



Marathon Resources Ltd
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AUN21 107 531 832

Mr Dion Silvy
Senior Adviser, Issuers (Adelaide)
Australian Securities Exchange Ltd

22 October 2008

Via email

No of pages (including this one) 1

Dear Sir,

Marathon Resources Ltd

I refer to our discussions yesterday and your query under cover of your correspondence 21 October 2008 relating to the recent change in the share price of Marathon Resources Ltd ("Marathon") on increased volumes, 21 October 2008.

Responding to the queries in your correspondence using your question numbers, we advise:

1. Marathon is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of Marathon.
2. Not applicable.
3. Aside from the general volatility in the financial markets in recent times, which is well publicised in the media, Marathon has no other explanation for the price change and increase in volume.
4. Marathon confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Please contact the writer should you require anything further.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sam Appleyard'.

Sam Appleyard
Company Secretary



ASX Markets Supervision Pty Ltd
 ABN 26 087 780 489
 91 King William Street
 Adelaide SA 5000

21 October 2008

GPO Box 547
 Adelaide SA 5001

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

Telephone 61 8 8216 5000
 Facsimile 61 8 8216 5099
 www.asx.com.au

By email: sappleyard@marathonresources.com.au

Dear Sam

Marathon Resources Limited (the "Company")

RE: PRICE QUERY

We have noted a change in the price of the Company's securities from a close of \$0.50 on 20 October to a close of \$0.215 today, 21 October 2008. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?
2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change and increase in volume in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

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

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than half an hour before the close of trading (ie before 3.30 p.m. E.S.T.) on Wednesday, 22 October 2008).

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 suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely,



Dion Silvy
Senior Adviser, Issuers (Adelaide)

Direct Line: (08) 8216 5034