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COMPANY ANNOUNCEMENTS OFFICE
AUSTRALIAN STOCK EXCHANGE

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MARATHON RESOURCES ANNOUNCES
THIRD UPDATE OF CURRENT RESOURCE DRILLING PROGRAM
ADDITIONAL SIGNIFICANT INTERCEPTS FROM DRILLING AT MT GEE

Marathon Resources is pleased to announce the completion of the resource drilling program and the intersection of further significant uranium mineralisation in both the eastern and western portions of its 100% owned Mt Gee deposit in South Australia.

The drilling results are part of the major drilling program to upgrade the resource definition of the Mt Gee deposit from inferred to indicated and/or measured category.

The results reported herein essentially represent completion of the assay results for the western area and the first downhole gamma logging results from Mt Gee east.

The Mt Gee deposit, with its Inferred Resource of 45.5 million tonnes of uranium mineralisation averaging 0.068% U_3O_8, or 69 million pounds of contained U_3O_8, is one of Australia's largest undeveloped uranium deposits.

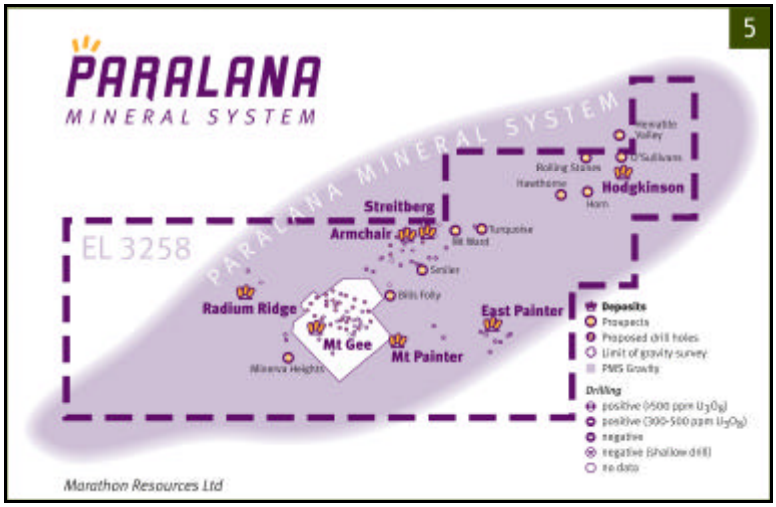

Figure 1: Paralana Mineral System, Mt Gee deposit, EL 3258, Flinders Ranges

Downhole gamma logging results from holes RC07MN064 to RC07MN070 of the Mt Gee drilling program (see Summary of Intercepts in the table below) demonstrate the continued presence of high grade mineralisation and intersections of significant thickness in the down-dip eastern side of the deposit, including:

RC07MN061: 260-274m; 14m @ 0.06% eU_3O_8
RC07MN064: 228-232m; 4m @ 0.07% eU_3O_8
RC07MN065: 205-212m; 7m @ 0.10% eU_3O_8
RC07MN068: 170-188m; 18m @ 0.14% eU_3O_8
RC07MN068: 193-199m; 6m @ 0.08% eU_3O_8
RC07MN069: 183-226m; 43m @ 0.07% eU_3O_8
RC07MN070: 200-216m; 16m @ 0.08% eU_3O_8
RC07MN070: 221-235m; 14m @ 0.06% eU_3O_8

Additional analytical results have been received corresponding to gamma logging results released on 15 March 2007. Significant analytical results include:

RC07MN039: 151 to 163m: 12m @ 0.09% U_3O_8
167 to 208m: 41m @ 0.11% U_3O_8
RC07MN041: 51 to 68m: 17m @ 0.08% U_3O_8
38 to 41m: 3m @ 0.35% U_3O_8
Including 38 to 39m: 1m @ 0.89% U_3O_8
RC07MN045: 175 to 190m: 15m @ 0.06% U_3O_8
RC07MN047: 71 to 83m: 12m @ 0.11% U_3O_8
RC07MN048: 149 to 165m: 16m @ 0.08% U_3O_8
RC07MN050: 132 to 160m: 28m @ 0.08% U_3O_8
168 to 196m: 28m @ 0.11% U_3O_8
RC07MN052: 116 to 126m: 10m @ 0.90% U_3O_8
160 to 176m: 16m @ 0.07% U_3O_8

The drilling of 44 holes on the western side of Mt Gee commenced on 17/11/2006 and was finished on 5/2/2007; for about 7800m of RC drilling were completed.

Drilling was continued at Mt Gee east, with 29 holes for 7590m being completed by 17/3/2007 when the program ended.

To date analytical results have been received for slightly over 5000 samples with results of another 4000 samples remain outstanding from the drilling program. Ongoing laboratory analyses will be released as soon as practical.

Below is a direct comparison of the new analytical results and previously released gamma logging results:

	Analytical Results					**Gamma Logging Results (released)**			
Hole ID	**From**	**To**	**m**	**U_3O_8 ppm**	**U_3O_8 %**	**From**	**To**	**m**	**eU_3O_8 %**
RC07MN039	75	79	4	1101	0.11	74	79	5	0.08
	130	133	3	669	0.07	131	134	3	0.07
	143	147	4	626	0.06				
	151	163	12	880	0.09	143	209	66	0.09
	167	208	41	1068	0.11				
RC07MN040	87	90	3	676	0.07	87	93	6	0.06
	118	121	3	655	0.07	119	122	3	0.05
RC07MN041	2	11	9	1050	0.10	1	7	6	0.08
	38	41	3	3543	0.35	36	43	7	0.10
	51	68	17	851	0.08	52	60	8	0.10
						63	69	6	0.08
RC07MN042	8	15	7	552	0.05				
	26	29	3	554	0.05		Inaccessible		
	47	53	6	968	0.09				
RC07MN045	108	111	3	1288	0.13	108	111	3	0.09
	115	118	3	629	0.06				
	163	166	3	640	0.06				
	175	190	15	621	0.06	176	185	9	0.06
						188	191	3	0.05
RC07MN046	88	91	3	753	0.07				
	101	104	3	813	0.08	101	104	3	0.06
RC07MN047	57	60	3	908	0.09	57	60	3	0.09
	71	83	12	1145	0.11	71	83	12	0.09
RC07MN048	38	41	3	554	0.05	NSI			
	149	165	16	832	0.08				
RC07MN049	94	97	3	805	0.08	94	97	3	0.07
	103	109	6	519	0.05	103	108	5	0.06
	120	123	3	603	0.06	120	125	5	0.06
	129	135	6	587	0.06	128	135	7	0.07

Hole ID	From	To	m	U_3O_8 ppm	U_3O_8 %	From	To	m	eU_3O_8 %
RC07MN050	132	160	28	853	0.08	NSI			
	168	196	28	1064	0.11				
RC07MN051	96	99	3	1003	0.10	92	95	3	0.06
	131	137	6	928	0.09	119	140	21	0.07
	142	145	3	1007	0.10				
RC07MN052	108	112	4	671	0.07	110	114	4	0.06
	116	126	10	949	0.09	118	127	9	0.08
	147	152	5	841	0.08	149	153	4	0.06
	160	176	16	684	0.07	162	165	3	0.05
						168	178	10	0.06
RC07MN053	54	60	6	1353	0.13	53	60	7	0.09
	73	77	4	903	0.09	73	76	3	0.10
RC07MN054	55	58	3	527	0.05	NSI			
RC07MN055	46	49	3	812	0.08	46	49	3	0.06

Summary of new intercepts - downhole gamma logging:

RC07MN061: 252-255m: 3m @ 0.06% eU_3O_8
260-274m; 14m @ 0.06% eU_3O_8
RC07MN062: Inaccessible
RC07MN063: NSI
RC07MN064: 228-232m; 4m @ 0.07% eU_3O_8
RC07MN065: 205-212m; 7m @ 0.10% eU_3O_8
264-268m; 4m @ 0.05% eU_3O_8
RC07MN068: 161-165m; 4 @ 0.05% eU_3O_8
170-188m; 18m @ 0.14% eU_3O_8
193-199m; 6m @ 0.08% eU_3O_8
RC07MN069: 183-226m; 43m @ 0.07% eU_3O_8
RC07MN070: 79-82m; 3m @ 0.06% eU_3O_8
200-216m; 16m @ 0.08% eU_3O_8
221-235m; 14m @ 0.06% eU_3O_8
RC07MN071: NSI; not able to penetrate below 150m, TD 318m
RC07MN072: NSI; not able to penetrate below 155m, TD 288m
RC07MN073: 49-53m; 4m @ 0.05% eU_3O_8
156-159m; 3m @ 0.08% eU_3O_8
RC07MN074: NSI; not able to penetrate below 130m, TD 200m
RC07MN075: 115-120m; 5m @ 0.06% eU_3O_8
RC07MN076: NSI; not able to penetrate below 85m, TD 240m
RC07MN077: 45-53m; 8m @ 0.07% eU_3O_8
127-133m; 6m @ 0.07% eU_3O_8
RC07MN078: Inaccessible
RC07MN079: NSI; not able to penetrate below 51m, TD 190m
RC07MN080: NSI; not able to penetrate below 155m, TD 240m
RC07MN081: Inaccessible
RC07MN082: NSI
RC07MN083: NSI; not able to penetrate below 45m, TD 229m
RC07MN084: NSI; not able to penetrate below 105m, TD 212m
RC07MN085: NSI; not able to penetrate below 104m, TD 240m
RC07MN086: 68-71m; 3m @ 0.08% eU_3O_8
160-163m; 3m @ 0.07% eU_3O_8

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	122
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	318
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
RC06MN013	340798	6655036	501	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	280
RC07MN040	340342	6655226	560	15	-70	280
RC07MN041	340380	6655034	574	140	-60	81
RC07MN042	340385	6655045	573	80	-60	72
RC07MN043	340369	6655121	561	0	-90	126
RC07MN044	340369	6655119	562	180	-60	90
RC07MN045	340374	6655193	568	0	-90	240
RC07MN046	340248	6655259	540	250	-60	150
RC07MN047	340250	6655258	540	215	-80	240
RC07MN048	340282	6655236	536	0	-90	90
RC07MN049	340287	6655226	537	140	-75	144
RC07MN050	340255	6655259	539	46	-72	234
RC07MN051	340322	6655165	546	0	-90	156
RC07MN052	340325	6655165	545	55	-75	208
RC07MN053	340261	6655124	525	0	-90	100
RC07MN054	340258	6655155	525	0	-90	96
RC07MN055	340246	6655200	521	0	-90	90
RC07MN056	340119	6655240	518	330	-60	120
RC07MN057	340119	6655233	518	290	-60	120
RC07MN058	341416	6655003	485	0	-90	412
RC07MN059	341120	6655126	485	0	-90	318
RC07MN060	341121	6655128	485	95	-65	312
RC07MN061	341111	6655191	487	0	-85	300
RC07MN062	341110	6655186	488	90	-70	326
RC07MN063	341057	6655238	493	45	-60	277
RC07MN064	341054	6655239	491	0	-85	311
RC07MN065	340963	6655254	488	0	-90	280
RC07MN066	341134	6655012	488	230	-60	270
RC07MN067	341135	6655012	488	260	-60	181
RC07MN068	341046	6655135	484	0	-90	300
RC07MN069	340999	6655118	480	180	-65	276
RC07MN070	340883	6655309	494	0	-90	294
RC07MN071	340879	6655309	490	70	-60	318

Hole ID	MGA EAST	MGA NORTH	RL	MAG AZI	DIP	LENGTH (m)
RC07MN072	340926	6655116	483	230	-70	288
RC07MN073	340870	6655153	487	0	-90	276
RC07MN074	340778	6655151	489	275	-65	200
RC07MN075	340778	6655151	487	0	-90	200
RC07MN076	340778	6655150	487	225	-60	240
RC07MN077	340738	6655235	503	0	-90	183
RC07MN078	340661	6655252	519	270	-60	136
RC07MN079	340659	6655252	520	270	-60	190
RC07MN080	340665	6655254	520	195	-70	240
RC07MN081	340664	6655282	518	340	-70	215
RC07MN082	340544	6655411	538	250	-65	180
RC07MN083	340541	6655415	533	300	-60	229
RC07MN084	340541	6655419	540	0	-90	212
RC07MN085	340864	6655438	501	10	-70	240
RC07MN086	340856	6655439	501	260	-70	240

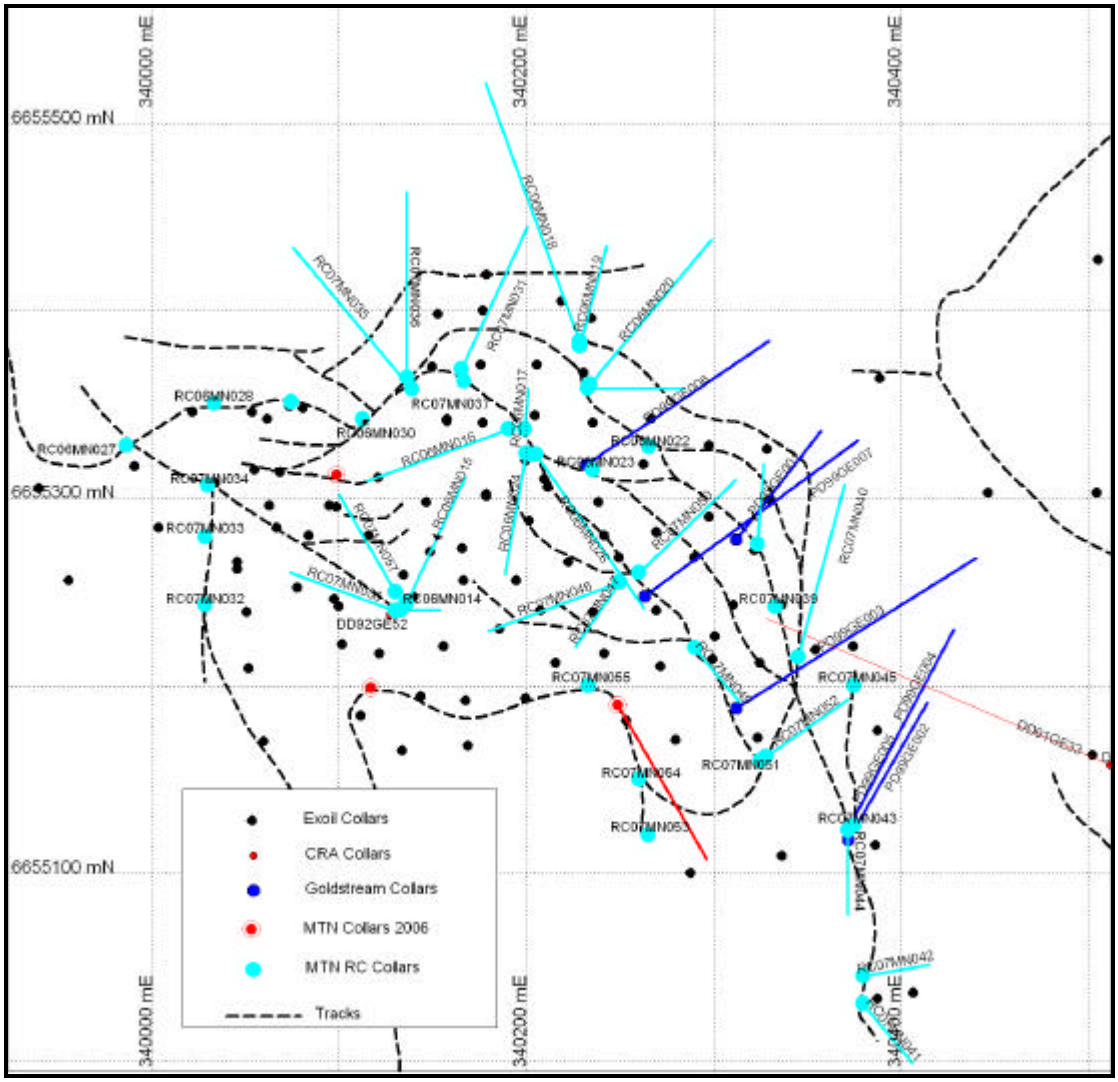

Figure 2 Completed RC drill holes locations, Mt Gee west.

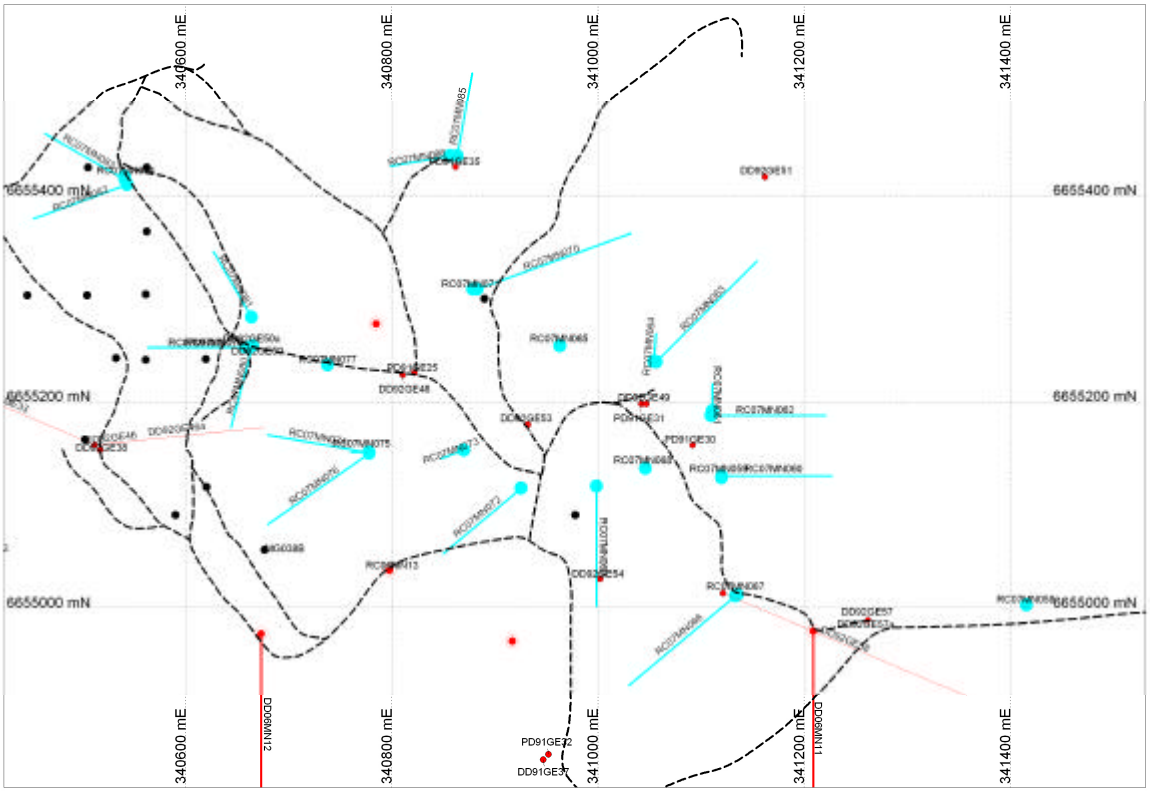

Figure 3 Completed RC drill holes locations, Mt Gee East.

Selected Assay Intercepts

HOLE-ID	FROM	TO	Interval	U_3O_8 ppm	La ppm	Ce ppm	Cu ppm	Mo ppm	FeO%
RC07MN041	38	39	1	**8924.54**	659.22	1115.2	3018	14.9	13.93
RC07MN041	39	40	1	**1297.82**	1712.95	3075.86	1275	7.7	25.96

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 U_3O_8 cut-off and allowing 2m internal dilution.