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27 December 2006

**COMPANY ANNOUNCEMENTS OFFICE
AUSTRALIAN SECURITIES EXCHANGE**

ASX CODE MTN

- 1. TAKEOVER BID BY BUTTERMERE AUSTRALIA PTY LTD**
- 2. CONFIRMATION OF SHARE PLACEMENT TO CITIC Aust**
- 3. APPOINTMENT OF MR CHEN ZENG AS DIRECTOR**

1. TAKEOVER BID BY BUTTERMERE AUSTRALIA PTY LTD

Buttermere Australia Pty Ltd an indirect, wholly owned subsidiary of Crosby Capital Partners Inc, advised on Friday 22 December 2006 that its takeover bid for all the ordinary shares in Marathon Resources Limited contained in the Bidder's statement dated 15 August 2006, would be extended for the fourth time and now will expire on 6 February 2007.

The offer by Buttermere Australia Pty Ltd is for 68 cents per share which contrasts with a closing price of \$1.87 per share on the ASX on the day the extension was lodged. The closing price on 22 December 2006 is 175% higher than the takeover bid price which clearly confirms the directors view that the offer is totally inadequate. Accordingly the directors maintain their unanimous recommendation that the offer be rejected by shareholders.

2. Confirmation of Share Placement

Formal notice to the ASX has been lodged today confirming that the company has issued 3.25million fully paid ordinary shares at \$1.10 per share to CITIC Australia Pty Ltd. The placement at \$1.10 per share was announced in November 2006 and was at a slight premium to the market price of shares being traded on the ASX at that time. The market has responded positively to the news of the placement of shares, the calibre of the new investors, the appointment of directors and together with the strong support for uranium stocks generally, Marathon's share price on 22 December 2006 was 70% over the placement price.

This confirmation follows the Third Supplementary Target Statement lodged on 9 November 2006 in which the company advised of the placement of 3.25 million shares to Talbot Group Holdings Pty Ltd and a conditional placement of 3.25 million shares to CITIC Australia Pty Ltd. The condition which applied, being that the Treasurer of the Commonwealth of Australia did not object to the placement in terms of the Federal Government's foreign investment policy, was satisfied on 22 December 2006 when approval was given for the issue of shares to CITIC Australia Pty Ltd.

3. APPOINTMENT OF MR CHEN ZENG AS DIRECTOR

In recent ASX announcements Marathon indicated that as it grows, it would seek to bring new skills to the company complementary to the development of its assets at that time. The board believes the significant achievements of Marathon since listing in March 2005 have been such that now is an appropriate time to bring expertise and experience in major resource development to the board.

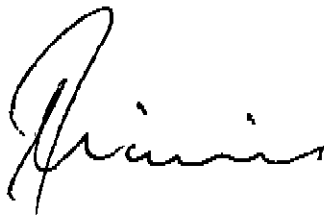
Following the recent appointment of Mr Denis Wood, Marathon now welcomes the appointment of Mr Chen Zeng as an independent non-executive director, effective 26 December 2006.

Chen Zeng has been the Managing Director of the CITIC Group's Australian operations since November 2002. He joined the CITIC Group in 1989 and transferred to CITIC Australia in 1994. He has 17 years' experience managing various business operations, business and asset restructures, and has developed a number of projects for the CITIC and CITIC Australia Groups. He is also an executive director of the Hong Kong listed CITIC Resources Holdings Limited. Mr Zeng holds a Master's Degree in International Finance from the Shanghai University of Finance and Economics.

CITIC Australia is wholly owned by the CITIC Group, one of China's largest state-owned companies, which has assets in excess of US\$100 billion. The activities of the CITIC Group include banking and financial businesses, industrial investments (including energy and raw materials) and international trade.

The CITIC Group in Australia, comprising CITIC Australia and CITIC Resources Australia Pty Ltd, together have assets and annual sales of over \$1 billion. Their operations include a 22.5% interest in the Portland Aluminium Smelter Joint Venture in Victoria, an 11.62% shareholding in Macarthur Coal Limited, a 7% direct interest in the Coppabella/Moorvale Coal Joint Venture, a 78% shareholding in the ASX-listed CITIC Australia Trading Limited (CAL), and interests in a series of exploration projects.

Contemporaneously, Marathon announces the retirement of Mr Sam Appleyard as a director. In so doing, the Marathon board acknowledges the work done by Sam Appleyard in his capacity as a director and thanks him sincerely on behalf of all stakeholders for his outstanding contribution to the company. Mr Appleyard continues in his role as Company Secretary.



P L Williams
Chairman

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MARATHON

The Manager
Company Announcements
Australian Stock Exchange Limited

Dear Sir,

ISSUE OF PLACEMENT SHARES

Disclosure Notice – Section 708A(5)(e) of the Corporations Act 2001(the Act)

In compliance with ASX Listing Rule 3.10.3, the Company advises that it has today issued 3.25 million fully paid ordinary shares, at \$1.10 per share to CITIC Australia Pty Ltd ABN 21 006 388 772, following approval through the Federal Government's foreign investment policy, as foreshadowed in the Company's recent announcement to the ASX of 9 November 2006 (the Announcement).

This advice is pursuant to Section 708A(5)(e) of the Act and the Company advises:

1. The relevant securities are in a class of securities that were quoted securities at all times in the 12 months before the day on which the relevant securities were issued.
2. Trading in that class of securities on the prescribed financial market on which they were quoted was not suspended for more than a total of five days in that 12 month period (or at all).
3. No exemption under Section 111AS or 111AT of the Act covered the issuer, or any person as director or auditor of the issuer at any time in that 12 month period.
4. No order under Section 340 or 341 of the Act covered the issuer, or any person as director or auditor of the issuer at any time in that 12 month period.
5. The company has issued the shares without disclosure to investors under Part 6D.2 of the Act.
6. At the date of this Notice, the issuer has complied with:
 - (a) the provisions of Chapter 2M of the Act as they apply to the issuer, and
 - (b) Section 674 of the Act.
7. At the date of this Notice there is no information that is "excluded information" required to be set out pursuant to sections 708A (7) and (8) of the Act.

An Appendix 3B in respect of the issue is attached to this Notice.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'SM Appleyard', written in a cursive style.

SM Appleyard
Company Secretary