

29 April 2009

Manager Companies
Company Announcements Office
Australian Stock Exchange Limited

By E-lodgement: ASX On-line

Dear Sir/Madam

ASX Code: MTN

Quarterly Activity Statement and Appendix 5B

Please find attached Marathon's Quarterly Activity Report and Appendix 5B Quarterly Report for the period ending 31 March 2009.

Yours faithfully



Sam Appleyard
Company Secretary

29 April 2009

**COMPANY ANNOUNCEMENTS OFFICE
AUSTRALIAN STOCK EXCHANGE**

ASX CODE MTN

**QUARTERLY ACTIVITY REPORT
1 January 2009 – 31 March 2009**

Marathon Resources Limited (ASX: “MTN”) is pleased to present its activity report for the Quarter ending 31 March 2009. Highlights of the past quarter include:

- Integration of geophysical data sets covering our Mt Gee uranium project (EL3258) in South Australia’s northern Flinders Ranges;
- Interpretation of ground gravity data at the Mt Gee project;
- Interpretation of stream sediment samples at the Mt Gee project, and;
- Submission of a “Rectification Completion Report” to the Department of Primary Industries and Resources South Australia (PIRSA).

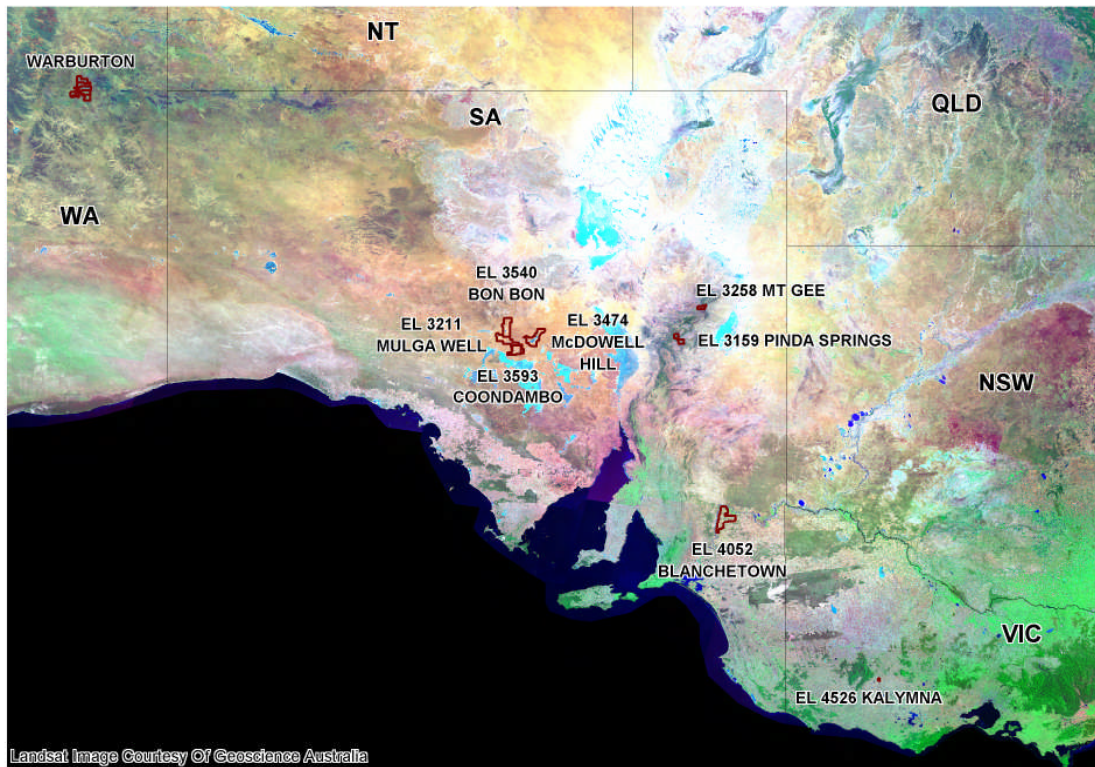


Figure 1: Marathon Resources- Map of Tenements

EL 3258 Mt Gee

Regional Geophysical Datasets

Marathon has reprocessed and merged available geophysical data sets that cover EL 3258. These include radiometrics (compiled from previous Geoscience Australia, PIRSA and CRA Exploration (CRAE) surveys), magnetics (merge of CRAE surveys) and coarse gridding of the Marathon gravity data.

These data sets have led to a better understanding of the regional setting of the Mt Gee mineralising systems. In summary, there is a large underpinning gravity anomaly on a major structure defined by magnetic and gravity, ringed by uranium anomalies. Also present are small isolated gravity highs potentially representing shallow bodies of haematite breccia.

Ground Gravity Interpretation

A total of 1,967 ground gravity stations were read in three detailed lines, three grids, as well as an additional 72 regional stations over the remainder of the tenement. The three detailed lines were read over areas of known mineralisation and the results are being used to assist in interpretation of the major survey. The three grids extended an existing detailed survey from 2001 and covered rock types known to host uranium mineralisation. The regional stations completed coverage at one kilometre spacings over the rest of the tenement.

The entire gravity dataset was gridded with varying coarse cell sizes and different orientations of the gridding. The best regional structure image created to date uses a 200m cell size splined to 50m and a 315 degree gridding azimuth.

The images display various structures and structural domains within the tenement including a strong NE and NW/NWN grain.

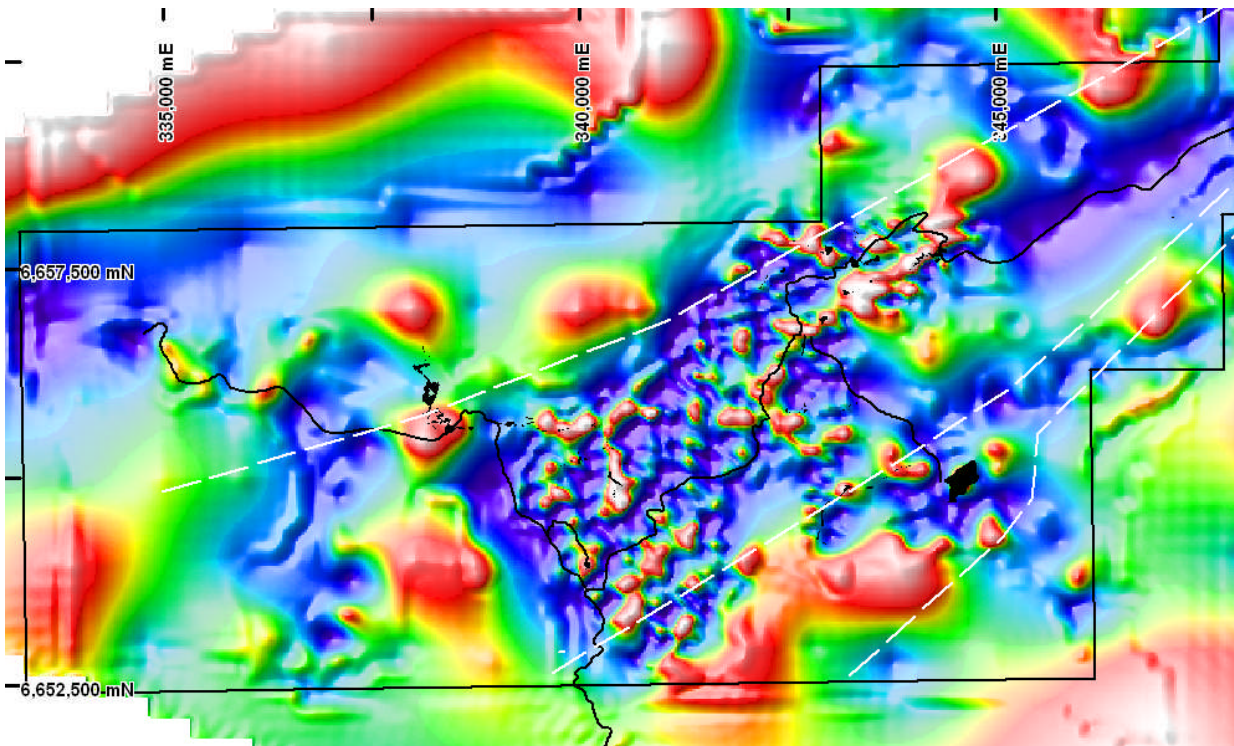


Figure 2: Detailed gravity results as first vertical derivative merged with regional gravity image.

Figure 2 demonstrates the Mt Gee area is located within a regional gravity low. This is interpreted as representing a deep seated granite intrusive, which possibly is the source of hydrothermal mineralising fluids associated with the known uranium mineralisation.

Stream Sediment Interpretation

A total of 473 stream sediment samples were collected and assayed within EL 3258. The stream sediment sampling has been highly successful in outlining new areas of potential mineralization. These can be considered with a high level of confidence as the program also outlined several areas of known mineralization.

The application of a partial analytical technique has negated the possible effects of Thorium saturation in the data and has reduced the identification of spurious anomalies derived from lithological units within the area. There is strong correlation between the significant areas outlined by the direct sample result and when the assay result is factored against catchment area.

A number of priority areas have been identified which are outside areas of known mineralization and the numerous prospects which have been identified during previous exploration. These new areas outlined by the geochemical results will need field follow-up and check-sampling.

The potential new mineralisation may not be associated with ferruginous breccia as occurs at the Mt Gee or Armchair Prospects.

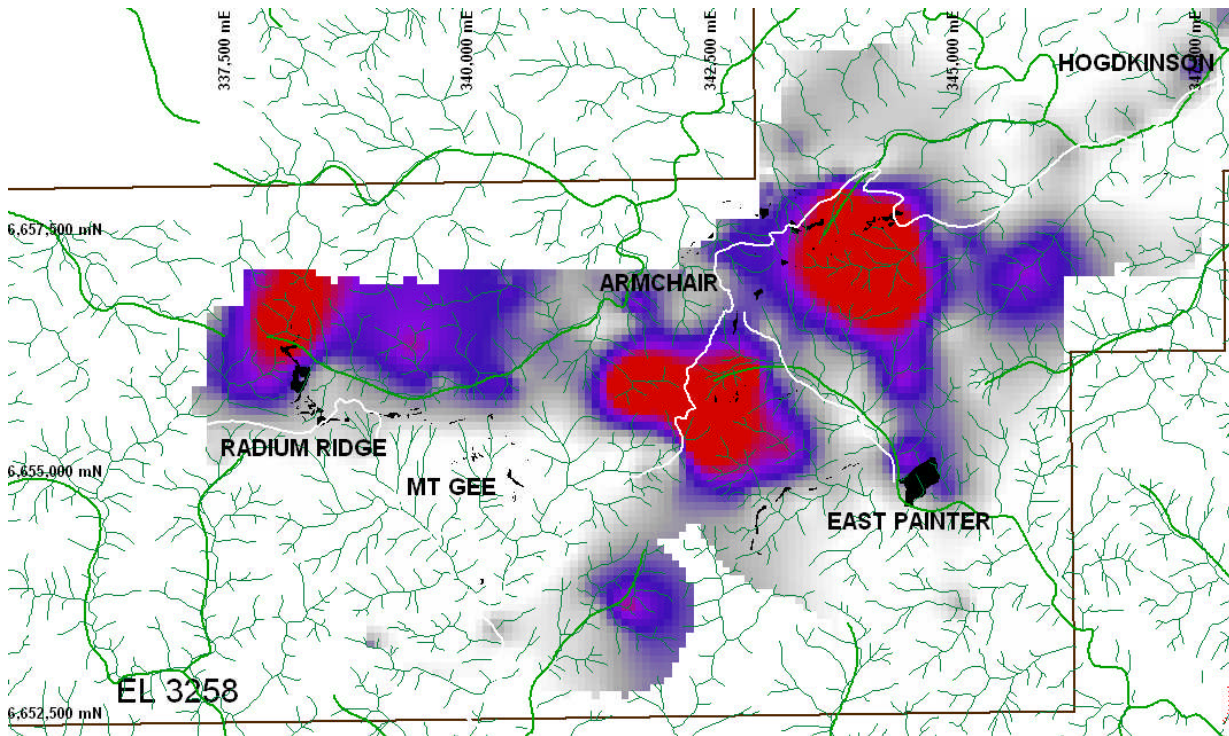


Figure 3: Image of Stream Sediment Geochemistry showing distribution of anomalous Uranium.

Rectification approved

On 28 April 2009, PIRSA (Primary Industries and Resources SA) approved the Closure Report (Independent Verification of Rectification Works at EL3258) following the completion of rectification work at the Mt Gee tenement.

The Closure Report was compiled by the lead independent consultant Parsons Brinkerhoff.

PIRSA completed a final assessment of the rectification works conducted on site between 17 November and 22 December 2008 against criteria documented within the Formal Notification dated 20 August 2008.

PIRSA found that the rectification works undertaken at EL3258 were in accordance with the Rectification Plan approved by PIRSA on 11 August 2008 and the Formal Notification dated 20 August 2008.

The *Closure Report* is publicly available via the PIRSA Minerals website.

EL 3159 Pinda Springs

The final Technical Report was submitted to PIRSA prior to relinquishing the tenement.

EL 3593 Coondambo

Preliminary interpretation of the recently completed ground magnetic survey has identified possible drill targets.

EL 3211 Mulga Well

Documentation was prepared in conjunction with joint-venture partner Uranium SA to apply for a replacement tenement over a reduced area.

EL 4526 Kalymna

A complete technical review of all exploration undertaken to date was completed. This included compilation of a summary structural map to assist in planning the next phase of exploration.

The information in this report that relates to Exploration Results has been compiled by Mr Brenton Newell, a part-time employee of Marathon Resources Ltd and a Member of the Australian Institute of Geoscientists. He 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 Brenton Newell consents to inclusion in the report of these matters based on their information in the form and context in which it appears.

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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.



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ABN 31 107 531 822

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 Strzelecki Resources Ltd (ASX: STZ) in the Warburton Project in Western Australia.

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

www.marathonresources.com.au

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

MARATHON RESOURCES LIMITED

ABN

31 107 531 822

Quarter ended ("current quarter")

31st MARCH 2009

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation	(627)	(3,074)
(b) development		
(c) production		
(d) administration	(673)	(2,257)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	80	189
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other – Capital raising costs	(66)	(256)
Net Operating Cash Flows	(1,286)	(5,398)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects investments		
(b)equity		
(c) other fixed assets	(58)	(71)
1.9 Proceeds from sale of: (a)prospects investments		
(b)equity		
(c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(58)	(71)
1.13 Total operating and investing cash flows (carried forward)	(1,344)	(5,469)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,344)	(5,464)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	4,833
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other –Prospectus & Supplementary Prospectus		
	Net financing cash flows	0	4,833
Net increase (decrease) in cash held			
		(1,344)	(636)
1.20	Cash at beginning of quarter/year to date	6,087	5,379
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4,743	4,743

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2d	45
1.24	Aggregate amount of loans to the parties included in item 1.10	NIL

1.25 Explanation necessary for an understanding of the transactions

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Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	NIL	-
3.2	Credit standby arrangements	NIL	-

Estimated cash outflows for next quarter

+ See chapter 19 for defined terms.

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	-
Total	250

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	508	290
5.2 Deposits at call	4,235	5,797
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,743	6,087

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL 3159 Pinda Springs	Surrendered on renewal anniversary 20.01.2009	100%	0
6.2 Interests in mining tenements acquired or increased		None Acquired		

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter


Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	N/A			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A			
7.3 +Ordinary securities	75,977,977	75,977,977		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>	N/A			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	1,055,700 30,000 30,000 3,000,000	- - - - -	0.20 cents 0.20 cents 0.45 cents 1.18	30/06/09 30.6.2010 30.6.2010 30.6.2011
7.8 Issued during quarter	-			
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>	N/A	-		
7.12 Unsecured notes <i>(totals only)</i>	N/A	-		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
(Director/Company Secretary)

Date: 29 April 2009

Print name: S. M. Appleyard.....

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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