



Marathon Resources Ltd
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Manager Companies

Companies Announcements Office
Australian Stock Exchange Limited

MEDIA STATEMENT Marathon Resources Ltd ASX Code MTN

Marathon Resources Limited (ASX:MTN) has been involved in negotiations with a third party concerning a possible placement of approximately 13% of MTN's fully-diluted issued share capital (on a post-placement basis). These discussions have also involved a range of other related commercial arrangements. The Board will be seeking a placement price at a premium to the current share price of MTN but there can be no assurance that any such premium would be achieved.

Whilst the directors of MTN are hopeful that a placement at a premium will be agreed with another new major shareholder that will continue to support the company's growth and development, those negotiations remain incomplete. The discussions between MTN and the third party are ongoing and may take some weeks before a definitive transaction can be finalised and a legally binding agreement entered into. There remains a risk that no binding agreement will be reached with the third party, and even if any binding agreement is reached the placement price may not be at a premium.

In view of the current market conditions including the issues surrounding Mt Gee, the directors of MTN believe that any further disclosure of the particulars of the current negotiations would be premature and potentially misleading. MTN will advise the market of the outcome of the ongoing negotiations with the third party as soon as they have been concluded.

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Notes to Editor

Marathon is a minerals exploration company focused on the development of Mt Gee, one of Australia's largest undeveloped uranium deposits.

The Mt Gee project is located within the Paralana Mineral System of South Australia, a uranium-rich state which is home to the world's largest uranium deposit at Olympic Dam.

Marathon's portfolio also includes highly prospective copper-gold-uranium properties in the Gawler Craton of South Australia.

The Company has gold and copper-gold projects in other parts of South Australia and western Victoria, including first class copper-gold and base metal (silver-lead-zinc) projects in the Adelaide Geosyncline in South Australia and a prospective copper-gold project in the Moyston Fault Zone in Victoria.

Marathon also has a joint venture with listed uranium explorer UraniumSA Ltd (ASX: USA), in which the company holds a 7% stake; and with Primary Resources Ltd (ASX: PRZ) in the Warburton Project in Western Australia.

Marathon listed on the Australian Securities Exchange on 15 March 2005, under the stock code of MTN.

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