

Wednesday 4 March 2009

ASX e-lodgement

Mr Dion Silvy  
Senior Adviser (Issuers) Adelaide  
ASX Market Supervision Pty Ltd  
GPO Box 547  
ADELAIDE SA 5001

Dear Mr Silvy,

**Re: Marathon Resources Ltd (MTN) -Change of Directors' Interests Notices**

We refer to the letter from ASX dated 3 March 2009 in respect of the late lodgement of the Appendices 3Y lodged with ASX on 3 March 2009 for Directors Peter Williams and Christopher Schacht.

We apologise for the late lodgement and respond to ASX's queries as follows:

**1) Reasons why the Appendices were lodged late**

The Directors in question increased their shareholdings by taking up some of their entitlements under a rights issue. The shares under the rights issue were issued and allotted to accepting shareholders in mid December. The Appendices were lodged late due to a combination of factors, including inadvertent administrative error and the fact that the holiday period followed the issue and allotment date.

**2) Arrangements the company has in place with its directors to ensure that it is able to meet its disclosure obligations**

MTN's corporate governance statement published in its Annual Report details the arrangements put in place to ensure that it is able to meet its disclosure obligations under the Listing Rules. Each of the Directors is aware of their obligations under Listing Rule 3.19B.

**3) Additional steps the company intends to take to ensure compliance**

Your correspondence and this response will be tabled by the Company Secretary at the next Board meeting and the Directors will be apprised of the circumstances giving rise to the issue. The Company and its Directors take seriously their obligations with respect to Listing Rule 3.19B and their commitment to follow the ASX Corporate Governance Council's Best Practice Recommendations generally. The company submits this occurrence will not recur.

Yours sincerely,



S.M. Appleyard

Company Secretary



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3 March 2009

Sam Appleyard  
Company Secretary  
Marathon Resources Limited  
235 Port Road  
Hindmarsh SA 5007

By email: [sappleyard@marathonresources.com.au](mailto:sappleyard@marathonresources.com.au)

Dear Mr Appleyard

**Marathon Resources Limited (the "Company") Appendix 3Y - Change Director's Interest Notice**

We refer to the following;

1. The Appendices 3Y lodged by the Company with ASX on 3 March 2009 for Peter Williams and Christopher Schacht.
2. Listing rule 3.19A which requires an entity to tell ASX the following:
  - 3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.
    - On the date that the entity is admitted to the official list.
    - On the date that a director is appointed.The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.
  - 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.
  - 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.
3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z

**Australian Securities Exchange**

Australian Stock Exchange  
Sydney Futures Exchange

Australian Clearing House  
SFE Clearing Corporation

ASX Settlement and Transfer Corporation  
Austraclear

within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.

4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

As the Appendices indicate that a change in the directors' relevant interests occurred on 10 December 2008 it appears that the Appendices should have been lodged with the ASX by 17 December 2008. As the Appendices were lodged on 3 March 2009 it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears that there may have been a breach of S205G of the Corporations Act by the director concerned.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendices were lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at [Dion.Silvy@asx.com.au](mailto:Dion.Silvy@asx.com.au) or by facsimile on facsimile number (08) 8216 5099. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (i.e. before 9.30 a.m. E.D.S.T.) on Thursday, 5 March 2009.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and should separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours Sincerely,



Dion Silvy

**Senior Adviser (Issuers), Adelaide**

Direct Line: (08) 8216 5034