



Marathon Gold Extends High-Grade Gold Intercepts at the Leprechaun Gold Deposit, Valentine Lake Project

TORONTO, ON – Aug 27, 2012 - Marathon Gold Corporation (“Marathon” or the “Company”) (MOZ: TSX) today announced new significant intercepts of high-grade gold mineralization from both the Hanging Wall and Main Zones in the central area of the Leprechaun Gold Deposit, Valentine Lake Project, Newfoundland.

High-grade Main Zone intercepts include: 13.2 g/t Au over 11.05 meters with 29.36 g/t Au over 4.25 meters in VL-12-465, 4.64 g/t Au over 12.8 meters with 20.16 g/t Au over 1.6 meters in VL-12-464, and 14.22 g/t Au over 2.7 meters with 42.46 g/t Au over 0.9 meters in VL-12-468.

High-grade Hanging Wall intercepts include: 4.2 g/t over 5.0 meters with 15.78 g/t Au over 1.0 meter in VL-12-465, and 8.51 g/t Au over 3.0 meters with 25.52 g/t Au over 1.0 meter in VL-12-466.

To view new drill holes at the Leprechaun Gold Deposit, click [here](#).

To view a visible gold core sample from drill hole VL-12-468 from the Valentine Lake Project, click [here](#).

“These recent results are very significant for Marathon as the high-grade intercepts at depth confirm the continuity of the southwest plunging high-grade material. The continuation of high-grade Main Zone mineralization to depth is exciting as it exemplifies that there is the potential for an underground Resource. The zone of mineralization in the Hanging Wall is also very encouraging as it further supports the potential for an open pit. We will be continuing to develop the Leprechaun Gold Deposit and with 24,442 meters of drilling completed in 2012, we anticipate a new Resource update by year end,” said Phillip Walford, President and CEO of Marathon Gold.

Highlights include:

- Extension of high-grade Main Zone mineralization, with step-out drilling up to 100 meters down-dip of previous Marathon drilling. High-grade Main Zone intercepts include: 13.2 g/t Au over 11.05 meters with 29.36 g/t Au over 4.25 meters in VL-12-465, 4.64 g/t Au over 12.8 meters with 20.16 g/t Au over 1.6 meters in VL-12-464, and 14.22 g/t Au over 2.7 meters with 42.46 g/t Au over 0.9 meters in VL-12-468
- Significant high-grade Hanging Wall intercepts include: 4.2 g/t over 5.0 meters with 15.78 g/t Au over 1.0 meter in VL-12-465, and 8.51 g/t Au over 3.0 meters with 25.52 g/t Au over 1.0 meter in VL-12-466.
- Continued growth of the open pit Resource, as well as potential for developing an underground Resource at the Leprechaun Gold Deposit, is supported by the continued intersection of new high-grade shallow Hanging Wall and deeper Main Zone mineralization.

- The new shallow mineralization is facilitating the definition of a moderately northwest dipping Hanging Wall dilation zone with an enveloping surface showing a width of at least 130 meters, height of up to 120 meters, and current strike length of 90 meters.
- In 2012, 24,442 meters of new diamond drilling have been completed at the Valentine Lake Project, the majority of which was on the Leprechaun Gold Deposit. These drill holes were not used in the previous Resource Estimate. A new Resource update has been commissioned for completion before year end.

TABLE 1: Significant Assay Intervals from drill holes in the Leprechaun Gold Deposit *

DDH	Section	Zone*	Design	From	To	Core Length	TT(m)	Gold(g/t) Uncut
VL-12-462	10187.5	HW	Step Out	192	195	3	2.85	9.34
including		HW		193	194	1	0.95	23.36
VL-12-463	10162.5	HW	Step Out	235	238	3	2.85	2.50
including		HW		236	237	1	0.95	7.50
		MZ		310	313	3	2.85	3.93
including		MZ		312	313	1	0.95	11.48
VL-12-464	10150	HW	Step Out	186	189	3	2.85	1.31
		HW		191	194	3	2.85	1.08
		MZ		250	253	3	2.7	2.09
		MZ		263	268	5	4.5	2.91
including		MZ		264	265	1	0.9	10.83
		MZ		333	349	16	12.8	4.64
including		MZ		338	340	2	1.6	20.16
VL-12-465	10100	HW	Step Out	98	103	5	5	4.20
including		HW		99	100	1	1	15.78
		HW		114	118	4	4	1.52
		HW		132	135	3	3	3.55
including		HW		132	133	1	1	9.44
		MZ		319	323	4	3.4	3.45
		MZ		328	341	13	11.05	13.20
including		MZ		332	337	5	4.25	29.36
including		MZ		336	337	1	0.85	63.08
VL-12-466	10137.5	HW	In Fill	7	10	3	3	8.51
including		HW		8	9	1	1	25.52
		HW		126	129	3	2.55	1.95
		MZ		232	235	3	2.4	3.02
VL-12-467	9925	MZ	In Fill	32	35	3	2.7	1.05

		MZ		44	47	3	2.7	0.87
VL-12-468	9987.5	MZ	Step Out	244	247	3	2.7	14.22
including		MZ		244	245	1	0.9	42.46
		MZ		276	280	4	3.4	4.61
including		MZ		277	278	1	0.85	14.40
		MZ		309	314	5	4.25	3.17
including		MZ		309	310	1	0.85	11.69

* Denotes: MZ – Main Zone, HW – Hanging Wall Zone

The Valentine Lake Project is 100% owned by Marathon Gold Corporation ([see July 9, 2012 news release](#)). Marathon is conducting a summer-fall 2012 program of prospecting, geological mapping and trenching along the highly prospective 23 kilometer strike length of the property outside of the current boundaries of the Leprechaun Gold Deposit. All grades in this release are uncut, and all thicknesses are estimated true thicknesses. A total of 91 drill holes totaling 24,442 meters (69.8%) of the planned 2012 drilling campaign have now been completed.

All of the samples were analyzed at Eastern Analytical Laboratory Ltd., in Springdale, Newfoundland. Samples were assayed using lead collection fire assay with AA (atomic absorption) finish. Due to the coarse nature of the gold at the Leprechaun Gold Deposit, the metallic screening method is used on economically important intersections using standard fire assay techniques. The reported values in this release are fire assay results.

Sherry Dunsworth, M.Sc., P. Geo., VP of Exploration, Marathon's Qualified Person, has reviewed the contents for accuracy and has approved this press release on behalf of Marathon.

About the Valentine Lake Project

Marathon Gold Corporation is the 100% owner of the Valentine Lake Project. The Leprechaun Gold Deposit is situated at the south-western end of the Valentine Lake Project, and the Valentine East Gold Zone is located 17 kilometers along strike running in a north-easterly direction. The J. Frank Zone, which currently extends over an area in excess of 850 meters in length and 250 meters in width, is located up to 0.5 kilometers southwest along strike from the current Resource boundary of the Leprechaun Gold Deposit. These gold occurrences form part of a 23 kilometer long, highly prospective gold-bearing mineralized corridor focused along the Valentine Lake thrust fault.

About the Leprechaun Gold Deposit

The Leprechaun Gold Deposit has a NI 43-101 compliant Measured and Indicated Resource of 6,446,000 tonnes grading 2.05 g/t gold, for a total estimated 424,000 ounces of gold (news release, March 29, 2012). The Inferred Resource is 5,742,000 tonnes grading 1.65 g/t gold, for an estimated 305,000 ounces of gold. This resource was estimated using a 0.5 g/t gold minimum cut-off over a 3 meter minimum width. The Leprechaun Gold Deposit is open at depth and along strike.

About Marathon Gold Corporation

Marathon Gold Corporation is a North American gold resource development company, with projects located in the mining friendly province of Newfoundland and Labrador, the prolific Coeur d'Alene Mining District of Idaho and the historic gold rich Greenhorn District of Oregon, USA. 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.

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