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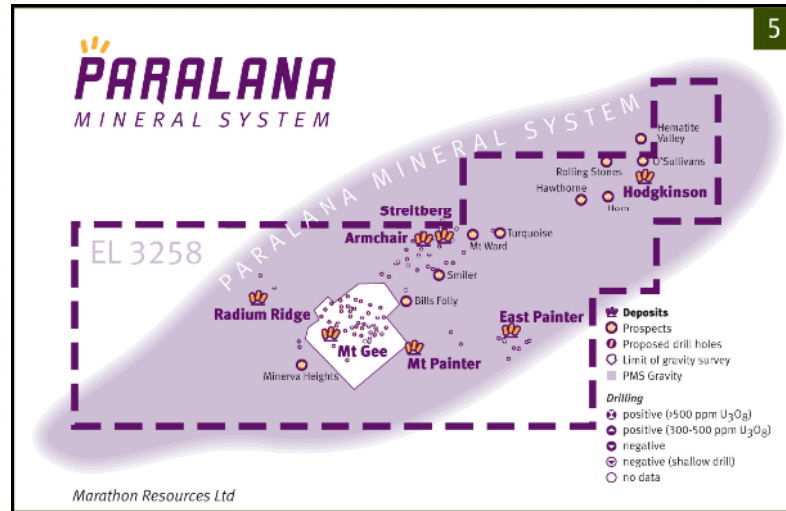


Figure 1: Paralana Mineral System, Mt Gee deposit, EL 3258, Flinders Ranges

SECOND BATCH GAMMA RESULTS CONFIRM HIGH GRADE URANIUM ZONES FOR MARATHON'S MT GEE PROJECT IN SOUTH AUSTRALIA

New gamma results from a second batch of holes drilled into South Australia's promising Mt Gee uranium project have confirmed significant intercepts in the western part of the deposit within Marathon Resources Ltd's 100% owned EL3258 tenement in the Northern Flinders Ranges (Fig. 1).

The new results add to a similar outcome reported last month for downhole gamma logging of the first batch of 13 holes – part of a 93-hole infill drilling program by Marathon at Mt Gee, of which 44 holes for 7,800m RC drilling has now been completed. (Fig. 2).

Marathon also reported today it had received the laboratory assay results from the samples of the first batch of 13-holes, with significant assays including:

RC06MN017:	111-127m:	16m @ 0.18% U₃O₈
<i>Including</i>	<i>113-118m</i>	<i>5m @ 0.41% U₃O₈</i>
RC06MN025:	106-180m:	74m @ 0.08% U₃O₈
<i>Including</i>	<i>172-180m</i>	<i>8m @ 0.11% U₃O₈</i>

Marathon's Chief Executive Officer, Dr John Santich, said today the Company was pleased with the latest outcomes, as the results, in particular from RC06MN017 and RC06MN025, further demonstrated the presence of high grade zones and significant thickness of intersections in the western part of the deposit which was the subject of the Company's main drill focus on the tenement until last week.

The drilling program is designed to upgrade Mount Gee's Inferred Resource of 45.6 million tonnes of uranium mineralisation, averaging 0.068% U₃O₈ for about 31,200 tonnes contained uranium oxide (about 69 million pounds of contained U₃O₈), into Indicated and Measured categories.

On the Inferred Resource estimate, Mount Gee is one of Australia's largest undeveloped uranium deposits, contained within the 11-12 km NE extending uranium-rich Paralana Mineral System within EL3258 (Fig. 1).

Main second drill batch results – gamma logging (Holes 27-39):

In the Marathon ASX announcement dated 9 January 2007, the Company released the results of gamma logging from the first 13 holes drilled in this program (RC06MN014 to RC06MN026).

Downhole gamma logging from another 13 holes (RC06MN27 to RC07MN039), which also were drilled in the western part of the Mt Gee deposit are now available. Results include:

RC06MN027;	100-105m	5m @ 0.11% eU ₃ O ₈
RC06MN029;	116-145m	29m @ 0.07% eU ₃ O ₈
RC07MN031;	176-190m:	14m @ 0.16% eU₃O₈
<i>Including</i>	181-186m	5m @ 0.35% eU₃O₈
RC07MN037;	75-79m	4m @ 0.11% eU ₃ O ₈
RC07MN039;	143-209m:	66m @ 0.09% eU₃O₈
<i>Including</i>	178-204m	26m @ 0.11% eU₃O₈

These latest outcomes of downhole logging, in particular from RC07MN031 and RC07MN039, further confirm the presence of high grade zones, continuity of mineralisation and significant thickness of intersections in the western part of the deposit.

“It should be emphasised that these results are preliminary and the gamma logging will be confirmed by the assay geochemical analyses,” Dr Santich said.

“The gamma tool used in the logging program was calibrated at the Adelaide Model test pits prior to the commencement of the logging.”

Main assay results – first 13 holes (Holes 14 – 25):

Laboratory assay results of the first sample batches derived from holes RC06MN014 to RC06MN025 have been received.

Significant assays from these analytical results include:

RC06MN016:	116-138m	22m @ 0.11% U ₃ O ₈
RC06MN017:	111-127m:	16m @ 0.18% U₃O₈
<i>Including</i>	113-118m:	5m @ 0.41% U₃O₈
RC06MN017:	150-171m	21m @ 0.11% U ₃ O ₈
RC06MN021:	170-182m	12m @ 0.14% U ₃ O ₈
RC06MN022:	172-208m	36m @ 0.10% U ₃ O ₈
RC06MN024:	105-129m	24m @ 0.07% U ₃ O ₈
RC06MN025:	106-180m:	74m @ 0.08% U₃O₈
<i>Including</i>	172-180m	8m @ 0.11% U₃O₈

The assays, and gamma logging results previously released on 9 January 2007, are presented in the table below. These indicate the presence of high grade zones and the excellent correlation of the grade and thickness of mineralisation determined by the two methods, confirming the exploration and resource model generated by Marathon.

Hole ID	Analytical Results					Gamma Logging Results (released)				
	From	To	m	U ₃ O ₈ ppm	U ₃ O ₈ %	From	To	M	eU ₃ O ₈ ppm	eU ₃ O ₈ %
RC06MN014	24	30	6	737	0.07	23	29	6	679	0.07
RC06MN014	33	41	8	1040	0.1	33	41	8	970	0.09
RC06MN014	48	51	3	596	0.06					
RC06MN015	35	38	3	677	0.07					
RC06MN015	67	75	8	748	0.07	65	70	5	684	0.07
RC06MN015	78	82	4	1100	0.11	76	80	4	823	0.08
RC06MN015	133	138	5	769	0.08					
RC06MN016	116	138	22	1135	0.11	114	135	21	879	0.09
RC06MN016	159	164	5	700	0.07					
RC06MN017	53	60	7	642	0.06					
RC06MN017	97	103	6	1722	0.17	98	128	30	844	0.08
						98	104	6	1514	0.15
RC06MN017	112	127	15	1873	0.19					
Including	113	118	5	4056	0.41	114	118	4	2171	0.22
RC06MN017	132	140	8	690	0.07	133	142	9	596	0.06
RC06MN017	150	171	21	1092	0.11					
RC06MN020	74	88	14	890	0.09	74	84	10	748	0.07
RC06MN020	93	98	5	776	0.08	93	97	4	627	0.06
RC06MN021	170	182	12	1409	0.14	171	179	8	1123	0.11
Including	175	179	4	2438	0.24					
RC06MN022	73	77	4	509	0.05					
RC06MN022	139	142	3	985	0.10	139	142	3	963	0.09
RC06MN022	153	162	9	906	0.09					
RC06MN022	172	208	36	997	0.10	153	230	77	1200	0.12
RC06MN023	27	39	12	859	0.08	25	41	16	773	0.08
RC06MN023	119	123	4	589	0.06					
RC06MN024	65	72	7	752	0.07	65	72	7	745	0.07
RC06MN024	105	129	24	727	0.07	104	123	19	633	0.06
RC06MN025	75	78	3	630	0.06					
RC06MN025	106	180	74	799	0.08	113	182	69	748	0.07
Including	172	180	8	1146	0.11	177	182	5	1449	0.14

The drilling on the western side of the Mt Gee deposit started on 17 November 2006 and was completed on 5 February 2007.

Currently the Company continues its drilling, focussing in the easternmost part of the deposit.

Some 3,500 samples from the holes drilled to date have been sent to the assay laboratory. Results of the ongoing laboratory analyses will be released from time to time in 2007 as soon as they become available.

A detailed listing of selected analytical intercepts and currently available assay results from the Mt Gee west is appended.

Downhole Gamma Logging - Summary of New Intercepts (Holes 27 - 39)

RC06MN027:	100 - 105m	5m @ 0.11% eU₃O₈
RC06MN028:	119 - 120m	2m @ 0.06% eU ₃ O ₈
RC06MN029:	116 - 145m	29m @ 0.07% eU₃O₈
RC06MN030:	NSI	
RC07MN031:	25 - 29m	4m @ 0.09% eU ₃ O ₈
	73 - 76m	3m @ 0.06% eU ₃ O ₈
	95 - 98m	3m @ 0.09% eU ₃ O ₈
	176 - 190m:	14m @ 0.16% eU₃O₈
Including	181 - 186m	5m @ 0.35% eU₃O₈
RC07MN032:	7 - 22m	15m @ 0.09% eU ₃ O ₈
RC07MN033:	NSI	

Downhole Gamma Logging - Summary of New Intercepts (Holes 27 - 39)continued

RC07MN034:	20 - 27m	7m @ 0.09% eU ₃ O ₈
RC07MN035:	30 - 34m	4m @ 0.06% eU ₃ O ₈
	40 - 43m	3m @ 0.06% eU ₃ O ₈
RC07MN036:	NSI	
RC07MN037:	75 - 79m	4m @ 0.11% eU₃O₈
RC07MN038:	105 - 109m	4m @ 0.08% eU ₃ O ₈
	132 - 135m	3m @ 0.05% eU ₃ O ₈
RC07MN039:	74 - 79m	5m @ 0.08% eU ₃ O ₈
	131 - 134m	3m @ 0.07% eU ₃ O ₈
	143 - 209m:	66m @ 0.09% eU₃O₈
	Including 178 - 204m	26m @ 0.11% eU₃O₈
RC06MN018*:	8 - 11m	3m @ 0.07% eU ₃ O ₈
	14 - 19m	5m @ 0.06% eU ₃ O ₈

*hole RC06MN018 was previously inaccessible.

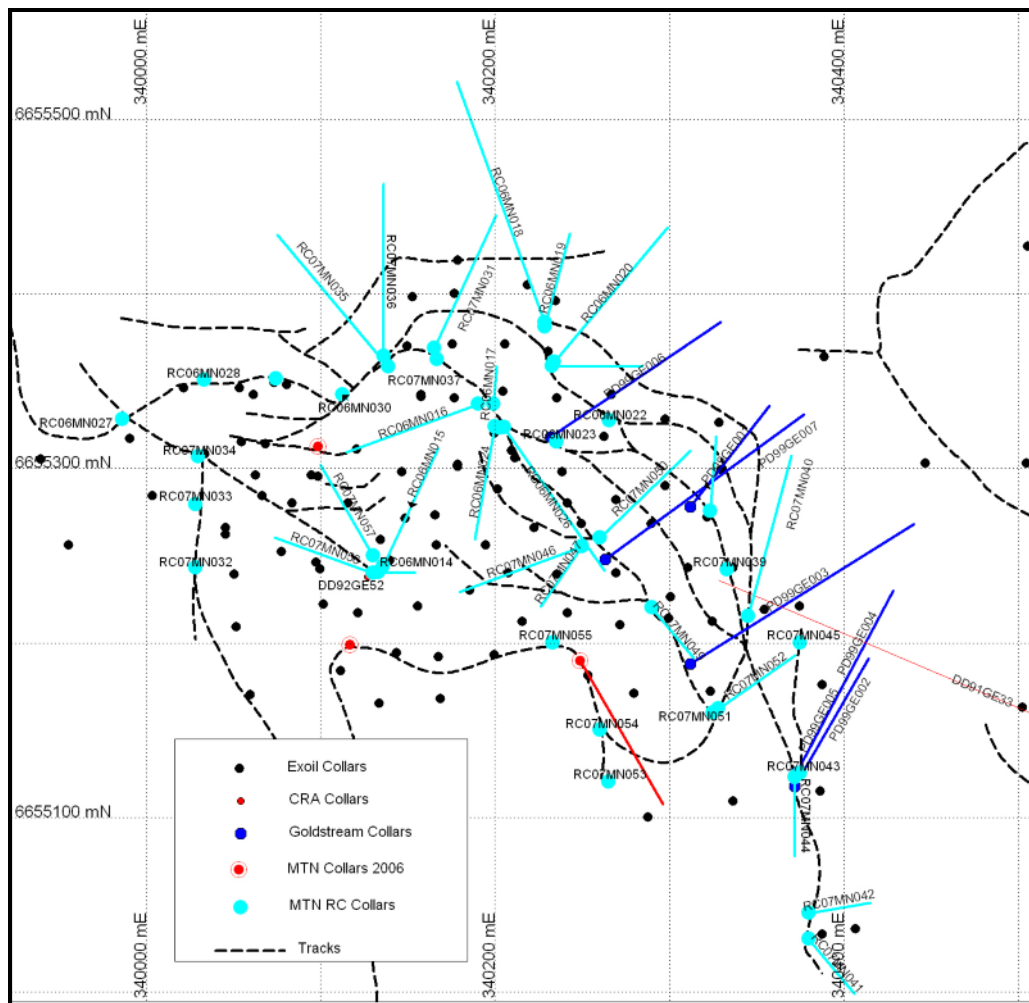


Figure 2 Completed RC drill holes locations, Mt Gee west.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Mr Allan Younger, Chief Geologist and full time employee of Marathon Resources Ltd, a Member of the Australasian Institute of Mining and Metallurgy. Mr Younger 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. Mr Younger 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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Drill hole collar information:

Hole ID	MGA East	MGA North	RL	MAG AZI	DIP	Length m
RC06MN014	340133	6655240	519	90	-80	120
RC06MN015	340136	6655244	520	25	-60	150
RC06MN016	340190	6655337	547	250	-65	190
RC06MN017	340199	6655337	548	5	-85	246
RC06MN018	340228	6655384	565	340	-60	294
RC06MN019	340229	6655381	568	15	-80	319
RC06MN020	340234	6655361	562	40	-70	296
RC06MN021	340233	6655358	563	90	-80	300
RC06MN022	340265	6655327	565	0	-90	234
RC06MN023	340235	6655315	552	0	-90	200
RC06MN024	340200	6655324	546	190	-70	192
RC06MN025	340203	6655323	545	0	-90	200
RC06MN026	340205	6655323	547	145	-60	200
RC06MN027	339986	6655328	551	0	-90	154
RC06MN028	340033	6655350	554	0	-90	126
RC06MN029	340074	6655351	551	0	-90	174
RC06MN030	340113	6655342	551	0	-90	150
RC07MN031	340165	6655369	553	25	-70	246
RC07MN032	340028	6655243	540	0	-90	50
RC07MN033	340028	6655279	539	0	-90	50
RC07MN034	340030	6655307	538	0	-90	100
RC07MN035	340139	6655358	549	320	-60	198
RC07MN036	340136	6655364	551	0	-60	198
RC07MN037	340167	6655362	550	0	-90	199
RC07MN038	340323	6655276	563	5	-80	248
RC07MN039	340333	6655242	563	0	-90	240
RC07MN040	340345	6655215	558	15	-70	280
RC07MN041	340380	6655030	577	140	-60	81
RC07MN042	340380	6655045	577	80	-60	72
RC07MN043	340375	6655125	568	0	-90	126
RC07MN044	340372	6655123	567	180	-60	90
RC07MN045	340375	6655200	576	0	-90	240
RC07MN046	340250	6655255	549	250	-60	150
RC07MN047	340250	6655255	549	215	-80	240
RC07MN048	340233	6655200	529	0	-90	180
RC07MN049	340290	6655220	544	140	-75	144
RC07MN050	340260	6655260	546	46	-72	234
RC07MN051	340325	6655160	554	0	-90	156
RC07MN052	340328	6655162	554	55	-75	208
RC07MN053	340265	6655120	530	0	-90	100
RC07MN054	340260	6655150	532	0	-90	97
RC07MN055	340233	6655200	529	0	-90	90
RC07MN056	340130	6655240	518	290	-60	120
RC07MN057	340130	6655250	519	330	-60	120

Selected Assay Intercepts:

Hole	From	To	Interval	U ₃ O ₈ ppm	La ppm	Ce ppm	Cu ppm	Mo ppm	Fe %	P ppm	Y ppm
RC06MN016	116	117	1	668	792	1395	692	3	9.27	991	119
RC06MN016	117	118	1	242	1408	2487	881	4	14.27	1649	172
RC06MN016	118	119	1	1537	1268	2200	741	4	13.11	1737	170
RC06MN016	119	120	1	1383	1280	2248	867	3	12.93	2079	150
RC06MN016	120	121	1	1117	1379	2398	605	4	14.56	1440	165
RC06MN016	121	122	1	606	1618	2716	535	4	14.58	1558	175
RC06MN016	122	123	1	1253	2456	4208	1537	6	22.47	2029	186
RC06MN016	123	124	1	1282	2797	4731	1621	7	21.95	3010	221
RC06MN016	124	125	1	1288	2622	4453	1427	182	22.33	2155	226
RC06MN016	125	126	1	1096	3034	5223	1261	277	22.35	2510	344
RC06MN016	126	127	1	1893	2386	4133	1754	704	24.37	1727	199
RC06MN016	127	128	1	1366	2812	4708	1179	761	28.78	1563	174
RC06MN016	128	129	1	1404	2698	4651	1638	1031	28.24	1816	172
RC06MN016	129	130	1	1385	3305	5647	1299	762	26.23	2016	193

Hole	From	To	Interval	U ₃ O ₈ ppm	La ppm	Ce ppm	Cu ppm	Mo ppm	Fe %	P ppm	Y ppm
RC06MN016	130	131	1	1139	2828	4897	1279	736	28.85	1981	162
RC06MN016	131	132	1	1014	2812	4673	1267	472	24.1	1751	162
RC06MN016	132	133	1	852	2018	3496	1205	433	23.41	1552	118
RC06MN016	133	134	1	1105	2583	4336	1311	883	22.64	1767	117
RC06MN016	134	135	1	956	3043	5223	1407	307	23.9	2247	250
RC06MN016	135	136	1	1157	3289	5396	1344	655	25.88	2108	264
RC06MN016	136	137	1	1203	2713	4662	1005	335	28.99	1711	231
RC06MN016	137	138	1	1036	2216	3772	1416	61	21.08	1409	313
RC06MN017	112	113	1	967	2020	3582	873	20	29.23	1699	238
RC06MN017	113	114	1	2215	2040	3470	1546	53	27.48	1564	208
RC06MN017	114	115	1	2394	1670	2969	908	57	27.6	1360	226
RC06MN017	115	116	1	7682	2168	3819	1555	65	27.76	1813	141
RC06MN017	116	117	1	5579	2071	3662	2315	60	31.47	1708	185
RC06MN017	117	118	1	2408	1864	3182	1185	59	26.68	1533	224
RC06MN017	118	119	1	961	2096	3662	2585	70	26.09	1717	210
RC06MN017	119	120	1	890	2421	4134	2845	63	26.49	1971	213
RC06MN017	120	121	1	634	2800	4917	1200	196	26.43	2144	92
RC06MN017	121	122	1	643	1773	3030	884	106	18.17	1367	139
RC06MN017	122	123	1	722	1513	2646	1045	86	14.95	1264	121
RC06MN017	123	124	1	525	1048	1804	673	62	10.07	1095	114
RC06MN017	124	125	1	524	706	1266	339	32	7.93	691	94
RC06MN017	125	126	1	872	1417	2412	1340	45	14.92	1428	152
RC06MN017	126	127	1	1077	1180	2061	1807	87	15.96	1134	99
RC06MN017	150	151	1	591	844	1482	492	49	12.59	795	125
RC06MN017	151	152	1	1017	1146	1946	717	137	15.88	1053	146
RC06MN017	152	153	1	1304	1014	1759	1012	151	18.91	1045	141
RC06MN017	153	154	1	705	786	1346	616	91	12.74	922	138
RC06MN017	154	155	1	696	743	1297	461	72	11.36	851	115
RC06MN017	155	156	1	559	699	1192	416	81	11.44	666	103
RC06MN017	156	157	1	853	930	1638	547	68	14.74	875	136
RC06MN017	157	158	1	571	890	1517	570	132	13.64	601	128
RC06MN017	158	159	1	618	1487	2527	1316	197	14.41	1337	104
RC06MN017	159	160	1	746	854	1419	1174	180	15.3	626	81
RC06MN017	160	161	1	429	2108	3563	1684	214	22.31	1887	136
RC06MN017	161	162	1	1937	2655	4494	1712	123	22.95	1637	278
RC06MN017	162	163	1	1872	2229	3835	1710	116	20.4	2017	262
RC06MN017	163	164	1	1334	1853	3165	1092	154	21.71	1340	217
RC06MN017	164	165	1	1311	1639	2864	1374	169	22.18	2001	173
RC06MN017	165	166	1	838	1604	2762	969	161	22.28	1230	190
RC06MN017	166	167	1	1487	1913	3349	1493	41	26.26	1943	204
RC06MN017	167	168	1	3114	2591	4390	1842	21	28.91	1867	316
RC06MN017	168	169	1	1617	2934	5022	879	12	29.21	2468	286
RC06MN017	169	170	1	540	1537	2617	448	4	16.05	1118	211
RC06MN017	170	171	1	795	1619	2741	610	7	20.81	1468	231
RC06MN025	106	107	1	591	1116	1911	746	8	16.54	1051	194
RC06MN025	107	108	1	509	774	1359	548	5	12.23	882	128
RC06MN025	108	109	1	147	263	464	122	3	8.83	479	88
RC06MN025	109	110	1	594	641	1221	356	4	10.12	857	128
RC06MN025	110	111	1	317	579	1387	742	4	10.7	666	114
RC06MN025	111	112	1	294	508	925	604	4	9.79	877	101
RC06MN025	112	113	1	807	715	1261	629	6	12.25	891	151
RC06MN025	113	114	1	920	2220	3850	1408	92	23.62	1733	131
RC06MN025	114	115	1	788	2298	3806	1084	218	25.44	1723	145
RC06MN025	115	116	1	865	2169	3742	982	180	21.7	1638	120
RC06MN025	116	117	1	965	2449	4170	1148	156	27.74	2118	202
RC06MN025	117	118	1	820	2149	3717	1026	202	24	1811	127
RC06MN025	118	119	1	1050	2936	5108	1397	199	29.76	2317	120
RC06MN025	119	120	1	640	1801	3249	789	68	20.17	1536	97
RC06MN025	120	121	1	280	335	601	175	23	8.26	788	63
RC06MN025	121	122	1	535	860	1528	392	93	11.52	1132	66
RC06MN025	122	123	1	444	999	1720	464	85	14.73	1020	105

Hole	From	To	Interval	U ₃ O ₈ ppm	La ppm	Ce ppm	Cu ppm	Mo ppm	Fe %	P ppm	Y ppm
RC06MN025	123	124	1	551	1208	2154	575	87	16.72	1271	102
RC06MN025	124	125	1	836	1912	3321	1079	174	26.61	1691	133
RC06MN025	125	126	1	1095	1992	3569	1039	189	23.19	1744	149
RC06MN025	126	127	1	798	1240	2167	874	139	20.86	1501	126
RC06MN025	127	128	1	1022	2214	3909	1215	195	25.85	1847	139
RC06MN025	128	129	1	1358	2367	4085	1511	299	26.03	1759	186
RC06MN025	129	130	1	1277	1847	3275	1550	268	25.23	1615	92
RC06MN025	130	131	1	606	1118	1909	777	174	18.33	1897	82
RC06MN025	131	132	1	824	1761	3131	1151	201	24.03	2011	107
RC06MN025	132	133	1	1247	3211	5480	1690	456	33.02	2342	84
RC06MN025	133	134	1	983	2247	4019	1442	200	27.84	1800	168
RC06MN025	134	135	1	981	1503	2486	749	181	19.74	1652	243
RC06MN025	135	136	1	893	2187	3641	1107	642	22.17	1679	153
RC06MN025	136	137	1	1033	2109	3603	1347	1723	29.86	1594	87
RC06MN025	137	138	1	1098	2492	4355	1180	773	27.13	1820	112
RC06MN025	138	139	1	724	1444	2539	512	264	21.81	1602	147
RC06MN025	139	140	1	447	908	1638	462	185	16.67	1539	95
RC06MN025	140	141	1	409	840	1444	512	248	15.29	2048	90
RC06MN025	141	142	1	349	441	801	316	97	11.17	1865	89
RC06MN025	142	143	1	685	1094	1855	625	194	19.3	2080	128
RC06MN025	143	144	1	1106	2809	5070	1016	256	29.1	2397	139
RC06MN025	144	145	1	698	1778	3075	765	315	22.04	1987	126
RC06MN025	145	146	1	849	1925	3447	1001	280	24.55	1945	130
RC06MN025	146	147	1	850	1752	2942	869	237	28.56	1803	128
RC06MN025	147	148	1	655	1280	2323	755	184	20.76	1728	93
RC06MN025	148	149	1	498	874	1502	503	173	15.14	1696	94
RC06MN025	149	150	1	383	773	1379	493	210	13.27	1690	93
RC06MN025	150	151	1	547	1481	2645	571	63	23.46	1748	117
RC06MN025	151	152	1	726	1980	3496	780	121	22.11	2181	130
RC06MN025	152	153	1	735	1754	3165	710	149	23.92	2172	133
RC06MN025	153	154	1	778	1970	3622	797	95	20.92	2233	127
RC06MN025	154	155	1	955	2437	4270	1071	200	29.2	2126	181
RC06MN025	155	156	1	789	2004	3566	1107	185	23.34	2095	112
RC06MN025	156	157	1	953	2721	4748	1610	312	26.45	2722	198
RC06MN025	157	158	1	1045	2871	4844	2101	341	26.35	2322	166
RC06MN025	158	159	1	997	2873	4986	1984	231	33.88	2494	197
RC06MN025	159	160	1	896	2384	4277	1874	332	27.79	2206	165
RC06MN025	160	161	1	845	2438	4229	1860	302	29.35	2381	197
RC06MN025	161	162	1	775	2096	3728	975	349	21.58	1860	127
RC06MN025	162	163	1	692	2084	3531	1043	269	20.85	2275	99
RC06MN025	163	164	1	811	1661	2968	997	207	19.45	1999	89
RC06MN025	164	165	1	572	1191	2110	600	147	15.47	1615	88
RC06MN025	165	166	1	774	1348	2307	680	146	14.95	1727	84
RC06MN025	166	167	1	662	1377	2422	653	132	17.55	1887	80
RC06MN025	167	168	1	809	1728	3178	789	111	21.8	2100	111
RC06MN025	168	169	1	466	1005	1768	496	92	14.91	1590	86
RC06MN025	169	170	1	802	887	1557	516	68	13.68	1902	96
RC06MN025	170	171	1	830	894	1597	500	87	13.11	1523	82
RC06MN025	171	172	1	699	1868	3320	749	123	18.58	1693	129
RC06MN025	172	173	1	1011	2783	4913	1228	306	27.09	2465	134
RC06MN025	173	174	1	978	3539	6185	1010	375	26.88	2545	113
RC06MN025	174	175	1	1119	1887	3326	814	105	27.66	1542	240
RC06MN025	175	176	1	920	2082	3602	702	36	22.8	1626	181
RC06MN025	176	177	1	1812	924	1670	372	27	13.02	865	124
RC06MN025	177	178	1	1038	922	1639	273	27	10.91	842	122
RC06MN025	178	179	1	878	682	1235	238	21	8.51	715	114
RC06MN025	179	180	1	1412	409	774	148	31	5.24	522	103
RC06MN025	180	181	1	496	408	725	312	56	7.76	375	78

Notes

Drillholes denoted RC represents Reverse Circulation drill holes.

All samples are derived from cone splitter mounted immediately below the rig cyclone.

Following a 4- acid digest, all samples were analysed using ICP/Ms or OES by Genalysis Laboratories Services, Perth.

Intersections are calculated as arithmetic averages, no cutting of results has been applied.

Intersections are based primarily on 500ppm U₃O₈ cut-off and allowing 2m internal dilution. An exception has been included in hole RC06MN025: 139-142m for the purposes of practicality.