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24 April 2007

By "e - Lodgement": ASX On-line

Manager Companies
Company Announcements Office
Australian Stock Exchange Limited

Dear Sir/Madam

**ASX Code MTN**
**SIXTH SUPPLEMENTARY TARGETS STATEMENT**

Attached for release through the ASX is Marathon's Sixth Supplementary Targets Statement dated 24 April 2007.

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

Yours faithfully

**Sam Appleyard**
Company Secretary

# Marathon Resources Ltd

**ACN 107 531 822**

*The letter below is the sixth Supplementary Target's Statement issued by Marathon Resources Ltd (**Marathon**). It supplements Marathon's Target's Statement dated 8 September 2006 (**Target's Statement**) relating to the unsolicited off-market takeover bid for all issued shares in the capital of Marathon by Buttermere Australia Pty Limited (**Buttermere Australia**), 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, the Second Supplementary Target's Statement issued by Marathon on 19 October 2006, the Third Supplementary Target's Statement issued by Marathon on 9 November 2006, the Fourth Supplementary Target's Statement issued by Marathon on 1 March 2007 and the Fifth Supplementary Target's Statement issued by Marathon on 22 March 2007. Terms used below have the meanings given in section 9 of the Target's Statement.*

**SIXTH 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**

24 April 2007

Dear Marathon Shareholder,

**Joint Venture with Primary Resources Limited**

On Friday, 20 April 2007 Marathon announced to the ASX that it had entered into a joint venture agreement with Primary Resources Limited (**Primary**) in respect of Primary's Warburton project located in Western Australia. The Warburton project covers seven exploration tenements located near the South Australian border, which are prospective for uranium, both IOCG (U-CU-Au) and palaeochannel type.

Under the terms of the joint venture agreement, Marathon will be able to earn up to a 70% interest in the Warburton project by spending $3.25 million within 5 years. Marathon will direct the overall exploration strategy for the joint venture while Primary will be the joint venture operations manager.

The joint venture agreement also provides Marathon with a pre-emptive right to enter into a similar joint venture arrangement with Primary in respect of its Egerton tenements, located to the west of the Warburton project.

As an indication of Marathon's commitment to work with Primary on the joint venture, Marathon has agreed to take a placement of up to 2.3 million Primary shares at 20 cents each.

A copy of the ASX announcement, containing full details of the joint venture agreement, is annexed to this letter as Annexure A.

Marathon's entry into this joint venture agreement with Primary has the effect that one of the conditions of Buttermere Australia's Offer will not be satisfied. Notwithstanding this, the Marathon Board considers the joint venture to be in Marathon's best interests and an opportunity to further enhance shareholder value by extending Marathon's exploration activities to an area with potential for identification of a major uranium or polymetallic system.

**Appointment of new Chief Executive Officer**

Marathon also announced to ASX on Friday, 20 April 2007 that it had appointed Mr Stuart Hall as its new Chief Executive Officer. A copy of that announcement is annexed to this letter as Annexure B.

Mr Hall has over 30 years international experience in the resources and minerals processing industry, including holding senior management positions with BHP Billiton, WMC Resources and Rio Tinto, and has gained significant expertise in project development through his varied roles.

Mr Hall's appointment is consistent with Marathon's philosophy that as it grows it will seek to bring new skills to the Company which are complimentary to the development of its assets at that time. Having regard to Marathon's significant achievements over the last six months in its further development of the Mt Gee project, which have included completing a major drilling program at Mt Gee and commissioning a scoping study on the Mt Gee deposit, the Board believes that now is an appropriate time to bring further expertise and experience in major resource development to Marathon's management team.

Mr Hall takes over the Chief Executive Officer role from Marathon's founding Chief Executive Officer, Dr John Santich, who will remain with the Company as an Executive Director.

**Recommendation**

On 9 March 2007, Buttermere Australia increased its unsolicited off-market takeover bid for all of your Marathon Shares from $0.68 to $3.52 per Marathon Share (**Revised Offer**).

Since Buttermere Australia revised its Offer, Marathon's share price has consistently traded at a price higher than the Revised Offer as the market begins to reward Marathon for the progress it is has made in the further development of its Mt Gee project.

Buttermere Australia's Revised Offer of $3.52 per share for all Marathon ordinary shares 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 23.3% to the volume weighted average selling price of $4.59 for Marathon's shares in the period 9 March 2007 to 23 April 2007.

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

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

If you have any questions regarding the Offer call the Marathon information line on 1300 138 684 (toll free in Australia) or +61 3 9415 4349 for international calls. Calls to these numbers will be recorded in accordance with the Corporations Act.

Signed for and on behalf of Marathon Resources Ltd by Peter Williams being a director authorised to sign this sixth Supplementary Target's Statement pursuant to a resolution passed by Marathon Directors on 23 April 2007.

Dated: 24 April 2007

Peter L Williams
Chairman
Marathon Resources Ltd

## ANNEXURE A

## Joint Venture Announcement

PRIMARY RESOURCES LIMITED

MARATHON

Level 5, 70 Pirie St
Adelaide SA 5000
ACN 116 249 060

10 George St
Stepney SA 5069
ACN 107 531 822

**Friday, 20 April 2007**

**MARATHON EXTENDS SEARCH TO WESTERN AUSTRALIA**

**PRIMARY TO COMMENCE JOINT VENTURE OPERATIONS**

**EXCELLENT URANIUM AND POLYMETALIC EXPLORATION POTENTIAL**

- **Marathon Resources Limited ("Marathon", ASX code "MTN") and Primary Resources Limited ("Primary", ASX code "PRZ") are pleased to announce a joint venture agreement that will allow Marathon to earn up to 70% by spending $3.25 million within five years in Primary's Warburton project located in Western Australia.**

- **Under the terms of the agreement, Marathon has committed to work with Primary on the joint venture and will also cement the relationship by taking a placement of 2.3 million Primary shares at 20 cents.**

- **The joint venture will extend Marathon's uranium and polymetallic exploration activities to Western Australia.**

The Warburton project covers seven exploration tenements located near the South Australian border which are prospective for uranium, both IOCG (U-Cu-Au) and palaeochannel type. There is also significant potential for nickel and Platinum Group Elements (PGE), as well as diamonds, in the area. Marathon will direct overall the exploration strategy while Primary will be the joint venture operations manager.

The agreement also provides for a pre-emptive right for Marathon to enter into an arrangement with Primary over its Egerton tenements, located to the west of the Warburton project (Figure 1).

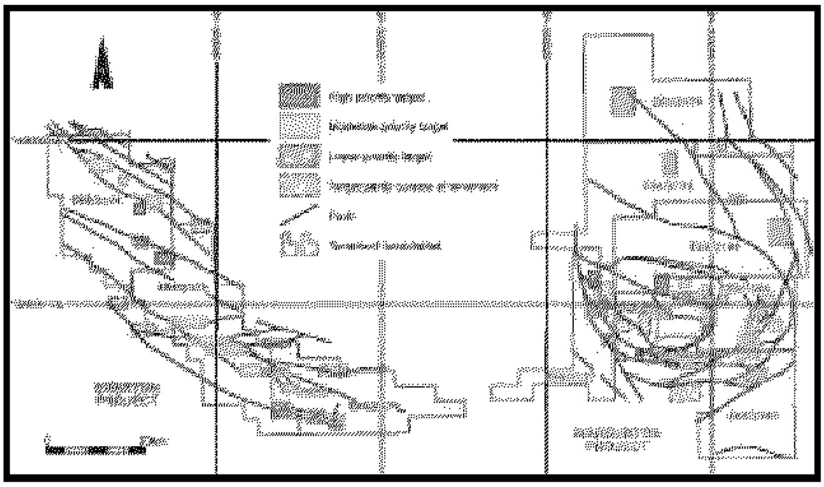

*Fig 1: Map of Warburton and Egerton Tenements (with known targets)*

Marathon's Executive Director Dr Vic Bogacz described the joint venture as an exciting opportunity for Marathon to extend its interest into areas with the potential for identification of a major uranium or polymetallic system. "Although limited drilling was carried out by Primary last year, this ground is essentially unexplored," said Dr Bogacz, adding that Marathon's experience over the past two years would be invaluable in exploring the area with maximum efficiency.

The Warburton tenements, covering 1,048 sq km, are located in an area of strong gravity and magnetic anomalism and where the regional geology is indicative of extensive tectonic activity (Figures 2-4). The tenements contain prospective granites and a range of ultramafic to mafic rocks of Proterozoic age. Additionally, sediments interpreted as Permian palaeochannel sequences potentially hosting uranium mineralisation (eg., roll-front deposit) in redox zones are developed within the tenements (Figure 4).

Significant uranium radiometric anomalies identified by Primary, are present on a regional and local scale confirm the project area as an excellent uranium exploration ground and conceptual studies have identified several promising targets (Figure 3). Dr Bogacz said that "initially areas with the anomalous radiometrics identified by Primary, would be investigated by the joint venture, following the exploration approach applied in the North Flinders Ranges which identified the Paralana Mineral System".


*Fig 2: Location and regional gravity map of Warburton and Egerton Projects with tenement outlines*

Favourable geological settings for U exploration, with added potential for Ni, PGE and other commodities, including Cu mineralisation (present in tectonic breccia zones) are highly encouraging. An example of high potential for the metalliferous mineralisation is provided by the exploration of the nearby Nebo-Babel prospect by BHP Billiton (Figure 2), where intersections of 26 m @ 2.5% Ni, 1.8% Cu, 0.4 g/t Pt+Pd (Nebo) and 149 m @ 0.3% Ni, 0.4% Cu, 0.3 g/t Pt+Pd (Babel) were reported.

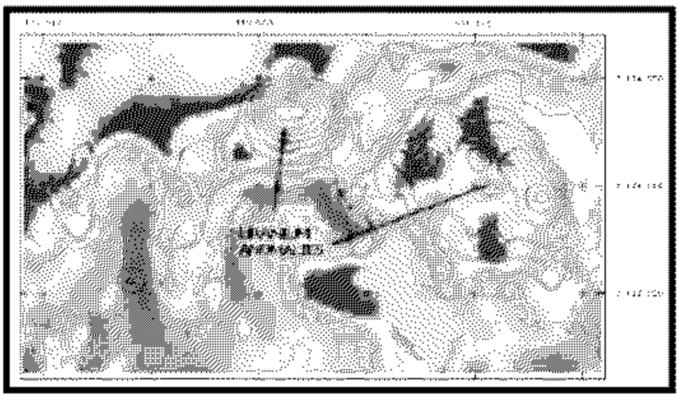


*Fig 3: Aeromagnetic image over part of Warburton ground with radiometric contours*

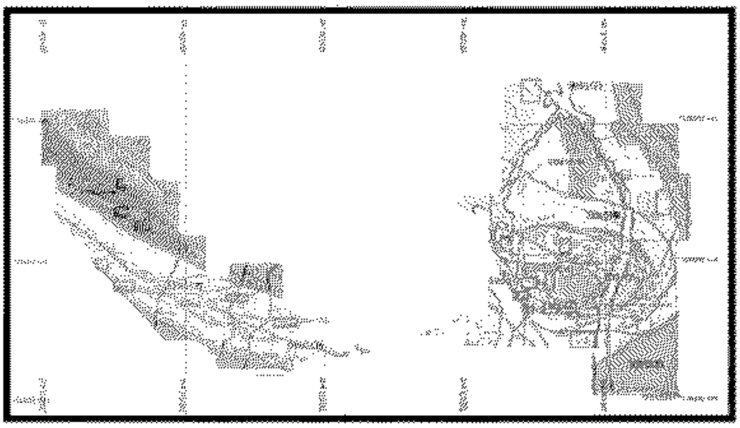

*Fig 4: Geology and interpreted locations of faults and palaeochannels in the Warburton and Egerton areas.*

Under the terms of the joint venture, Marathon must spend $850,000 to earn an initial 15% interest in the joint venture and cannot withdraw beforehand. Marathon may spend a further $900,000 for an additional 40% interest (total of 55%), and a further $1,500,000 for an additional 15% (total of 70%). Once Marathon has earnt its interest Primary can elect to dilute; once it dilutes to 25%, it may convert that interest to a 14% free carry to a decision to mine.

The Warburton Tenements are located on lands administered by the Ngaanyatjarra Land Council and approval of this transaction by the traditional owners of this land is required. Marathon may terminate the joint venture agreement if approval is not granted within 90 days.

Marathon has agreed to take a placement of 1.15 million Primary shares at an issue price of 20 cents per share and, if the joint venture agreement is not terminated by Marathon (as described above) a further 1.15 million Primary shares at an issue price of 20 cents per share.

Carl Dorsch, Executive Director of Primary, said that his company was excited to have attracted the interest of Marathon, a company with proven exploration expertise.

"We believe," he said, "that this area has the potential to be a mineral province of the same importance as the most prospective areas of the Gawler Craton, and that Primary with Marathon can unlock that mineral potential."

*Warburton Tenements*

| *Tenement* | *Registered Holder / Applicant* | *Area sq km* | *Date Granted* | *Date Expires* | *Annual $ Rent* | *Annual $ Expenditure Commitment* |
|---|---|---|---|---|---|---|
| *E69/1564* | *Urex ** | *140* | *12/9/2001* | *11/9/2008* | *11,088* | *45,0000* |
| *E69/2177* | *Primary* | *90* | *Pending* | *n/a* | *n/a* | *n/a* |
| *E69/2178* | *Primary* | *196* | *Pending* | *n/a* | *n/a* | *n/a* |
| *E69/2179* | *Primary* | *196* | *Pending* | *n/a* | *n/a* | *n/a* |
| *E69/2180* | *Primary* | *196* | *Pending* | *n/a* | *n/a* | *n/a* |
| *E69/2181* | *Primary* | *143* | *Pending* | *n/a* | *n/a* | *n/a* |
| *E69/2211* | *Primary* | *87* | *Pending* | *n/a* | *n/a* | *n/a* |

** Urex Pty Ltd, 100% owned by Primary*

*Egerton Tenements*

| *Tenement* | *Registered Holder / Applicant* | *Area sq km* | *Date Granted* | *Date Expires* | *Annual $ Rent* | *Annual $ Expenditure Commitment* |
|---|---|---|---|---|---|---|
| *E69/2174* | *Primary* | *196* | *Pending* | *n/a* | *n/a* | *n/a* |
| *E69/2175* | *Primary* | *193* | *Pending* | *n/a* | *n/a* | *n/a* |
| *E69/2176* | *Primary* | *140* | *Pending* | *n/a* | *n/a* | *n/a* |

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves has been compiled by Dr Vic Bogacz, Executive Director of and Consultant to Marathon Resources Ltd, and a Member of the Australian Institute of Geoscientists.. Dr Bogacz 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. Dr Bogacz consents to inclusion in the report of these matters based on their information in the form and context in which it appears.*


| Contact: | Vic Bogacz (Marathon) | Belinda Yates (Marathon) | Carl Dorsch (Primary) |
|---|---|---|---|
| | Executive Director | Communications | Executive Director |
| | Tel (08) 8366 2500 | Tel 0439 795 521 | Tel (08) 8228 5287 |

# ANNEXURE B

## Announcement of CEO Appointment

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**20 April 2007**

***MEDIA RELEASE***

MARATHON

## MARATHON RESOURCES APPOINTS NEW CHIEF EXECUTIVE AS THE COMPANY MOVES INTO ITS NEXT STAGE OF DEVELOPMENT

Listed Australian uranium explorer, Marathon Resources Limited (ASX: MTN), is pleased to announce the appointment of Mr Stuart Hall as its new Chief Executive Officer effective 19th April, 2007. The appointment signifies the next step for Marathon Resources as Mr Hall is charged with taking the Company's advanced uranium exploration project at Mount Gee in South Australia to mine status.

Mr Hall, 53, has more than 30 years international experience in the resources and minerals processing industry, including working in Africa, Europe and Australia.

He has held senior management positions for a number of the world's leading resource companies including BHP Billiton, WMC Resources and Rio Tinto.

Most recently, Mr Hall was Chief Executive Officer of Corridor Sands Limitada, the holding company for BHP Billiton's Corridor Sands project in Mozambique.

Mr Hall brings extensive experience in community consultation on social and environmental issues, which are of great importance to all of Marathon's projects and especially to Mt Gee. Through his varied roles he has also acquired significant expertise in project development and will bring this skill to bear on Marathon's activities.

He takes over the role from Marathon's founding CEO, Dr John Santich, who will remain with the Company as an Executive Director.

"Mr Hall brings to the position a wealth of international executive management experience in the resources sector. His appointment comes at a time of intense market expectation for the new breed of Australian uranium explorers to successfully move from exploration to commercial mining operations and secure international sales off-take agreements" said Marathon Chairman, Mr Peter Williams.

"Mr Hall's track record of bringing major resources projects to fruition will help achieve the Company's goal of taking the advanced Mount Gee uranium project through to production."

"This challenge will be supported by Dr Santich's knowledge of, and expertise in, the global uranium exploration industry."

Mr Williams added "It has always been the Board's intention to appoint a CEO with extensive global experience to lead the Company in the next stage of development at Mt Gee."

**MEDIA CONTACTS:**


| | |
|---|---|
| **Belinda Yates** | **Sean Whittington** |
| **Communications, Marathon Resources** | **Field Public Relations** |
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| **(0439) 795 521** | **(0412) 591 520** |


**Notes to Editor**
Marathon Resources 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. Mt Gee has an Inferred Resource of 45.5 million tonnes of uranium mineralisation averaging 0.068% $U_3O_8$, or 69 million pounds of contained $U_3O_8$, and is one of Australia's largest undeveloped uranium deposits.

Marathon's portfolio also includes highly prospective copper-gold-uranium properties in the Gawler Craton of South Australia

The company has other 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.

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

www.marathonresources.com.au