Management's Discussion and Analysis of Operations and Financial Condition

Marathon Gold Corporation ("we", "us", "the Company", or "Marathon") presents below management's review of the Company's results of operations and financial condition for the three months ended March 31, 2013.

The MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended March 31, 2013 and 2012, including the notes thereto, and the audited consolidated financial statements for the year ended December 31, 2012, including the notes thereto.

This MD&A is presented as of May 13, 2013. All figures presented in this MD&A are expressed in Canadian dollars, unless specified otherwise.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this MD&A other than statements of historical fact are forward-looking statements based on certain assumptions and reflect the current expectations of Marathon's management. These statements include without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, goals, ongoing objectives, strategies and outlook of the Company, as well as the outlook for economic conditions and capital markets for the 2013 and subsequent fiscal years.

Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "considers", "intends", "targets", or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could". We provide forward-looking statements for the purpose of conveying information about our current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved.

Other than as specifically required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results otherwise.

NOTE TO U.S. INVESTORS

All references to mineral reserves and resources contained in this MD&A are determined in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators ("CSA") and Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") standards. While the terms "mineral resource," "measured mineral resource," "indicated mineral resource," and "inferred mineral resource" are recognized and required by Canadian regulations, they are not defined terms under the Securities and Exchange Commission ("SEC") standards in the United States ("U.S."). As such, information contained in this MD&A concerning descriptions of mineralization and resources under Canadian standards may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC. "Indicated mineral resource" and "inferred mineral resource" have a significant amount of uncertainty as to their existence and economic and legal feasibility. It cannot be assumed that all or any part of an "indicated mineral resource" or "inferred mineral resource" will ever be upgraded to a higher category of resource. Investors are cautioned not to assume that all or any part of the mineral deposits in these categories will ever be converted into proven and probable reserves.

1) STRATEGY

Marathon's principal business is the acquisition, exploration and development of natural resource properties located in North America. At the date of this MD&A, Marathon owns interests in the following resource properties:

Newfoundland

- The 100%-owned Valentine Lake gold property in west central Newfoundland. Prior to July 9, 2012 Valentine Lake was operated under a 50/50 joint venture with Mountain Lake Resources Inc. ("MOA"). On July 9, 2012 Marathon acquired the remaining 50% interest in the project it did not own.

- The 100%-owned Finger Pond gold property, an early-stage exploration property acquired by staking in 2010. Finger Pond is located approximately 30km southwest of the Valentine Lake property and on the same geological structure as Valentine Lake.

- The 100%-owned Baie Verte gold property in western Newfoundland, an early-stage exploration property acquired by staking in 2008.

Idaho, United States

- The Golden Chest gold property, a historic former mine consisting of patented and unpatented mining claims covering a total of 515 hectares located near Murray, Idaho. Golden Chest is owned by Golden Chest LLC ("GCLLC"), a corporate joint venture in which Marathon holds an equal and undivided 50% interest with New Jersey Mining Company ("NJMC"), the operator of the project.

Oregon, United States

- The Bonanza Mine, a historic former mine located in northeastern Oregon. Marathon owns a 100% interest in the property, which was acquired in 2011 and subsequently expanded by staking.

British Columbia

- The Gold Reef property, an exploration property located near Stewart, BC with existing underground workings and drill holes.

2) OVERVIEW

At March 31, 2012, Marathon had $3.0 million in cash and working capital. Following a 2013 drilling program completed in the first quarter of 2013 in advance of a revised mineral resource estimate on the Leprechaun Gold Deposit in the third quarter of 2013, the work program at Valentine Lake has been refocused to concentrate on a technical study of the structural geology of the property and prospecting and mapping programs in areas of the property other than the Leprechaun Gold Deposit.

3) SUMMARY OF MINERAL RESOURCES

The table below sets out the current mineral resources for the Leprechaun Gold Deposit and the Golden Chest Mine.

Leprechaun Gold Deposit:									
	Open Pit (0.50 g Au/t cut-off)			**Underground (1.5 g Au/t cut-off)**			**Total**		
Category	**Tonnes (kt)**	**Grade (g/t)**	**Gold (oz)**	**Tonnes (kt)**	**Grade (g/t)**	**Gold (oz)**	**Tonnes (kt)**	**Grade (g/t)**	**Gold (oz)**
Measured	2,890	2.25	209,000	141	3.34	15,000	3,033	2.30	224,000
Indicated	5,270	2.07	352,000	1,230	2.69	106,000	6,505	2.19	458,000
Total M&I	**8,166**	**2.14**	**561,000**	**1,371**	**2.75**	**121,000**	**9,537**	**2.22**	**682,000**
Inferred	**900**	**1.93**	**56,000**	**1,062**	**2.60**	**89,000**	**1,962**	**2.30**	**145,000**

Notes:

1. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
2. The quantity and grade of reported Inferred mineral resources in this estimate are uncertain in nature and there has been insufficient exploration to define the inferred mineral resources as indicated or measured mineral resources. It is uncertain if further exploration will result in upgrading them to indicated or measured mineral resource categories.

Golden Chest Mine: Portion Attributable to Marathon									
	Open Pit (0.3 Au g/t cutoff)			Underground (2.0 Au g/t cutoff)			Total		
Category	**Tonnes (kt)**	**Grade (g/t)**	**Gold (oz)**	**Tonnes (kt)**	**Grade (g/t)**	**Gold (oz)**	**Tonnes (kt)**	**Grade (g/t)**	**Gold (oz)**
Measured	659	1.47	31,000	-	-	-	659	1.47	31,000
Indicated	1,527	1.64	80,500	98	3.11	9,800	1,625	1.73	90,300
Total M&I	**2,186**	**1.59**	**111,500**	**98**	**3.11**	**9,800**	**2,284**	**1.65**	**121,300**
Inferred	**1,185**	**1.33**	**50,500**	**369**	**3.48**	**41,250**	**1,554**	**1.83**	**91,750**

Notes:

1. The mineral resource estimate reported at 0.3 g/t gold cut-off grade for a potential Open Pit is based on a number of parameters and assumptions including a gold price of US$1,455 per troy ounce, 92% metallurgical gold recovery, mining costs of US$2.00/tonne and process costs of US$9.50/tonne, General & Administrative costs of US$2.00/tonne and environmental rehabilitation costs of US$0.20 per tonne treated.
2. The 2.0 g/t gold cut-off grade for a potential Underground mine was suggested by Marathon Gold Corporation and New Jersey Mining Corporation based on their experience. The mineral resource estimate is reported at that cut-off grade.
3. The quantity and grade of reported Inferred mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define the Inferred mineral Resources as Indicated or Measured mineral Resources. It is uncertain if further exploration will result in upgrading them to Indicated or Measured mineral Resource categories.
4. The mineral Resources in this news release were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council. The effective date of this mineral Resource Estimate is January 16, 2013.

4) EXPLORATION ACTIVITY IN THE PERIOD

a) Valentine Lake

Marathon completed its winter drilling program at Valentine Lake in late March 2013. In this phase of drilling on the property, Marathon drilled a total of 57 drill holes covering 10,392 meters with the objectives of improving the Leprechaun Gold Deposit mineral resource and testing targets identified by previous prospecting, trenching and sampling programs at the Sprite and Valentine East Hill zones. No drilling was done at the J. Frank zone as a result of problems in accessing water supplies close to the exploration area, a direct result of severe winter weather conditions in the area.

At the Leprechaun Gold Deposit, a total of 22 deep holes totalling 7,208 meters focused on down-dip extensions of high grade shoots within the Main Zone, up to 150 meters down-dip of previous intercepts identified in the 2012 drilling program, and high-grade lenses located in the hanging wall of the deposit. This drilling was successful in defining and high grade shoots within the area of existing open pit resource and underground targets with the potential to increase the size and grade of the existing underground resource.

In addition, 34 shallow holes totalling 3,184 meters were drilled at the Valentine East Hill and Sprite prospects, located on-strike and 10 and 0.2 kilometers northeast of the Leprechaun Gold Deposit respectively, and encountered near-surface gold intercepts with good intervals and several occurrences of localized high grade gold, all in quartz-tourmaline-pyrite veining similar to that found in the Main Zone of the Leprechaun Gold Deposit. This work was undertaken in an effort to define an initial mineral resource estimate at these prospects, and while additional drilling will be required at the Sprite Zone before a resource estimate can be completed, management expects that the results from drilling at Valentine East Hill will be reflected in an initial resource estimate in the third quarter of 2013, the first mineral resource at Valentine Lake distinct from the Leprechaun Gold Deposit.

b) Golden Chest

As reported in the MD&A accompanying the annual financial statements for the year ended December 31, 2012, Marathon and NJMC negotiated a rescheduling of the instalment of US $500,000 due December 15, 2012 on a promissory note issued to J. W. Beasley Interests, LLC and secured by title to the claims which make up the Golden Chest property into four instalments of US $125,000 due on each of December 15, 2012; March 15, 2013; June 15, 2013; and September 15, 2013 and advanced a loan of US$62,500 to NJMC to enable it to fund its share of the revised instalment due on December 15, 2012.

In January 2013, NJMC repaid the loan, and the instalment due March 15, 2013 was paid. Following the payment of this instalment, the remaining balance of the note is repayable according to the following schedule:

Date	Amounts Due US$
June 15, 2013	125,000
September 15, 2013	125,000
December 15, 2013	500,000
December 15, 2014	500,000
December 15, 2015	500,000
December 15, 2016	500,000
December 15, 2017	250,000
Total	**2,500,000**

During April 2013, NJMC transported approximately 1,400 tonnes of development muck located on the Golden Chest property and approximately 50 tonnes of mineralized matieral removed as a bulk sample from the Popcorn vein, a narrow high-grade vein in the north end of the mine, to its mill in Kellogg, Idaho for processing and ultimately sale of the resulting doré. This work was being done in an effort to test the grade and continuity of the Popcorn vein and to generate short term positive cash flow for GCLLC. At the date of this MD&A, milling had not been completed and it is not possible to estimate the proceeds which may result from this work.

c) Other properties

No significant work was undertaken at the Baie Verte, Finger Pond, or Bonanza properties in the period.

5) OUTLOOK

a) Valentine Lake

As described above, the 2013 drilling program was completed at the end of March 2013. Assays for this drilling were completed early in May 2013, and the results of this work will be used in an updated underground and open-pit mineral resource for the Leprechaun Gold Deposit and the Valentine East Hill prospect. This work will be completed in the third quarter of 2013.

With the drilling program complete, Marathon has shifted the focus of work at Valentine Lake to prospecting and geological mapping to identify additional targets at Valentine Lake with the potential to host additional open-pit resources. In addition, management expects to commission a technical study on the structural geology of the deposit to focus future work on new areas of the property with the greatest potential to host economic deposits.

b) Golden Chest

At GCLLC, the partners will consider whether additional small-scale mining is commercially supportable once the results of the bulk sampling and processing activities currently underway are known.

c) Other properties

Management plans to carry out a limited program of prospecting at Finger Pond during the third quarter of 2013 focused on known gold and base metal occurrences on the property, some of which coincide with geophysical anomalies identified by a geophysical survey completed in 2012 and targeted for investigation.

Marathon has no immediate plans to carry out any significant work on the Baie Verte or Bonanza properties.

6) RESULTS OF OPERATIONS

The results of operations for the three months ended March 31, 2013 and 2012 are summarized below.

	2013	2012
	$	$
Expenses:		
Exploration expenses (i)	**1,277**	2,072
General and administrative expenses (ii)	**546,215**	360,716
Interest income	**(11,392)**	(13,584)
Unrealized loss on warrant derivative investments (iii)	**2,689**	58,763
Foreign exchange loss (gain)	**53**	(285)
Loss before taxes	**538,842**	407,682
Income taxes	**(60,218)**	(629,588)
Loss (Income) for the period	**478,624**	(221,906)

Notes:

i) Exploration expenses are impacted by the timing of work on Marathon's properties other than Valentine Lake. In 2012 and 2013, there was little work carried out other than at Valentine Lake.

ii) The increase in general and administrative expenses in the first quarter of 2013, compared to 2012, is primarily the result of an increase in stock based compensation costs, to $152,823 in 2012 from $Nil in 2012, as 1,244,000 stock options were awarded in 2013, with none awarded in the first quarter of 2012. In addition, operator fees earned from MOA, which reduced general and administrative expenses, decreased from $79,975 to Nil.

iii) The loss on warrant derivatives reflects the adjustment of Marathon's warrant derivatives to estimated fair value based on the Black Scholes option pricing model. The assumptions used to derive fair value in the current period are detailed in note 6 to the financial statements.

7) QUARTERLY RESULTS

Selected quarterly information derived from Marathon's condensed interim consolidated financial statements for each of the eight most recently completed financial periods is set out below.

	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Statement of Operations and Comprehensive Loss:								
Exploration expenses	1	9	67	349	2	23	175	34
General and administrative expenses	546	463	614	376	360	634	403	426
Other expenses	-	9	-	-	-	144	-	-
Other (income) loss	(8)	284	10	6	46	(15)	84	109
Loss before tax for the period	539	765	691	731	408	786	662	569
Balance Sheet:								
Cash, cash equivalents and short term investments	2,977	5,187	2,037	3,988	6,950	9,545	3,182	6,089
Working capital	3,012	5,169	2,069	3,967	7,376	9,573	3,134	6,008
Mineral exploration and evaluation assets	40,450	38,512	37,046	19,285	16,487	14,777	12,322	9,755

Marathon's reported exploration expenses reflect the timing of exploration activities at properties other than Valentine Lake and are not directly comparable from one accounting period to another.

Marathon's reported general and administrative expenses in the fourth quarter of 2011, the third quarter of 2012 and the first quarter of 2013 reflect the issuance of stock options in each period.

The significant increase in the carrying value of Marathon's exploration and evaluation assets in the third quarter of 2012 reflects the acquisition of the net assets of MOA.

8) CAPITAL, LIQUIDITY AND GOING CONCERN

Cash at March 31, 2013 amounted to $2,977,057. Marathon's working capital at March 31, 2013 was $3,012,164.

Marathon's condensed interim consolidated financial statements are prepared on a going concern basis. The appropriateness of this approach is discussed in detail in note 1 to the financial statements.

In the period ended December 31, 2012 Marathon incurred an operating loss of $367,887, excluding non-cash charges for stock based compensation, depreciation and unrealized investment losses. Marathon funded its operations in the period through the use of existing cash.

After adjusting its work plans for Valentine Lake and Finger Pond and allowing for necessary costs to maintain its interest in Golden Chest, Marathon has sufficient cash to fund its planned exploration and investment activities and administrative costs to the end of 2013, but will require additional financing to further advance its projects. While Marathon has been successful to date in obtaining the financing it requires to move its projects forward, it remains dependent on such financing and will continue to depend on financing as its sole source of cash inflows for the foreseeable future.

There can be no assurance that the Company will continue to be able to obtain financing in the future.

9) CAPITAL ACTIVITIES

There were no issuances of shares in the three month periods ended March 31, 2013 or 2012.

10) OPTIONS

The terms of Marathon's option plan authorize the issue of share purchase options to employees, officers and directors, and third party service providers subject to a stipulation that total options issued at any point in time cannot exceed 10% of the number of common shares issued and outstanding at that time.

During the period ended March 31, 2013 Marathon awarded a total of 1,244,000 options to directors, officers and employees at an exercise price of $0.52 per share. These options were awarded with immediate vesting.

11) FULLY DILUTED SHARE CAPITAL

	Number of shares
Common shares	59,939,411
Unexercised stock options	5,430,000
Unexercised share purchase warrants	5,262,101
Shares issuable upon exercise of warrants issued by MOA	1,309,655
Fully diluted share capital – May 13, 2013	**71,941,167**

12) OFF-BALANCE SHEET ARRANGEMENTS

Marathon had no off balance sheet arrangements as at March 31, 2013 or subsequently to the date of this MD&A.

13) RISK FACTORS AND UNCERTAINTIES

Marathon is subject to the usual risks associated with a junior mineral exploration company. The Company competes for access to financing, specialized third party service providers and human capital against other exploration companies, some of whom may be better capitalized. Prices for the commodities contained in Marathon's exploration properties have fluctuated significantly over the last few years and may continue to do so. Such volatility may affect the timing and magnitude of funds which Marathon may seek to raise to support further exploration of its properties or may make it difficult to complete an offering of securities.

It may not be possible to raise additional funds to complete development and achieve profitable production or to obtain the permits required to enable Marathon to commence mining operations on its properties.

Marathon participates in exploration joint ventures as a means of earning or acquiring interests in properties with existing mineral resources and subsequently increasing shareholder value through exploration and resource expansion. The ability of Marathon to influence the nature, extent, and timing of exploration and evaluation activities at properties where Marathon is not the 100% owner depends on a number of factors, including but not limited to decisions made by project operators, who typically have control over the scope of project budgeting and the pace of work against such budgets, and the financial health of Marathon's partners. The inability of a partner in any of Marathon's projects to continue to fund the ongoing exploration work or other obligations of the project could have a material impact on Marathon's finances and the reported values of its mineral exploration and evaluation assets.

While management has used its best efforts to ensure title to all its properties and secured access to surface rights, these titles or rights may be disputed.

For a more detailed discussion of risk factors, reference should be made to Marathon's Annual Information Form for the year ended December 31, 2012. This document may be obtained at www.sedar.com.

14) FUTURE ACCOUNTING PRONOUNCEMENTS

IFRS 9 Financial Instruments

IFRS 9, *Financial Instruments* was issued by the IASB and will replace IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income (loss). Where equity instruments are measured at fair value through other comprehensive income (loss), dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income (loss) indefinitely. Requirements for financial liabilities are included in IFRS 9 and they largely carry forward existing requirements from IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income (loss). IFRS 9 is effective for annual periods beginning on or after January 1, 2015. The Company is currently evaluating the impact of IFRS 9 on its consolidated financial statements.

15) INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for the design and operating effectiveness of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with accounting principles generally accepted in Canada. Based on a review of its internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures are appropriately designed and were operating effectively as at March 31, 2013.

16) DISCLOSURE CONTROLS

Management is also responsible for the design and operation of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, is made known to the Company's certifying officers. The Company's Chief Executive Officer and Chief Financial Officer have each evaluated the design and effectiveness of the Company's disclosure controls and procedures as of March 31, 2013 and have concluded that these controls and procedures are effective.

17) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and at the date of the financial statements and the reported amount of expenses and other income during the year. These estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience.

The following are the critical judgments that management has made in the course of applying Marathon's accounting policies and which have the most significant effect on the amounts recognized in these consolidated financial statements:

a) Mineral exploration and evaluation assets

Marathon capitalizes exploration and evaluation costs on mineral properties with an existing mineral resource and expenses exploration costs incurred with respect to properties without existing mineral resources.

The estimation of mineral resources and reserves is complex and requires significant subjective assumptions which are valid at the time of estimation. These assumptions may change significantly over time when new information becomes available and may cause the mineral resources and reserves estimates to change. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may have a significant impact on the economic assessment of the mineral resources and reserves and may result in their restatement.

b) Stock based compensation

The compensation cost associated with stock options granted under the terms of Marathon's stock option plan is measured at the grant date by using the Black-Scholes option pricing model to determine fair value. The Black-Scholes model requires the use of subjective estimates, in particular for the estimated life of options and the expected rate of volatility in Marathon's share price over the life of the options, which can materially affect the fair value estimate.

The key assumptions used to derive the fair value of options awarded in 2011 and 2012 are detailed in note 11 to the financial statements.

c) Warrant derivatives

Warrant derivatives held as investments are measured at fair value using the Black-Scholes option pricing model. The fair value estimates derived through the use of this model are subject to the use of subjective assumptions similar to those described for stock based compensation.

The key assumptions used to estimate the fair value of these investments are detailed in note 6 to the financial statements.

18) ADDITIONAL INFORMATION

Additional information relating to Marathon can be found on SEDAR at www.sedar.com.

(Signed) "Phillip C. Walford"
Phillip C. Walford
President and Chief Executive Officer

(Signed) "James Kirke"
James Kirke
Chief Financial Officer