



30 April 2007

By "e - Lodgement": ASX On-line

Manager Companies  
Company Announcements Office  
Australian Stock Exchange Limited

Dear Sir/Madam

**ASX Code MTN**  
**SEVENTH SUPPLEMENTARY TARGET'S STATEMENT**

Attached for release through the ASX is Marathon's Seventh Supplementary Target's Statement dated 30 April 2007.

The Target's Statement has today been lodged with ASIC and sent to Buttermere Australia Pty Ltd.

Yours faithfully

A handwritten signature in black ink, appearing to read "Sam Appleyard", is written over a faint, light-colored signature line.

**Sam Appleyard**  
Company Secretary



The letter below is the seventh Supplementary Target's Statement issued by Marathon Resources Ltd (**Marathon**) and is dated 30 April 2007. It supplements Marathon's Target's Statement dated 8 September 2006 relating to the unsolicited off-market takeover bid for all shares issued in the capital of Marathon by Buttermere Australia Pty Limited, an indirect wholly owned subsidiary of Crosby Capital Partners Inc. This Supplementary Target's Statement is to be read together with the Target's Statement as supplemented by the first Supplementary Target's Statement issued by Marathon on 25 September 2006 (**First Supplementary**), second Supplementary Target's Statement issued by Marathon on 19 October 2006 (**Second Supplementary**), third Supplementary Target's Statement issued by Marathon on 9 November 2006 (**Third Supplementary**), fourth Supplementary Target's Statement issued by Marathon on 1 March 2007 (**Fourth Supplementary**), fifth Supplementary Target's Statement issued by Marathon on 22 March 2007 (**Fifth Supplementary**) and the sixth Supplementary Target's Statement issued by Marathon on 24 April 2007 (**Sixth Supplementary**). Terms used below have the meanings given in section 9 of the Target's Statement.

#### SEVENTH SUPPLEMENTARY TARGET'S STATEMENT

**MARATHON DIRECTORS CONTINUE TO ADVISE YOU TO**

**REJECT**

**THE OFFER FOR YOUR MARATHON SHARES  
TO REJECT THE OFFER SIMPLY DO NOTHING**

30 April 2007

Dear Marathon Shareholder,

#### **Takeover offer by Buttermere Australia Pty Ltd**

You have been advised that Buttermere Australia Pty Ltd extended its unsolicited off-market takeover offer of \$3.52 for each Marathon share for the seventh time on 26 April 2007. The Offer is now scheduled to close at 7.00pm (Sydney time) on 4 July 2007 unless extended again.

The Offer Price of \$3.52 per Marathon Share represents:

- a **discount** of 45.2% to the highest trading price for Marathon's Shares on 17 April 2007 of \$6.42; and
- a **discount** of 24.1% to the volume weighted average selling price of \$4.64 for Marathon's Shares during the period 9 March 2007 (the date the Bidder increased the Offer Price from 68 cents to \$3.52 per Marathon Share) to 27 April 2007.

The significant difference between Marathon's current market price and the Offer Price clearly reflects the total inadequacy of the Offer for Marathon Shares.

Marathon Directors are confident that Shareholders share the Directors' view that the Offer is totally inadequate, given the lack of acceptances in respect of the Offer. Buttermere Australia is obliged to lodge a substantial shareholding notice with ASX if it receives acceptances from Marathon Shareholders in respect of 1% or more of the total Marathon Shares on issue. Marathon notes that, other than the initial notice in respect of Buttermere Australia's 0% interest in Marathon Shares, there has been no other substantial shareholding notice lodged by Buttermere. Marathon Directors advise Shareholders to continue to ignore the Offer.

As the Offer has been extended for more than one month, those Shareholders, if any, that have accepted the Offer, now have the right to withdraw their acceptance in accordance with section 650E of the Corporations Act and regain control of their Marathon shares.

Marathon Directors will continue to advise Shareholders of any further changes to the terms of the Offer and will continue to implement plans to develop Marathon's assets for the benefit of Marathon Shareholders.

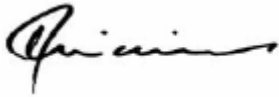
Your Directors reiterate their recommendation that you **REJECT** the Offer for the reasons explained in detail in the Target's Statement as supplemented by the First Supplementary, the Second Supplementary, the Third Supplementary, the Fourth Supplementary, the Fifth Supplementary, the Sixth Supplementary and this Seventh Supplementary Target's Statement.

**To reject the Offer simply do nothing and ignore all documentation sent to you by the Bidder.**

Signed for and on behalf of Marathon Resources Ltd by Peter Williams being a director authorised to sign this Seventh Supplementary Target's Statement pursuant to a resolution passed by Marathon directors on 30 April 2007.

Dated: 30 April 2007

Yours sincerely

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

Peter L Williams

Chairman

Marathon Resources Ltd