



2014

**ANNUAL
GENERAL
MEETING**

Marathon Resources Limited

2013/14

1. Exploration Activities in South Australia
2. Takeover Offer
3. Activities for Investment
4. Public Company Operating Costs



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MARATHON RESOURCES LIMITED (ASX:MTN)

Chairman's Address

11th Annual General Meeting

I am pleased to deliver the Chairman's Address to shareholders at this the 11th Annual General Meeting of the company and I refer you to my report in the Annual Report.

Exploration Activities in South Australia

I reported to you last year that we were reviewing several projects for investment and that, at the time, we had entered into farm-in arrangements with Australian Desalinated Water Pty Ltd and SAEX Pty Ltd.

Marathon met its obligations which were limited, but we did sufficient exploration work to determine that economic benefit was unlikely and that further development was beyond our means. Both areas we explored last year were prospective geologically but were too expensive for us to develop. We therefore terminated the arrangements without penalty and further commitment, and our CEO will report on those activities later.

Takeover Offer

Last year I also advised that Marathon received a takeover offer on 25th October 2013 from Bentley Capital Limited for 100% of the issued capital of Marathon at 2.5cents per share.

Bentley had acquired 18,432,337 shares or 19.99% of Marathon's issued capital on 21st October 2013 and by 18th December 2013 when the offer closed Bentley had acquired a further 914,563 share taking its shareholding to 20.98%.

On 8th October 2014 the Chairman of Bentley advised me that Bentley had disposed of the whole of its holding in Marathon.

The new major shareholder is ARP TriEnergy Pty Ltd, a private Australian company which now holds 19.99% of our issued capital.

Other Activities for Investment

Marathon has examined and reviewed many exploration opportunities in South Australia, other Australian states and in overseas countries during 2014. We have had presentations made to us in mineral exploration for base, precious and industrial

minerals, in biomass and other energy projects and also in biotechnology and related food technologies.

Many junior explorers have come to us with very limited resources and often with corporate overheads much greater than ours. As this has occurred at a time of extremely limited ability to raise risk capital we have been cautious about committing funds unless the prospects for substantial increases in shareholder value are good. You have been patient with us and we are confident that a suitable investment is imminent.

Public Company Operating Costs

During 2014 your company continued to examine corporate overheads and to control operating costs. Our commitments to exploration were undertaken in a cost-efficient manner and we terminated those arrangements satisfactorily.

Our operating overheads were contained to an acceptable level and we continue to reduce on-going commitments, for example, occupancy. However it is expensive to maintain public company status and statutory charges for ASX compliance, share registry, audit and reporting all come at considerable cost. We have reduced directors' fees and executive commitments – all of us have borne part of the reduced expenditure.

As I have previously reported, we had to meet some mediation, settlement and legal costs last year and the expenses associated with the takeover offer were another burden. However we have maintained funds to establish an adequate investment in a new project and we look forward to announcing details when we can.

Your Board remains committed to increasing shareholder value and to providing good news on our progress during the next year. I thank the dedicated Marathon staff, executives and Directors for their contribution during 2014.

P L Williams

20th November 2014