

Marathon Gold Announces Q1 2017 Financial Results

TORONTO, Ontario – May 15, 2017 -- Marathon Gold Corporation (MOZ-TSX) (“Marathon”) announced today its financial results for the period ended March 31, 2017.

Highlights:

- At March 31, 2017 Marathon had \$5.2 million in cash compared to \$8.5 million at December 31, 2016.
- On May 3, 2017, Marathon entered into an agreement on the terms of a prospectus financing underwritten on a bought deal basis by a syndicate of underwriters led by RBC Capital Markets. Under the terms of the related underwriting agreement, Marathon will issue a total of 6,000,000 common shares at a price of \$1.03 per common share and 8,000,000 flow through shares at a price of \$1.25 per flow through share, for aggregate gross proceeds of \$16,180,000. In connection with this financing, Marathon has granted the underwriters an overallotment option to purchase an additional 2,100,000 shares in a combination of common and flow through shares for a period up to 30 days from the closing date of this financing. This financing is expected to close in May 2017.

The proceeds from this financing will fund an aggressive program of infill and extension drilling at the Marathon and Leprechaun Deposits; exploration drilling focused on showings between the Victory Northeast area and the Leprechaun Deposit and extensions of the Spite Deposit with favorable geophysical characteristics; a summer field exploration program including mapping, geochemical soil sampling and prospecting focused on the northeastern part of the Valentine Lake property where there are indications of gold mineralization but limited historical exploration activity; advanced environmental studies which will be used in economic studies on the project and for permitting; and a preliminary economic assessment following a resource update to incorporate the results of Marathon’s 2017 drilling program.

- In the first quarter of 2017, Marathon released an updated mineral resource estimate and the supporting National Instrument 43-101 technical report for the Valentine Lake property, incorporating the results of drilling on the property since the completion of the previous resource estimate in 2015 through February 2017. With completion of the updated resource, the Valentine Lake Gold Camp hosts a total measured and indicated resource of 1.4 million ounces of gold at a grade of 1.91 g/t and an additional inferred resource of 0.8 million ounces at a grade of 2.24 g/t. Compared to the previous global resource estimate, the global measured and indicated resource increased by 0.4 million ounces or 31%, while the global inferred resource increased by 0.6 million ounces or 284%.
- Marathon commenced work in January 2017 on an innovative acoustic surveying program focused on identifying swarms of gold veining in areas of bog and heavy overburden to the southwest of the Marathon Deposit not readily amenable to traditional prospecting techniques. Approximately \$750,000 of the expected total cost of this program, which amounts to approximately \$1.8 million, is being underwritten by a grant from the Research and Development Corporation of Newfoundland and Labrador.

The field work portion of this program was completed in February 2017. This involved line cutting and other ground preparation activity and the gathering of acoustic data in a survey area of approximately 110 hectares. The remainder of the program, which involves the analysis of the acoustic data by the surveyor using a proprietary methodology, is in progress and management expects to receive the results of this work in late June or July 2017.

- An expansion and upgrade drilling program, which has run from June to December 2016 and from January 2017 to date, continues to focus primarily on expanding the Marathon Deposit resource. To date, a total of 126 holes totaling 30,348 meters has expanded the mineralization corridor associated with the Marathon area to more than 1.7 kilometers, both to the northwest and southwest of the Marathon Deposit resource boundary. Drilling completed late in 2016 and in the first six weeks of 2017, which was incorporated into Marathon's 2017 resource estimate, encountered wide intervals of high grade mineralization at depths exceeding 350 meters, with grades appearing to improve at depth.

Toward the end of the most recent drilling on the property, three sub-vertical drill holes running between 800 and 1,000 meters were drilled through the mineralized corridor associated with the Marathon Deposit and intersected wide intervals of intermittent moderate to high grade gold in QTP veining typical of mineralized material throughout the Valentine lake property. These holes confirm the potential for definition of additional gold resources beneath the lower limit of the 2017 resource body.

Operating Results:

The results of operations for the three months ended March 31, 2017 and 2016 are summarized below.

	2017	2016
	\$	\$
Expenses:		
Exploration expenses	81,479	-
General and administrative expenses	354,257	241,542
Interest income	(12,380)	(1,544)
Foreign exchange loss	1,938	23,450
Loss before tax	425,294	263,448
Income tax recovery	(1,174,289)	(415,151)
Income for the period attributable to Marathon shareholders	(748,995)	(151,703)

This press release should be read in conjunction with Marathon's unaudited condensed interim consolidated financial statements for the periods ended March 31, 2017 and 2016 and the related Management's Discussion and Analysis, both of which are available on www.sedar.com.

About Marathon Gold Corporation

Marathon Gold Corporation (TSX: MOZ) is a Toronto based gold exploration company rapidly advancing its 100% owned Valentine Lake Gold Camp located in Newfoundland, one of the top mining jurisdictions in the world. The Valentine Lake Gold Camp currently hosts four near-surface, mainly pit-shell constrained,

deposits with measured and indicated resources totaling 1,388,200 oz. of gold at 1.91 g/t and inferred resources totaling 766,500 oz. of gold at 2.24 g/t. These resources occur over a 20-kilometer system of gold bearing veins, with much of the 24,000-hectare property having had little detailed exploration activity to date. Drilling in 2017 is continuing to focus on expanding the Marathon Deposit at surface and to depth. The Valentine Lake Gold Camp is accessible by year-round roads and is located in close proximity to Newfoundland's electrical grid. Marathon maintains a 50-person all-season camp at the property. Recent metallurgical tests have demonstrated 93% to 98% recoveries via conventional milling and 50% to 70% recoveries via low cost heap leaching at both the Leprechaun and Marathon Deposits.

Marathon receives financial support in respect of certain of the Company's exploration expenditures from the Junior Exploration Assistance program of Newfoundland and Labrador and the Research and Development Corporation of Newfoundland and Labrador.

For more information please visit www.marathon-gold.com.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to Marathon Gold Corporation, certain information contained herein constitutes "forward-looking statements". 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. These risks and uncertainties include but are not limited to those identified and reported in Marathon Gold Corporation's public filings, which may be accessed at www.sedar.com. 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.