MARATHON

CHAIRMAN'S ADDRESS

Delivered at the Annual General Meeting

Friday 25 November 2005

Hyatt Hotel North Terrace Adelaide

Dear Shareholders,

On behalf of the Board of Directors I am pleased to report to you on an exciting period from our listing in March 2005.

We were encouraged by the success of the IPO where we raised $4.64m with the issue of 37.8m shares at $0.20 each. There was strong support from brokers who recognized that demand for uranium in particular, was high and that the company's resources, especially at Mt Gee, were promising.

We have over 1000 shareholders and there are 32.6m shares quoted.

Our regional focus has resulted in exploration on our tenements at Mt Gee - the Paralana Mineral System and I am pleased to report that the drilling program commenced several weeks ago. Exploration has also occurred at Coober Pedy and Glendambo in the Gawler Craton and some work has been done at Mongalata and Pinda Springs in the Adelaide Geosyncline, and an air core drilling program conducted in our Moyston Fault Zone area of Western Victoria.

In our prospectus we emphasized the strength of our team and the expertise they had in implementing state of the art technology. We have established a small, cohesive and competent group and we have been able to engage the best consulting assistance from Australia and overseas.

Our two Executive Directors have extensive experience in resource companies. Dr John Santich has been involved in establishing and managing mining companies for many years, and being a lawyer too, he has the negotiation and documentation skills we need. Dr Vic Bogacz is a highly qualified geologist and engineer with an excellent world-wide reputation. He has been involved in Australian and international projects (particularly in South America) and has consulted to the major mining houses using his tectogenetic analysis. We believe that their skills combine to give us a technology edge and certainly they have enabled continuing dialogue with the major world-wide companies which are experienced in large mining operations.

The company has been pleased to engage Allan Younger as Chief Geologist and he has done an expert job in bringing a team together; his work in controlling the drilling program in such a short time is commendable and will be of real value to the company.

Our development program involves work on all tenements throughout South Australia and Victoria. We have obviously changed our focus following the deposit modeling results at Mt Gee. We released the results to the market on 2 August 2005 and clarified them with a later release on 12 August 2005 demonstrating a very large uranium - rare earth – polymetallic mineral system. The indicated and referred resource shows a total of 56.7m tonnes of mineralization containing 33,200 Tonnes of U_3O_8 at an average grade of 0.06%

The computer modeling done by the Economic Centre of the University of Mining and Metallurgy in Krakow Poland was carried out incorporating tectogenetic analysis developed by Dr Bogacz. This involved an understanding of the tectonic structures, their settings and the processes forming ore bodies.

The company has developed an exploration strategy integrating the geological, geophysical and other information using tectogenetic analysis. The concept interprets the entire structural environment of the mineralized system at local and regional levels to determine the distribution of the mineralization within the system.

In our prospectus we advised that the approach we were taking has proved to be successful in metalliferous exploration both in Australia and overseas leading directly to economic discoveries as well as reassessments of under-explored ore systems making them economically viable. This reporting period to you is too short for our efforts to be completed but I draw your attention to the significant events which have occurred in the current year and which are reported in the Annual Report on pages 5 – 7.

The reporting requirements imposed upon public companies like ours, do set standards for compliance and your company accepts the three main principles of transparency, materiality and competence relating to compliant reports. We should be able to report more fully throughout this year as the committed exploration plan unfolds. It is just 8 months since listing and I am proud of the achievement the company has made in that short time.

We are confident that we have properties of excellent potential ready for an exploration program to succeed.

Following listing in March 2005 where the opening price for shares was $0.28 there were several months up to 30 June 2005 where the company was preparing to implement its strategies and assessment of results was taking place. During that time the price remained at approximately the subscription price.

The market responded to the release of the Paralana Mineral System modeling results in August reaching a peak of $0.91 and then it declined again in the period when we were organizing the drilling program.

The current price is in the $0.60 + range and the market capitalization approximately $24m.

I am confident that the work we have done and what is in progress will add considerably to shareholder value.

Lastly I would like to thank our Executive Directors, our two non-executive Directors and our small but very competent staff for the outstanding achievements in this short period. I would also like to thank the shareholders for the support they have given us for this very exciting opportunity.

P L Williams
Chairman