



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, 2018 and 2017.

The MD&A should be read in conjunction with Marathon's unaudited condensed interim consolidated financial statements for the three months ended March 31, 2018 and 2017, including the notes thereto. This MD&A is presented as of May 10, 2018. 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 and capital markets conditions for the current 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 strategy is focused on the acquisition, exploration and development of mineral properties, particularly gold located in North America. At the date of this MD&A, Marathon owns 100% interests in the following resource properties:

Newfoundland

- The Valentine Lake Gold project in central Newfoundland, Marathon's flagship property and currently the sole focus of its exploration efforts. The property includes four zones with existing mineral resources, the Leprechaun, Marathon, Sprite and Victory Deposits. The property also comprises mineralized areas which have not been advanced to the point of hosting mineral resources, including the 3.5-kilometer area between the Marathon and Sprite Deposits; the J. Frank, Narrows, Rainbow and Scott zones; and numerous untested drilling targets.
- The Baie Verte gold property in western Newfoundland, an early-stage exploration property acquired by staking in 2008.

Oregon, United States

- The Bonanza Mine, a historic former mine located in Baker County in northeastern Oregon.

British Columbia

- The Gold Reef property, an exploration property consisting of approximately 12 hectares of claims located near Stewart, BC with existing underground workings and drill holes.

2) OVERVIEW

At March 31, 2018, Marathon's cash position was \$4.1 million compared to \$7.2 million at December 31, 2017.

Marathon completed the following activities in the period ended March 31, 2018, and subsequently to the date of this MD&A:

Preliminary Economic Assessment

Marathon is nearing completion on the Preliminary Economic Assessment ("PEA") on the Valentine Lake project, the first economic study on the project, and expects to release the results of the PEA in the third week of May 2018.

Mineral Resource Estimate:

In November 2017, Marathon released an updated mineral resource estimate and the supporting National Instrument 43-101 technical report for the Valentine Lake property. This resource estimate incorporated the results of drilling on the property through the third quarter of 2017 and the re-modelling of the Leprechaun Deposit, which was undertaken to better reflect the revised geological model for this deposit. This resource estimate was the second resource estimate undertaken in 2017 and served initially as the foundation for the PEA.

In support of the PEA, the resource estimate for the Marathon Deposit was updated in March 2018 to incorporate the results of fire assay and metallic screen assays received from November 27, 2017, the cutoff for the November 2017 resource, to March 2, 2018 and the resources for the

Leprechaun and Victory Deposits were updated to apply the design of open pits for these deposits to the underlying resource estimates.

With completion of the March 2018 resource estimate, the Valentine Lake property hosts a total Measured and Indicated resource of 2.1 million ounces of gold at a grade of 1.99 g/t and an additional Inferred resource of 1.1 million ounces at a grade of 1.99 g/t. Between March 2015 and April 2018, the global Measured and Indicated resource increased by 1.1 million ounces or 102%, while the global Inferred resource increased by 0.9 million ounces or 456%.

Drilling:

Drill programs, which ran from January to March and May to November 2017, and January to March 2018, focused on:

- expanding and upgrading the Leprechaun Deposit resource;
- expanding and upgrading the Marathon resource; and
- completing a program of widely spaced exploration holes in the 3.5-kilometer bog zone between the Sprite and Marathon Deposits to determine the potential of this area of the property, which has seen little in the way of exploration activity, to host mineral resources.

Since May 22, 2017, Marathon has completed a total of 143 new holes and extended 16 drill holes covering 59,550 meters out of a planned program of 60,000 meters of infill, extension and exploration drilling at Leprechaun and Marathon, of which a total of 134 holes covering 56,404 meters have been assayed and reported.

3) SUMMARY OF MINERAL RESOURCES

An updated resource estimate incorporating assay data received to March 2, 2018 from Marathon's 2017 and 2018 drilling programs was completed by John T. Boyd Company ("Boyd") in March 2018 and is the most current resource associated with the Valentine Lake property. This resource estimate is the foundation for the PEA.

The summary table below sets out the combined current mineral resource estimates for the Leprechaun, Marathon, Sprite, and Victory Deposits at the Valentine Gold Camp, as excerpted from Marathon's press release dated May 1, 2018:

Combined Resources – Valentine Lake Gold Camp (Leprechaun, Marathon, Sprite and Victory Deposits)

Deposit / Category	Open Pit			Underground			Total		
	Tonnes	Grade	Gold	Tonnes	Grade	Gold	Tonnes	Grade	Gold
		(g/t)	(oz.)		(g/t)	(oz.)		(g/t)	(oz.)
Valentine Lake Gold Camp Summary									
Measured & Indicated Mill	16,577,000	2.91	1,549,400	2,644,000	4.23	359,800	19,221,000	3.09	1,909,200
Measured & Indicated Heap Leach	14,142,000	0.50	228,200	--	--	--	14,102,000	0.50	228,200
Total Measured & Indicated	30,719,000	1.80	1,777,600	2,644,000	4.23	359,800	33,323,000	2.00	2,137,400
Inferred Resources									
Inferred Mill	4,972,000	2.40	383,600	5,366,000	3.52	607,600	10,338,000	2.98	991,200
Inferred Heap Leach	6,936,000	0.51	113,500	--	--	--	6,936,000	0.51	113,500
Total Inferred	11,908,000	1.30	497,100	5,366,000	3.52	607,600	17,274,000	1.99	1,104,700

Detailed information concerning the tonnages, grades, resource classifications and underlying assumptions for each of these deposits is presented in Section 4 of this MD&A.

4) EXPLORATION ACTIVITY IN THE PERIOD

a) Valentine Lake

Drilling Programs 2017 to present

During 2017 and subsequently to the date of this MD&A, Marathon carried out a total of 74,224 meters of drilling on three discrete areas of the Valentine Lake property, including 59,550 meters against the 60,000-meter program following completion of Marathon’s prospectus financing in May 2017. For clarity, this drilling is summarized below.

	<u>Leprechaun Deposit</u>		<u>Sprite Deposit</u>		<u>Marathon Deposit</u>	
	<u># of holes</u>	<u>Meters</u>	<u># of holes</u>	<u>Meters</u>	<u># of holes</u>	<u>Meters</u>
January to March 2017	7	2,560	16	2,174	21	9,940
May to November 2017	16	6,806	-	-	84	36,870
January 2018 to date	-	-	14	3,206	29	12,668
	23	9,366	30	5,380	134	59,478

2017 Drilling and Exploration Programs

Marathon's initial 2017 drilling activity ran from January to March 2017, with the bulk of the drilling focused on the Marathon Deposit. Marathon had numerous successes arising from this drilling program, including:

- Drilling of three sub-vertical holes through the Marathon mineralized corridor that were allowed to run until the holes ceased to intercept QTP veining. These holes, which were the deepest holes ever drilled by Marathon at Valentine Lake, intercepted abundant QTP veining, which was associated with wide intervals of intermittent moderate to high-grade gold to depths of 966 meters. These results illustrated clearly the potential for resource expansion beneath the lower limits of the existing Marathon resource boundary.
- Intersecting high grade mineralization in wide intervals 80 to 100 meters down-dip of previous drilling, further proving that the mineralized corridor associated with the Marathon area extended to depth.
- Intercepting significant mineralization in step-out holes drilled southwest of the 2015 resource boundary.
- Successful infill drilling along the southwest end of the 2015 resource boundary and into the hanging wall to the northwest of the 2015 resource boundary.

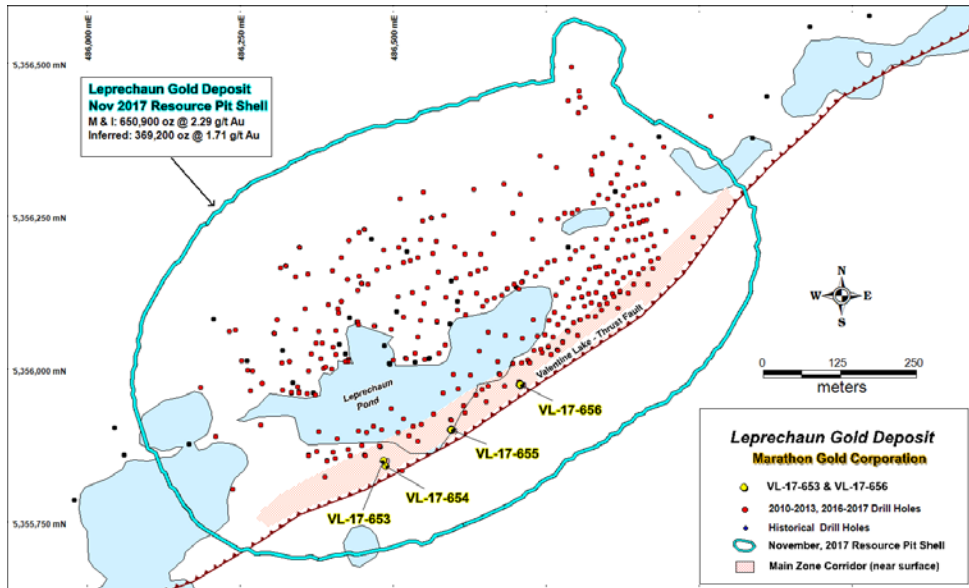
Marathon resumed drilling in May 2017 following the closing of its prospectus financing with a plan to complete an additional 60,000 meters of drilling. The planned scope of this drilling program included:

- Down-dip extension drilling at the Leprechaun Deposit intended to test the extension of high grade intercepts below 300 meters.
- Infill drilling at the Marathon Deposit for 1,200 meters along strike, intended to increase drill density in areas drilled with widely spaced holes in 2016, to upgrade resources from inferred to indicated, and to expand the Marathon Deposit resource to the southwest.
- Extension drilling to test mineralization at the Marathon Deposit along strike and to depth, beneath the current resource pit.
- Exploration drilling to test the potential of showings between the Victory and Leprechaun Deposits to host near-surface resources.

Upon resumption of drilling, the pace of drilling activity at Valentine Lake accelerated from May to November 2017. Drilling at the Marathon Deposit, with three drills early in the summer and later four drills, focused on expanding the open pit resource to the southwest of the existing resource boundary, increasing the depth of the pit in the central portion of the deposit, and expanding the underground resources. A more modest program using a single drill at the Leprechaun Deposit focused on expanding the down-dip extension of the existing high-grade underground resource and testing the geological model.

At the Leprechaun Deposit, drilling intercepted continuous, wide high-grade gold intervals in holes designed to penetrate down through the stacked QTP veining of the Main Zone corridor of the Leprechaun Deposit.

The location map below illustrates the location of drilling from the summer 2017 program at the Leprechaun Deposit within the February 2017 resource pit shell.



Buy-back of Net Smelter Returns Royalty

The Valentine Lake property was subject at all times in the period from January 1, 2016 to November 14, 2017 to a net smelter returns royalty held by Glencore Canada amounting to 2% on base metal production and 3% on precious metal production (collectively, the “NSR”). The NSR covered a land package on the Valentine Lake property that encompassed all of the current resources associated with the Valentine Lake property.

Prior to October 2017, management had not made any significant efforts to buy back the NSR or to enquire as to the potential terms for a buy-back.

On October 30, 2017, Glencore offered to sell the NSR to Marathon for cash proceeds of US \$8.7 million, pursuant to Marathon’s right of first offer stipulated in the NSR agreement, in advance of a planned transfer of this royalty into a new investment vehicle. Management analyzed the potential improvements in the economics of the Valentine Lake project, based in part on an early stage economic model prepared by an independent engineer earlier in 2017, and concluded that the buy-back of the NSR was accretive to the net asset value of the project at the offered price. On November 14, 2017 Marathon closed the buy-back of the NSR for cash consideration of \$11,246,525 including transaction costs.

The royalty buy-back was a one-time opportunity that management expects will have a significant positive impact on the value of the Valentine Lake project.

2018 Drilling

Drilling at Valentine Lake re-commenced in late January 2018 and was suspended in early April 2018 because of spring break-up in the area and management’s focus on completing the PEA.

Marathon’s drilling focused on two areas:

- infill and step-out drilling using two drills at the Marathon Deposit intended to expand the Marathon Deposit resource, with the intention of incorporating any expansion of the resource in the PEA, and

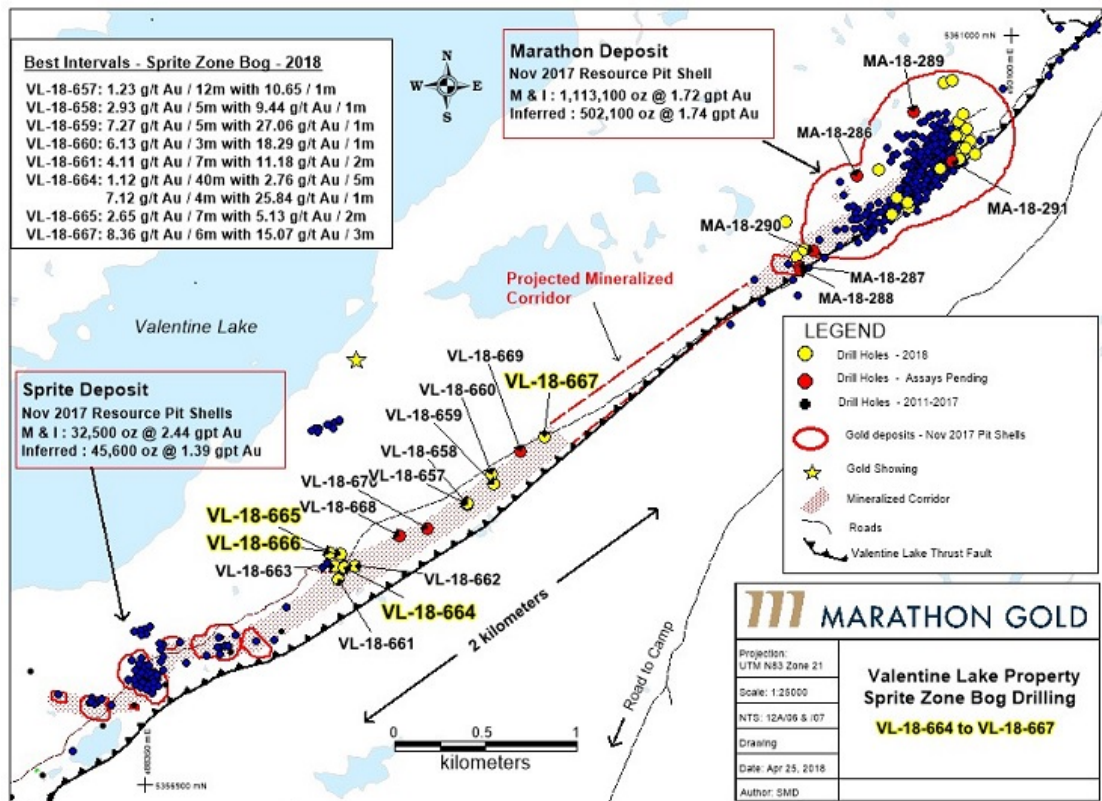
- a series of 14 widely-spaced exploration holes extending to the northeast of the Sprite Deposit resource boundary in the 3.5-kilometer boggy area between the Marathon and Sprite Deposits. Drilling in this area of the property took advantage of winter ground conditions that made it practicable to mobilize drilling equipment in the area and was undertaken to determine at a high level the potential for continuity of mineralization between the Marathon and Sprite Zones.

Drilling at each deposit and in the bog between the Marathon and Sprite Deposits generated excellent results in line with management’s objectives.

At the Marathon Deposit, a portion of the drilling completed in 2018 was incorporated into the April 2018 updated resource estimate for the Marathon Deposit. Notable drilling results included:

- Numerous intercepts of high-grade gold intervals encountered in drilling across the main mineralized corridor in the northeastern and southwestern portions of the deposit, with the potential to deepen the open pit and expand underground resources.
- Intercepts of high grade mineralization along the outer margin of the mineralized corridor in the southwestern area of the Marathon Deposit, some of which were in areas with little previous drilling.

The location map below illustrates the approximate date and location of drilling completed at the Marathon Deposit within the existing November 2017 resource pit shell.



The drilling completed in the bog zone between Sprite and Marathon was not intended to contribute immediately to a change in mineral resources but to assess quickly the potential for this ground to host an additional mineral deposit, and management considers the results of drilling in this area of the property a success. All fourteen holes intercepted mineralization with intervals of mineralization sufficient to

justify further drilling to potentially develop open pit resources, and drilling succeeded in extending the mineralized corridor associated with the Valentine Lake property by 2 kilometers.

Mineral Resource Estimates

In 2017 and 2018 to the date of this MD&A, Marathon completed three updates to the mineral resource estimate associated with the Valentine Lake project. These are described below.

- ***February 2017:***

Management had planned to bring the 2016/2017 drilling program to a close in the third quarter of 2017 before completing an update to the mineral resource estimates for the Leprechaun, Marathon, Sprite and Victory Deposits. These plans were altered as a result of drilling success in the early part of 2017 and the unpublished results of a preliminary internal planning estimate carried out by an independent mining engineer which concluded that the Marathon Deposit resource had increased significantly. Marathon engaged Micon International Limited to complete a property-wide resource estimate incorporating the results of drilling on the property to the end of 2016 and several holes completed early in 2017. The resulting global resource, which included a measured and indicated resource 1,388,200 ounces at a grade of 1.91 g/t and an additional inferred resource of 766,500 ounces at a grade of 2.24 g/t, was announced in Marathon's press release dated February 21, 2017.

- ***November 2017:***

In the third quarter of 2017 Marathon engaged Boyd to complete an updated property-wide mineral resource estimate on the Valentine Lake property, incorporating the results of drilling through the end of October 2017 and the re-modelling of the Leprechaun Deposit to better reflect the current geological model and management's improved understanding of the geology of the Marathon Deposit and the Valentine Lake property generally. This resource was used as the starting point for the PEA on the Valentine Lake property.

The November 2017 resource estimate included a measured and indicated resource of 1,846,500 ounces at a grade of 1.88 g/t and an additional inferred resource of 1,011,700 ounces at a grade of 1.65 g/t. The results of this resource update were communicated in Marathon's press release dated November 30, 2017.

- ***March 2018:***

As mentioned above, the November 2017 mineral resource estimate was used as the starting point for the PEA on the Valentine Lake property, and Marathon's 2018 drilling was focused in part in addressing areas of the resource that required additional drill definition. Management determined that drill data obtained prior to March 2, 2018 would be incorporated into a definitive resource on which production and mine planning decisions in the PEA would be based. Because drilling since the fall of 2017 had focused on the Marathon Deposit, the change in resources impacted Marathon most heavily. However, the resources associated with the Leprechaun and Victory Deposits were restated to reflect changes to the design of the open pits arising from the PEA.

The March 2018 updated resource estimate, completed by Boyd, is summarized below, as excerpted from Marathon's press release dated May 1, 2018.

Material/Category	Open Pit			Underground			Total		
	Tonnes	Grade	Gold	Tonnes	Grade	Gold	Tonnes	Grade	Gold
	(kt)	(g/t)	(oz)	(kt)	(g/t)	(oz)	(kt)	(g/t)	(oz)
Leprechaun Deposit									
Measured - Mill	2,270,000	4.543	331,600	234,000	5.276	39,700	2,504,000	4.611	371,300
Measured – Heap Leach	2,656,000	0.550	47,000	-	-	-	2,656,000	0.550	47,000
Indicated - Mill	1,297,000	3.633	151,500	224,000	4.649	33,500	1,521,000	3.783	185,000
Indicated – Heap Leach	1,664,000	0.549	29,400	-	-	-	1,664,000	0.549	29,400
Total Measured & Indicated	7,887,000	2.206	559,500	458,000	4.969	73,200	8,345,000	2.358	632,700
Inferred - Mill	1,875,000	3.114	187,700	705,000	4.544	103,000	2,580,000	3.505	290,700
Inferred - Heap Leach	3,841,000	0.521	64,300	-	-	-	3,841,000	0.521	64,300
Total Inferred	5,716,000	1.372	252,000	705,000	4.544	103,000	6,421,000	1.720	355,000
Sprite Deposit									
Measured - Mill	-	-	-	-	-	-	-	-	-
Measured – Heap Leach	-	-	-	-	-	-	-	-	-
Indicated - Mill	160,000	3.422	17,600	74,000	4.534	10,800	234,000	3.773	28,400
Indicated – Heap Leach	170,000	0.572	3,100	-	-	-	170,000	0.572	3,100
Total Measured & Indicated	330,000	1.954	20,700	74,000	4.534	10,800	404,000	2.426	31,500
Inferred - Mill	268,000	2.718	23,400	74,000	4.534	10,800	342,000	3.111	34,200
Inferred – Heap Leach	586,000	0.539	10,200	-	-	-	586,000	0.539	10,200
Total Inferred	854,000	1.223	33,600	74,000	4.534	10,800	928,000	1.487	44,400
Marathon Deposit									
Measured - Mill	4,770,000	2.942	451,100	534,000	4.769	81,900	5,304,000	3.126	533,000
Measured – Heap Leach	3,428,000	0.479	52,800	-	-	-	3,428,000	0.479	52,800
Indicated - Mill	7,510,000	2.305	556,600	1,573,000	3.823	193,300	9,083,000	2.568	749,900
Indicated – Heap Leach	5,847,000	0.479	90,000	-	-	-	5,847,000	0.479	90,000
Total Measured & Indicated	21,555,000	1.660	1,150,500	2,107,000	4.063	275,200	23,662,000	1.874	1,425,700
Inferred - Mill	2,047,000	1.934	127,300	4,366,000	3.359	471,400	6,413,000	2.904	598,700
Inferred – Heap Leach	1,838,000	0.479	28,300	-	-	-	1,838,000	0.479	28,300
Total Inferred	3,885,000	1.246	155,600	4,366,000	3.359	471,400	8,251,000	2.364	627,000
Victory Deposit									
Measured - Mill	-	-	-	-	-	-	-	-	-
Measured – Heap Leach	-	-	-	-	-	-	-	-	-
Indicated - Mill	570,000	2.235	41,000	5,000	3.714	600	575,000	2.248	41,600
Indicated - Heap Leach	377,000	0.489	5,900	-	-	-	377,000	0.489	5,900
Total Measured & Indicated	947,000	1.540	46,900	5,000	3.714	600	952,000	1.552	47,500
Inferred - Mill	782,000	1.796	45,200	221,000	3.152	22,400	1,003,000	2.095	67,600

Material/Category	Open Pit			Underground			Total		
	Tonnes	Grade	Gold	Tonnes	Grade	Gold	Tonnes	Grade	Gold
	(kt)	(g/t)	(oz)	(kt)	(g/t)	(oz)	(kt)	(g/t)	(oz)
Inferred – Heap Leach	671,000	0.500	10,800	-	-	-	671,000	0.500	10,800
Total Inferred	1,453,000	1.198	56,000	221,000	3.152	22,400	1,674,000	1.456	78,400
All Deposits									
Measured - Mill	7,040,000	3.458	782,700	768,000	4.924	121,600	7,808,000	3.602	904,300
Measured – Heap Leach	6,084,000	0.510	99,800	-	-	-	6,084,000	0.510	99,800
Indicated - Mill	9,537,000	2.500	766,700	1,876,000	3.950	238,200	11,413,000	2.739	1,004,900
Indicated – Heap Leach	8,058,000	0.496	128,400	-	-	-	8,058,000	0.496	128,400
Total Measured & Indicated	30,719,000	1.800	1,777,600	2,644,000	4.233	359,800	33,363,000	1.993	2,137,400
Inferred - Mill	4,972,000	2.400	383,600	5,366,000	3.522	607,600	10,338,000	2.982	991,200
Inferred – Heap Leach	6,936,000	0.509	113,500	-	-	-	6,936,000	0.509	113,500
Total Inferred	11,908,000	1.299	497,100	5,366,000	3.522	607,600	17,274,000	1.989	1,104,700

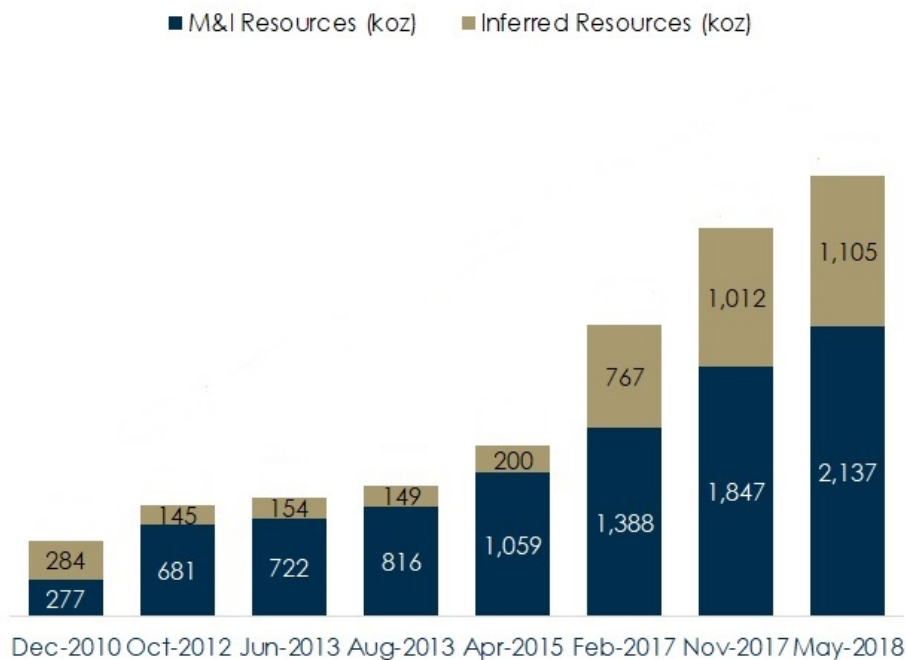
Notes:

1. The effective date for this mineral resource estimate for Leprechaun, Sprite, and Victory is November 27, 2017 and is reported on a 100% ownership basis. The effective date for the mineral resource estimate for Marathon is March 5, 2018. The resources have been restated using the updated PEA economics. All material tonnes and gold values are undiluted.
2. Mineral Resources are calculated at a gold price of US\$1,250 per troy ounce.
3. The open pit mineral resources presented above uses a PEA level open pit design. The underground mineral resources are that material outside of the in-pit mineral resources above the stated underground cut-off grade.
4. 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, socio-political, marketing, or other relevant issues.
5. The mineral resources presented here were estimated using a block model with a block size of 6 m by 6 m by 6 m sub-blocked to a minimum block size of 2 m by 2 m by 2 m using ID³ methods for grade estimation. Mineral resources for the Leprechaun and Sprite deposits are reported using an open pit gold cut-off of 0.267 g/t Au and an underground gold cut-off of 1.840 g/t Au. Material between a 0.267 Au g/t value and 1.055 Au g/t is assumed to be processed on a heap leach. Material above a 1.055 Au g/t is assumed to be processed in a mill. Higher gold grades were given a limited area of influence and was applied during grade estimation by mineralized domain. Mineral resources for the Marathon deposit are reported using an open pit gold cut-off of 0.312 g/t Au and an underground gold cut-off of 1.619 g/t Au. Material between a 0.312 Au g/t value and 0.707 Au g/t is assumed to be processed on a heap leach. Material above a 0.707 Au g/t is assumed to be processed in a mill. Higher gold grades were given a limited area of influence and was applied during grade estimation by mineralized domain. Mineral resources for the Victory deposit are reported using an open pit gold cut-off of 0.328 g/t Au and an underground gold cut-off of 1.803 g/t Au. Material between a 0.328 Au g/t value and 0.707 Au g/t is assumed to be

processed on a heap leach. Material above a 0.707 Au g/t is assumed to be processed in a mill. Higher gold grades were given a limited area of influence and was applied during grade estimation by mineralized domain.

6. The mineral resources presented here 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 May 10, 2014.
7. Figures are rounded, and totals may not add correctly.

The chart below illustrates the growth of the Valentine Lake resource since 2010, when Marathon began exploration activities at the property.



5) OUTLOOK

a) Valentine Lake Gold Camp

There are several activities planned at Valentine Lake to upgrade and increase resources for the mine plan and to advance the project over the next 12 months, including:

- Completion of the PEA on the Valentine Lake project by the end of the third week of May 2018.
- A follow-up drilling program incorporating further resource expansion at the Marathon Deposit; infill drilling to resource to upgrade inferred resources to the measured and indicated categories; infill and definition drilling of the underground portion of the Marathon resource; and more closely spaced exploration drilling in the bog area as access conditions permit to determine whether mineral resources can be supported in this area.

- Additional metallurgical test-work, following on from the small-scale tests completed in 2015 and 2016, which will include full height column tests and additional test-work to evaluate the full potential of heap leaching and optimize the gravity, flotation and leaching processes.
- An exploration geochemical sampling program focused on areas east of the Leprechaun- Sprite area, as well as detailed prospecting and follow-up trenching focused on areas between Marathon and Victory Northeast;
- A program of detailed prospecting and follow-up trenching focused on the northeastern part of the Valentine Lake property, an area with indications of gold mineralization but limited prior exploration activity; and
- More advanced environmental studies, which are underway at the date of this MD&A. The results of this work will be incorporated into future economic studies on the project and used in the course of permitting activity.

With the completion of the PEA, Marathon's focus with respect to Valentine Lake will progress toward development as opposed to a pure exploration focus. Marathon expects to begin work on a number of development and detailed evaluation initiatives, including:

- An enhanced metallurgical test-work program to optimize recoveries from flotation and heap leach processing;
- Condemnation drilling of proposed areas for potential sites for plant and infrastructure;
- Geotechnical drilling to optimize pit slopes and for infrastructure foundations; and
- Community and governmental consultation, review and approval.

All of this work is subject to financing.

b) Golden Chest

Management continues to monitor the activity of New Jersey Mining Company ("NJMC") with respect to Marathon's royalty interest in the Golden Chest property.

To March 31, 2018, Marathon had received cumulative royalty payments amounting to \$111,507 in respect of provisional and final payments received by NJMC for shipments of concentrate by NJMC to its refiner, and subsequently to the date of this MD&A received an additional royalty payment of \$33,190. These payments are treated for accounting purposes as reductions in the carrying value of Marathon's NSR royalty on production from Golden Chest until the carrying value has been reduced to \$Nil. Marathon will begin to recognize royalty revenue from this royalty interest in the second quarter of 2018.

c) Other properties

The exploration program completed at Baie Verte in the first quarter of 2017 was sufficient to satisfy Marathon's work commitment with respect to the property and maintain the underlying mining claims in good order.

Marathon has no plans at the date of this MD&A to carry out any exploration activities at the Bonanza property in Oregon or the Gold Reef property in British Columbia.

6) RESULTS OF OPERATIONS

The results of operations for the three-month periods ended March 31, 2018 and 2017 are summarized below.

	2018	2017
	\$	\$
Expenses:		
Exploration expenses	-	81,479
General and administrative expenses	483,630	354,257
Interest income	-	(12,380)
Foreign exchange (gain) loss	(5,225)	1,938
Loss before tax	478,405	425,294
Income taxes	(311,151)	(1,174,289)
Loss (Income) for the period	167,254	(748,995)

Notes:

- **General and administrative expenses** increased from \$354,257 to \$483,630. The principal components of this change are set out below.
 - **Salaries and wages** charged to operations increased from \$168,036 to \$168,701. Other than an increase amounting to \$10,000 per year in the base compensation paid to Marathon's chair of the Board, there have been no changes in base compensation paid to Marathon's salaried staff, officers or directors.
 - **Listing fees and related expenses** associated with Marathon's continued listing on the TSX and the filing of Marathon's annual financial statements and other disclosure increased from \$44,739 to \$63,821. This increase in was driven by the increase in Marathon's market capitalization from 2016 to 2017.
 - **Investor relations** increased from \$41,195 to \$122,338, reflecting increased efforts by Marathon's team to connect with investors through multiple US and overseas road shows and marketing activities not undertaken in 2017.
- **Tax provision** – The reported tax recovery in the first quarter of 2018 reflects the movement in the Deferred tax liability in the period, offset by the proportional release to operations of Flow through tax premium liabilities based on spending of the proceeds of the flow through financings which gave rise to these liabilities. In the first the first quarter of 2017, the tax provision only reflected the proportional release of Flow through tax premium liabilities, as Marathon had not recognized a deferred tax liability during the period.

7) QUARTERLY RESULTS

Selected quarterly information derived from Marathon's consolidated financial statements for each of the eight most recently completed financial periods is set out below. Any differences between the summarized financial information below and the cumulative results reported in Marathon's interim and year-end financial statements are due to rounding.

	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2
Statement of Operations: (all amounts in \$000's)								
Exploration expenses	-	1	22	5	81	1	22	-
General and administrative expenses	483	424	510	1,229	354	799	279	244
Other (income) loss	(5)	30	(42)	103	(10)	190	(5)	6
Loss from continuing operations before tax	478	455	490	1,337	425	990	296	250
Income taxes	(311)	3,401	(222)	(700)	(1,174)	162	-	-
Loss (Income) operations attributable to Marathon shareholders	167	3,856	268	637	(749)	1,152	296	250
Loss (Income) per Share:								
Loss (Income) attributable to Marathon shareholders								
Basic	(0.001)	0.03	0.002	0.005	(\$0.006)	\$0.013	\$0.003	\$0.002
Diluted	(0.001)	0.03	0.002	0.005	(\$0.006)	\$0.013	\$0.003	\$0.002
Balance Sheet: (all amounts in \$000's)								
Cash, cash equivalents and short-term investments	4,136	7,172	17,425	21,127	5,169	8,458	3,014	3,667
Working capital	2,563	4,850	15,556	19,324	4,799	6,445	3,050	3,716
Mineral exploration and evaluation assets	77,563	73,826	59,477	55,099	51,872	48,795	46,613	45,093
Total assets	82,409	81,542	77,560	76,867	58,432	57,656	49,969	49,034

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 2016 and the second and third quarters of 2017 reflect the issuance of stock options in each period. The decline in Marathon's reported cash and working capital positions at December 31, 2017 compared to September 30, 2017 is in part the result of the purchase in November 2017 of the Glencore NSR, as discussed in section 4 of this MD&A.

8) CAPITAL, LIQUIDITY AND GOING CONCERN

Cash and cash equivalents at March 31, 2018 amounted to \$4,135,519 compared with \$7,172,355 at year-end 2017. Marathon's working capital at March 31, 2018 was \$2,563,174 versus \$4,849,881 at year-end 2017.

Marathon funded its operations in the period ended March 31, 2018 and subsequently to the date of this MD&A through the use of existing cash reserves on hand at the beginning of the period, which in turn reflect:

- cash raised through two equity financings in 2017, which raised combined gross proceeds of \$23,608,180; and
- additional proceeds in 2017 amounting to \$2,815,398 from the exercise of warrants and stock options,

proceeds of \$510,400 from the exercise of stock options in the period ended March 31, 2018 and additional proceeds in April and May 2018 of \$1,463,592 from the exercise of warrants and options.

These issuances of equity have provided Marathon with sufficient resources to fund its aggressive drilling program at Valentine Lake and to complete the PEA. As Marathon moves forward, it will require additional financing to undertake exploration and development activities.

9) CAPITAL ACTIVITIES

Marathon did not complete or initiate any financings in the period ended March 31, 2018 or subsequently to the date of this MD&A.

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. The option plan was amended during the second quarter of 2017 in advance of Marathon's annual general meeting of its shareholders, following discussions with ISS and key institutional shareholders, to place additional limits on the number and grant date fair value of options issuable to Marathon's non-employee directors, as described below:

- Options issued to non-employee directors subsequent to June 7, 2017, the date on which the amended and restated option plan was approved by Marathon's shareholders, cannot exceed 1% of Marathon's issued and outstanding shares.
- The grant date fair value of all options awarded in any fiscal year to non-employee directors is limited to \$100,000 per director.

Marathon awarded a total of 440,000 options at an exercise price of \$1.00 per share in the period ended March 31, 2018. These options were awarded to employees other than officers or directors. In addition, a total of 990,000 options were exercised during the period, generating proceeds of \$510,400, and 35,000 options were exercised in the period from April 1, 2018 to the date of this MD&A generating proceeds of \$23,800.

11) RELATED PARTY TRANSACTIONS

Marathon incurred the following compensation costs related to key management and directors in the normal course of business in the three-month periods ended March 31, 2018 and 2017. At March 31, 2018, no amounts were owed by Marathon in respect of the transactions described below.

	2018	2017
	\$	\$
Salaries paid to officers	155,000	155,000
Fees paid to directors	47,500	37,500
	202,500	192,500

12) FULLY DILUTED SHARE CAPITAL

	Number of shares
Common shares	150,631,702
Unexercised stock options	9,533,500
Fully diluted share capital – May 10, 2018	160,165,202

13) OFF-BALANCE SHEET ARRANGEMENTS

Marathon had no off balance-sheet arrangements as at March 31, 2018 or subsequently to the date of this MD&A.

14) 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.

Marathon is nearing completion of a preliminary economic assessment on the Valentine Lake Gold Camp, the first economic study on the property. Moving forward from the results of this study, should the PEA support such activity, will require substantial financing, and it may not be possible to raise sufficient 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 has participated in the past, and may participate in the future, 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 several 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, 2017. This document may be obtained at www.sedar.com.

15) FUTURE ACCOUNTING PRONOUNCEMENTS

The Company has not yet adopted the following new accounting pronouncements which are effective for fiscal periods of the Company beginning on or after January 1, 2018:

International Financial Reporting Standard 16, Leases ("IFRS 16")

In January 2016, the IASB issued IFRS 16 which replaces existing standards and interpretations under IAS 17, "Leases". IFRS 16 requires all leases, including financing and operating leases, to be reported on the balance sheet with the intent of providing greater transparency on a company's lease assets and liabilities. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted.

Marathon has commenced the evaluation of the new standard and does not anticipate any material impact from the adoption of this standard. Management will continue to monitor the potential impact of adoption as the adoption period approaches.

16) 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, 2018.

17) 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, 2018 and have concluded that these controls and procedures are effective.

18) 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:

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.

Impairment of mineral exploration and evaluation assets

Determining whether facts and circumstances indicate that Marathon's mineral exploration and evaluation ("E&E") assets may be impaired and require the recognition of an impairment loss, or conversely whether a reversal of an impairment loss recognized in a prior period may be required, is a subjective process involving judgment and a number of estimates and interpretations.

Determining whether to test for impairment of E&E assets requires management's subjective assessment of a number of facts and circumstances concerning each subject property, including, among others:

- whether the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed;
- whether substantive expenditure on further E&E of mineral resources in a specific area is either budgeted or planned;
- Marathon's financial capacity to execute exploration activities on a given property;
- the extent to which exploration for and evaluation of mineral resources in a specific area have led to the discovery of commercially viable quantities of mineral resources and any resulting decisions by management to cease or significantly reduce further E&E activities in the area; and
- the existence of sufficient data to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale.

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, the expected forfeiture of options issued subject to vesting, 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.

19) 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