exploration in the Kingoonya Palaeochannel System as well as other prospective areas of South Australia (including areas of that System held by ASX listed Stellar Resources Ltd).

In conveying a message to the shareholders of Marathon about the further implications of the highly successful outcome, Dr Santich said:

"It is a vindication of our planned strategic program to steadily develop our resources and various other prospective areas in the longer term interests of all our shareholders - just another indication that our company has a very bright future indeed."

"Marathon's uranium-rich Paralana Mineral System and Mt Gee deposit in the northern Flinders Ranges is, without doubt, one of the major success stories in Australian uranium exploration over the past year. Shareholders have reaped benefits through increases in share value and that increase will continue as the project is developed," he said.

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