

Marathon Gold Announces 2011 Q2 Financial Results

TORONTO, Aug. 11, 2011 /CNW/ - **Marathon Gold Corporation (MOZ-TSX ("Marathon"))** announced today its financial results for the three and six months ended June 30, 2011.

Marathon ended the period ended June 30, 2011 with \$6.1 million in cash.

Highlights:

- Completed the earn-in for a 50% interest in the Valentine Lake gold property by making a payment of \$3,000,000 to Richmond Mines Inc., triggering the formation of the Valentine Lake 50/50 joint venture with Mountain Lake Resources Inc.
- Completed an updated NI43-101 resource estimate on Valentine Lake based on drilling results from the 2010 drilling campaign, which included measured and indicated resources of 3.3 million tonnes grading 2.6 g/t gold, representing a total of 277,000 ounces of gold, and an additional inferred resource of 4.4 million tonnes grading 2.0 g/t gold, representing an inferred resource of 285,000 ounces.
- Continued work on an extensive 2011 work program at Valentine Lake focused on expanding the existing resource at Leprechaun Pond and preliminary drilling at the Valentine East and Sprite zones, with 15,496 meters out of a planned 25,000 meter drilling program complete to date.
- Funded US \$1 million in cash payments to Golden Chest LLC stipulated under the operating agreement between Marathon and New Jersey Mining Company, required to complete the earn-in to Marathon's 50% interest in the Golden Chest property.
- Closed a private placement of flow-through common shares in March 2011 of 2,528,500 flow-through shares that generated gross proceeds of \$4,551,300.
- Completed initial prospecting and ground exploration programs at the Finger Pond and Barchois Brook exploration stage properties in Newfoundland.

Operating highlights:

Marathon's losses for the three and six months ended June 30, 2011 and 2010 are summarized below.

	Three months ended June 30		Six months ended June 30	
	2011	2010	2011	2010
	\$	\$	\$	\$
Expenses:				
Exploration expenses	33,215	615	39,402	5,597
General and administrative expenses	425,326	453,543	860,748	688,953
Total expenses	458,541	454,158	900,150	694,550
Interest income	(13,306)	(8,067)	(13,383)	(13,519)
Unrealized loss on warrant derivatives	123,784	-	109,002	-
Foreign exchange	(287)	431	(377)	431
Loss for the period	568,732	446,522	995,392	681,462
Other comprehensive income:				
Currency translation adjustment	9,403	-	37,853	-
Unrealized loss in fair value of investments classified as available for sale	60,506	-	23,533	-
Comprehensive loss for the period	638,641	446,522	1,056,778	681,462

This press release should be read in conjunction with Marathon's unaudited condensed interim consolidated financial statements for the period ended June 30, 2011 and the related Management's Discussion and Analysis, both of which are available on www.sedar.com.

About Marathon Gold Corporation:

Marathon Gold Corporation is one of Canada's newest gold resource development companies, with projects located in the mining friendly province of Newfoundland and Labrador together with a project in the prolific Coeur d'Alene Mining District of Idaho. Marathon has a project pipeline consisting of early stage exploration to advanced resource development projects. Marathon is continually evaluating new gold resource development projects of merit that are located within the Americas. Marathon's focused and low-cost approach to exploration and resource development has an established record of delivering rapid growth. For more information visit: www.marathon-gold.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to Marathon Gold, 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'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.

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