Update Report **January 15, 2010**

MARATHON PGM CORPORATION

TSX: MAR

Closing Price (January 14, 2010): $1.35
52-Week Range: $1.54-$0.33
Shares O/S: 31.26 million
Market Cap: $42.21 million

MARATHON PROJECT
OPTIMIZED DEFINITIVE FEASIBILITY STUDY

A. Optimized Definitive Feasibility Study of the Marathon Project

Subsequent to the *e*Research October 28, 2009 Update Report on Marathon PGM Corporation ("Marathon" or the "Company"), in which we analyzed and commented on the optimized resource estimate of the Company's 100%-owned Marathon Project, the Company received, on November 24, 2009, an optimized Definitive Feasibility Study ("ODFS"), which was filed with the relevant authorities on January 11, 2010.

COMMENT: *The ODFS represents a significant increase in the economics of the Marathon project.*

The table below compares the ODFS with the 2008 DFS:

Summary of the DFS	The 2009 ODFS	The 2008 DFS	Key Difference
	Base case (3 year trailing average)	Base case (3 year trailing average)	
Undiscounted cash flow (pre-tax)	$847 million	$510 million	58.8%
Undiscounted cash flow (after-tax)	$596 million	$369 million	61.5%
NPV @ 6% after-tax (1)	$251 million	$115 million	118.3%
IRR (pre-tax)	21%	16%	5.5%
IRR (after-tax)	17%	12%	4.6%
Payback period	4.4 years	4.7 years	3 months
Proven and probable reserves			
Copper (lb)	487,233,000	465,310,000	4.7%
PGM+Au (oz)	3,392,000	2,745,000	23.6%
Silver (oz)	4,235,000	4,026,000	5.2%
Average annual production 1st 5 years			
Copper (lb)	37,000,000	42,000,000	
PGM+Au (oz)	234,000	201,000	
Silver (oz)	182,000	310,000	
Cash cost per PGM+Au life of mine (2)	Negative US$14.4/oz	Negative US$53/oz	
Cash cost per Cu lb life of mine (2)	US$0.25/lb	US$0.28/lb	

(1) The 2008 DFS used a 8% discount rate; we estimated the value at 6% to be comparable with the 2009 ODFS

(2) Net of credits

Source: the Company

COMMENT: *The ODFS shows a significant increase in all categories of the discounted cash flow model. In our opinion, a 118% increase in after-tax Net Present Value (NPV) considerably enhances the intrinsic value of the Marathon Project. The improvement is attributable to improved metallurgical recoveries, increased reserves (see table next page), and reduced capital expenditures for construction.*

Based on current shares outstanding, the stock price would approximate the following under the two models:

NPV per share under the 2008 study: $3.15
NPV per share under the 2009 ODFS: $6.88

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B. Optimized Resource Estimate of the Marathon Project

The 2009 resource estimate is compared with the 2008 resource estimate, as follows:

2009 Optimized Reserve Estimate

Classification	Tonnes (M)	Pd (g/t)	Pt (g/t	Au (g/t)	Cu (%)	Ag (g/t)
Proven	76.461	0.910	0.254	0.090	0.238	1.464
Probable	14.986	0.435	0.147	0.060	0.138	1.318
Total	91.447	0.832	0.237	0.085	0.247	1.440

Source: the Company

2008 Reserve Estimate

Classification	Tonnes (M)	Pd (g/t)	Pt (g/t	Au (g/t)	Cu (%)	Ag (g/t)
Proven	58.902	0.794	0.233	0.081	0.291	1.464
Probable	20.445	0.650	0.235	0.075	0.194	1.318
Total	79.347	0.757	0.234	0.079	0.266	1.440

Source: the Company

COMMENT: *As shown in the tables above, there is not only a significant increase in reserve tonnage achieved in the 2009 ODFS, but also higher grades are recorded across all metals. This supports our positive outlook for the Company's stock over the next 12 months (once the construction financing is obtained).*

Financial Highlights (CAD$)	Year end Dec. 31 2007	Year end Dec. 31 2008	12 month Sep. 2009
Revenues	-	-	-
Operating Expenses (cash burn)	(1,951,729)	(1,910,179)	(1,739,452)
Exploration Expense	(524,326)	(4,915,044)	(776,919)
Adjusted EBITDA	(2,476,055)	(6,825,223)	(2,516,371)
Depreciation & Amortization	(89,225)	(88,003)	(106,614)
All non-cash expenses	450,476	561,541	204,948
Stock-based Compensation	(663,640)	(484,705)	(362,679)
Future Income Tax	572,958	1,526,768	80,778
Net Income/(Loss)	(2,205,486)	(5,309,622)	(2,699,938)
Total Shares Outstanding	21,746,653	28,676,880	30,206,880
Weighted Avg. Shares O/S	20,498,782	26,407,107	29,682,924
Earnings (Loss) Per Share	(0.11)	(0.20)	(0.09)
Cash Flow from Operations	(2,025,579)	(6,263,682)	(2,188,915)
Capital Expenditures	(7,353,480)	(7,828,054)	(4,085,976)
Acquisitions/Equipments	(152,822)	(777,887)	(797,895)
Free Cash Flow	(9,531,881)	(14,869,623)	(7,072,786)
Working Capital Changes	(378,564)	30,797	(306,772)
Equity Financing	9,159,724	18,852,500	9,175
Change in Cash	(750,721)	4,013,674	(7,370,383)
Cash, Beginning of the Period	13,010,927	12,260,206	18,081,143
Cash, End of the Period	12,260,206	16,273,880	10,710,760
Balance Sheet:			
Cash	12,260,206	16,273,880	10,710,760
ST Security Notes	-		501,038
Other Current Assets	643,623	613,846	803,022
Mineral Properties/Deferred Costs	15,674,096	39,709,555	43,530,753
PP&E	445,654	791,628	751,894
Total Assets	29,023,579	57,388,909	56,297,467
Payables	569,026	443,719	435,949
Future Income Taxes	168,847	3,656,915	3,653,550
Shareholders' Equity	28,285,706	53,288,275	52,207,968
Total Liabilities & Equity	29,023,579	57,388,909	56,297,467
Book Value (S.E.) Per Share	1.30	1.86	1.73

Key Ratios	Dec. 31 2007	Dec. 31 2008	Sep. 2009
Monthly Cash Burn ($)	162,644	159,182	144,954
Monthly Exploration Costs ($)	43,694	409,587	64,743
Monthly Capital Expenditures ($)	612,790	652,338	340,498
Cash/Oprex (mnths)	75.4	102.2	73.9
Cash/Oprex + Exploration (mnths)	59.4	28.6	51.1
Cash/Oprex + Total Capex (mnths)	15.0	13.3	19.5

Note: Oprex = Operating expense (cash burn of non-discretionary).
Exploration expenditures = expenditures that are expensed rather than deferred.
Capex = capital expenditures that are recorded as deferred costs.

Source: The Company and eResearch

THE COMPANY

Marathon PGM Corporation is a development-stage mining company with a portfolio of properties in Ontario, Manitoba, and Newfoundland.

The Company's flagship Marathon Project in Ontario is Canada's largest undeveloped PGM/copper project. The Marathon Project is nearing the production stage when it will provide positive cash flow.

COMMENT: *Since Marathon has an impressive record of raising funds through equity issues, we expect the Company will be able to raise necessary capital as it goes forward.*

We believe that success in both obtaining financing and bringing the Marathon Project into production should significantly increase the Company's stock price.

PREVIOUS REPORTS

*e*Research published an Information Report on Marathon PGM Corporation on June 10, 2009, and updates on June 12, August 21, October 15, and October 28.

These reports are available at www.eresearch.ca.

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