MARATHON GOLD

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, 2019 and 2018.

The MD&A should be read in conjunction with Marathon's unaudited condensed interim consolidated financial statements for the three months ended March 31, 2019 and 2018, including the notes thereto. This MD&A is presented as of May 13, 2019. 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.

CAUTIONARY STATEMENT

The preliminary economic assessment discussed in this MD&A was prepared in accordance with NI 43-101. Readers are cautioned that the preliminary economic assessment is preliminary in nature. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

QUALIFIED PERSON

This MD&A has been reviewed by Phillip Walford, P.Geo. Mr. Walford is a Qualified Person in accordance with NI 43-101 and has approved the technical content within this MD&A related to disclosures concerning Marathon's mineral projects, mineral resource estimates, and economic studies on behalf of Marathon.

1) STRATEGY

Marathon's strategy is the acquisition, exploration and development of mineral properties, particularly gold properties located in North America, with a primary focus on developing the Valentine Gold project through feasibility, construction, commissioning and operations. At the date of this MD&A, Marathon owns 100% interests in the following resource properties:

Newfoundland and Labrador

- The Valentine Gold project in central Newfoundland, Marathon's flagship property and currently the sole focus of its exploration and development efforts. The property includes four zones with existing mineral resources, the Leprechaun, Marathon, Sprite and Victory Deposits. The property also includes mineralized areas which have not been advanced to the point of hosting mineral resources, including the 3.5-kilometer Gap area between the Marathon and Sprite Deposits; the J. Frank, Narrows, Rainbow and Victory SW zones; and numerous untested drilling targets.

- The Baie Verte gold property in western Newfoundland, an early-stage exploration property acquired in 2008. Marathon has no plans for further exploration work at Baie Verte at the date of this MD&A and will let its interest in the claims underlying this property lapse in July 2019.

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.

In addition, Marathon holds a 2% net smelter returns royalty on precious metal sales by the Golden Chest mine in Idaho.

2) OVERVIEW

With the completion of the updated preliminary economic assessment ("PEA") on the Valentine Gold project in October 2018 and current exploration and development activity focused on more detailed feasibility study work to support the preparation of a pre-feasibility study ("PFS"), Marathon's focus with respect to the project is on the development of the project through to a construction decision. Marathon completed the following activities in the year ended December 31, 2018, the period ended March 31, 2019, and subsequently to the date of this MD&A:

Sale of NSR to Franco-Nevada:

On February 21, 2019, Marathon completed the sale of a 2% net smelter returns royalty ("NSR") to Franco-Nevada Corp. (the "FNV NSR") for proceeds of $18 million. This attractive transaction is anticipated to fund Marathon's exploration and technical work through to completion of the PFS and was pursued rather than an equity financing to manage the dilution of shareholders. The FNV NSR includes an 0.5% buy-back provision that allows Marathon to reduce the royalty to 1.5% prior to December 31, 2022 at a cost of US $7 million.

Financing and Liquidity:

At March 31, 2019, Marathon's cash position was $19.4 million compared to $3.7 million at December 31, 2018, reflecting the sale of the FNV NSR.

Infill drilling program:

Following on from successful 2018 drilling programs at the Marathon and Sprite deposits, Marathon's 2019 infill drilling program is in progress with completion expected in the third quarter of 2019. This program is being carried out primarily on the main mineralized corridors of the Marathon and Leprechaun deposits with two concurrent objectives, both of which are directly connected to the PFS:

- To further confirm Marathon's geological models for the Marathon and Leprechaun deposits by demonstrating the lateral continuity of the QTP-gold veining along and across strike as well as to depth within the mineralized corridors, and
- To continue to upgrade existing inferred resources in each deposit into the measured and indicated categories and to increase measured resources for the first five years of mining operations.

To date, Marathon has completed 73 holes covering 19,868 meters in the two deposits, representing approximately 44% of the infill drilling planned for the year. Results to date have exceeded management's objectives and are expected to not only upgrade the confidence levels of the resources but achieve an overall increase in gold grades in the measured and indicated resource categories. Upon completion of the infill drilling program, Marathon will update its mineral resource estimate to support the PFS.

Metallurgy:

At the date of this MD&A, Marathon is nearing completion of metallurgical testing on 12 column tests of lower-grade material from the Marathon and Leprechaun deposits intended to assess potential heap leach recoveries and mill recovery tests on higher grade material from the two deposits, with heap leach results expected later in May. The results of conventional mill testing on the higher-grade material are expected in the third quarter of 2019.

Environment and Stakeholder Engagement:

Marathon filed an Environmental Assessment ("EA") Registration/Project Description with the Newfoundland and federal governments on April 5, 2019, which was subsequently accepted into the formal EA review process on April 16, 2019. These documents are posted by both governments for public review and comment and are reviewed by the various regulatory departments to determine if, and to what extent, further EA is required. A decision on this stage of the EA process is due on May 31, 2019 by both levels of government.

Marathon commenced formal stakeholder engagement in March 2019, beginning with public meetings in the closest communities to the project, including Buchans, Millertown and Grand Falls-Windsor, to brief residents, municipal governments, and other local stakeholders on the status of the project and Marathon's development plans.

Mineral Resource Estimate:

In October 2018, Marathon released an updated mineral resource estimate which served as the foundation for the updated PEA, the highlights of which were communicated in a press release dated October 30, 2018. This revised resource estimate incorporated the results of drilling on the property through October 6, 2018.

At the date of this MD&A, the Valentine Gold project hosts a total Measured and Indicated resource of 2.7 million ounces of gold at a grade of 1.85 g/t and an additional Inferred resource of 1.5 million ounces at a grade of 1.77 g/t.

Updated Preliminary Economic Assessment:

In October 2018 Marathon completed an update to its initial PEA on the Valentine Gold project. This work was led by Lycopodium Minerals Canada and the John T. Boyd Company. The results of the PEA were communicated in a press release dated October 30, 2018 and an accompanying NI 43-101 compliant report was filed on SEDAR on November 30, 2018. These results do not reflect the effect of the FNV NSR.

The main driver for this update was the significant increase in mineral resources. The update was completed to reflect the impact of 24,000 meters of additional drilling at the Marathon Deposit since March 2018, the cutoff for the resource used in Marathon's initial PEA completed in May 2018; the results of an additional 9,000 metallic screen assays completed on samples from 2017 and 2018 drilling to more accurately determine gold grade where coarse gold was present; the preliminary results of enhanced metallurgical test work on mineralized material from the Marathon and Leprechaun deposits; and continuing review and consideration of multiple scenarios for the potential exploitation of the Valentine Gold mineral resources. The results of this study represent a significant improvement over the results of the May 2018 PEA, confirming a potential mining operation involving conventional mill processing and heap leaching, producing an average of 225,100 ounces of gold per year during the first 12 years of operation at an all-in sustaining cost ("AISC") of US$666 per ounce and generating an after-tax IRR of 30% on estimated pre-production costs of US$355 million. The project is anticipated to produce an after-tax NPV (5%) of US$493 million. The after-tax payback period is a desirable 2.5 years in a 12.2-year mine life.

3) SALE OF NET SMELTER RETURNS ROYALTY

On February 21, 2019 Marathon completed the sale of the FNV NSR for gross proceeds of $18,000,000 and net proceeds of $17,979,222. This transaction followed a period of more than six months during which Marathon's management and Board considered a range of potential avenues to raise the funds necessary to provide Marathon with sufficient liquidity to complete a PFS on the Valentine Gold project.

In considering the FNV NSR transaction, a number of factors made the transaction desirable, including:

- The transaction represented the first investment by a well-regarded mining-industry investor;
- The transaction reduced the need to approach the capital markets for additional financing;
- The sale price of the FNV NSR represented a fair price in the context of Marathon's stage of progress toward production and de-risking the project's technical, operational and economic profile and represented significantly less dilution for shareholders in comparison to the issuance of shares to raise comparable funds;

- The right to buy back 25% of the FNV NSR, representing a 0.5% royalty, prior to December 31, 2022 gives Marathon the ability to reduce the financial burden of the royalty prior to a production decision; and
- The costs associated with this transaction were minimal.

4) SUMMARY OF MINERAL RESOURCES

An updated resource estimate incorporating assay data received to October 6, 2018 was completed by John T. Boyd Company ("Boyd") in October 2018 and is the most current resource associated with the Valentine Gold project. This resource estimate was the foundation for the October 2018 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 project, as excerpted from Marathon's press release dated October 30, 2018:

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

Deposit / Category	Open Pit			Underground			Total		
	Tonnes	Grade (g/t)	Gold (oz.)	Tonnes	Grade (g/t)	Gold (oz.)	Tonnes	Grade (g/t)	Gold (oz.)
Valentine Gold Project Summary									
Total Measured & Indicated	44,335,000	1.79	2,557,700	811,000	5.13	133,700	45,146,000	1.85	2,691,400
Total Inferred	24,429,000	1.57	1,230,200	2,428,000	3.86	301,400	26,857,000	1.77	1,531,600

Detailed information concerning the tonnages, grades, resource classifications and underlying assumptions for each of these deposits is presented in Section 6 of this MD&A.

5) UPDATED PRELIMINARY ECONOMIC ASSESSMENT

In October 2018, Marathon completed an updated PEA on the Valentine Gold project and announced the results of the updated PEA in a press release dated October 30, 2018. The economic highlights of the updated PEA and the change in each economic measure from the initial PEA on the project, completed in May 2018, are summarized below and are excerpted from this press release. All figures reported in the table below are expressed in US dollars.

	October 2018	May 2018	Change
Preproduction Capital	**$355 Million**	$380 Million	-$25 Million
Pre-Tax NPV (5%)	**$834 Million**	$ 597 Million	+$ 237 Million
Pre-Tax IRR	**44%**	34%	+10%
After-Tax NPV (5%)	**$493 Million**	$367 Million	+$126 Million

	October 2018	May 2018	Change
After- Tax IRR	**30%**	25%	+5%
Pre-Tax Payback Period	**1.7 years**	2.3 years	-0.6 years
After-Tax Payback Period	**2.5 years**	2.8 years	-0.3 years
Mine Life	**12.2 years**	10.2 years	+2 years
Recovered Gold Ounces	**2,723,300**	1,896,300	+827,000
Average Annual Production	**225,100 ounces (12-year average)**	188,500 ounces (10-year average)	+68,000 ounces (12-year average)
LOM Average Cash Cost	**$603 / oz Au**	$557 / oz Au	+$46 / oz Au
LOM Average AISC – All in Sustaining Costs	**$666 / oz Au**	$595 / oz Au	+$71 / oz Au
Throughput (tonnes per day) – Mill and Heap Leach	**9,000 tpd / 9,000 tpd**	7,500 tpd / 9,000 tpd	+1,500 tpd to the mill
Mill Grade & Recovery	**2.2 g/t / 95%**	2.2 g/t / 95%	No change
Heap Leach Grade & Recovery	**0.5 g/t / 59%**	0.5 g/t / 53%	+6% recovery
Initial Production	**2022**	2022	No change
Gold Price	**$1,250 / oz Au**	$1,250 / oz Au	No change
FX Rate (CDN$/US$)	**$0.769**	$0.787	-$0.018

The improvements in the production profile and economic performance of the project reflected a combination of heap leaching of lower grade mineralized material and milling/flotation/carbon-in-leach processing of higher-grade material, focused only on the open pit mineral resource estimates for the Marathon, Leprechaun and Victory deposits. The Sprite Deposit was excluded from the updated PEA because of its relatively small resource, and underground resources in each deposit were excluded because of a lack of sufficient drill results to establish continuity. However, the project benefitted significantly from identifying areas of the Marathon deposit where focused drilling could succeed in increasing the aggregate near-surface mineral resources, lowering the overall strip ratio. In addition, infill drilling succeeded in deepening the pit, effectively bringing some underground mineral resources situated outside the May 2018 open pit into the October 2018 pit and increasing the life-of-mine production profile. Finally, efforts were made to reduce the impact of pre-production and life-of-mine capital expenditures; internal studies were completed to improve production and infrastructure utilization; and higher metallurgical recoveries were used for heap leached material based on preliminary results of metallurgical testing, which enabled the use of a lower cutoff grade for this material.

The results of the updated PEA were a significant improvement in further establishing the potential for the Valentine Gold project to support a low-cost, robust open-pit operation with an attractive return on investment.

Cautionary Statement:

The updated PEA was prepared in accordance with NI 43-101. Readers are cautioned that the PEA is preliminary in nature. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the economic results reflected in the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

6) EXPLORATION AND DEVELOPMENT ACTIVITY IN THE PERIOD

a) Valentine Gold project

Drilling Programs 2018 to present

During 2018, the period ended March 31, 2019, and subsequently to the date of this MD&A, Marathon carried out a total of 61,149 meters of drilling on four discrete areas of the Valentine Gold project. For clarity, this drilling is summarized below.

	Leprechaun Deposit		Sprite Deposit		Victory Deposit		Marathon Deposit	
	# of holes	Meters	# of holes	Meters	# of holes	Meters	# of holes	Meters
2018	-	-	22	4,974	13	1,832	85	34,475
January 2019 to present	24	8,484	-	-	-	-	49	11,384
	24	8,484	22	4,974	13	1,832	134	45,859

2018 Drilling Program

Drilling at the Valentine Gold project ran from mid-January to March and May to October 2018.

Marathon's drilling in the first phase of this program focused on two areas:

- infill and step-out drilling using two drills intended to expand the Marathon Deposit resource and add to 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 frozen ground to test a high potential area 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, drilling completed in 2018 prior to March 5, 2018 was incorporated into the March 2018 updated resource estimate for the Marathon Deposit, which served as the foundation for the May 2018 PEA. 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, and

- 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 drilling completed in the bog zone between the Sprite and Marathon deposits during the first phase of the 2018 drilling program was not intended to contribute immediately to a change in mineral resources but instead to assess the potential for this ground to host additional mineral deposits. Management considered 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 Gold project by 2 kilometers.

Marathon restarted its drilling program in late May 2018 following spring break-up in the area, focused primarily on infill drilling at the Marathon Deposit. This program was completed in late October 2018 with total of 56 holes of infill drilling covering a total of 21,805 meters.

The objectives of this program included:

- Step-out drilling intended to expand the existing resource associated with the Marathon Deposit along strike and to depth;
- Conversion of a portion of the existing inferred mineral resource into either measured or indicated categories; and
- Drilling material in the hanging-wall and footwall of the Marathon main deposit area in an effort to reduce the strip ratio associated with the Marathon Deposit pit.

This infill drilling program was a success and drove further increases in the Marathon resource, which is set out below. Assaying of core obtained from the 2018 drill program was completed in January 2019, with the last drilling results from the 2018 drilling program reported in a press release dated January 21, 2019.

In addition to drilling at the Marathon Deposit, Marathon completed a program of 13 drill holes covering 1,832 meters of drilling in the area immediately southwest of the Victory deposit and 8 drill holes covering 1,768 meters of drilling in the Sprite Zone. The Victory drilling followed on from earlier programs of prospecting and trenching to the southwest of the Victory Deposit in 2017 and 2018 which exposed a strike length of 1.5 km of mineralization with abundant QTP veining and visible gold, identical to the mineralizing system found elsewhere throughout the property.

Mineral Resource Estimate

In October 2018 Marathon completed an updated mineral resource estimate based on drill data obtained prior to October 9, 2018. This resource served as the foundation for the October 2018 PEA. The resource reflected the results of the majority of drilling completed in 2018 and the results of metallic screen assays on pre-2018 drilling undertaken to improve grade where coarse gold was present.

The October 2018 updated resource estimate, completed by Boyd, is summarized below, as excerpted from Marathon's press release dated October 30, 2018.

Material/ Category	Open Pit			Underground			Total		
	Tonnes	Grade	Gold	Tonnes	Grade	Gold	Tonnes	Grade	Gold
	(t)	(g/t)	(oz)	(t)	(g/t)	(oz)	(t)	(g/t)	(oz)
Leprechaun Deposit									
Measured	5,760,000	2.38	440,800	81,000	3.91	10,200	5,841,000	2.40	451,000
Indicated	3,010,000	1.92	185,500	64,000	3.46	7,100	3,074,000	1.95	192,600
M+I	**8,770,000**	**2.22**	**626,300**	**145,000**	**3.71**	**17,300**	**8,915,000**	**2.25**	**643,600**
Inferred	7,533,000	1.48	357,400	388,000	4.27	53,300	7,921,000	1.61	410,700
Sprite Deposit									
Measured	0	0.000	0	0	0.00	0	0	0.00	0
Indicated	708,000	1.70	38,800	9,000	2.40	700	717,000	1.71	39,500
M+I	**708,000**	**1.70**	**38,800**	**9,000**	**2.40**	**700**	**717,000**	**1.71**	**39,500**
Inferred	1,291,000	1.17	48,700	46,000	2.70	4,000	1,337,000	1.23	52,700
Marathon Deposit									
Measured	10,637,000	1.99	679,000	142,000	7.99	36,500	10,779,000	2.06	715,500
Indicated	23,211,000	1.56	1,163,700	513,000	4.80	79,100	23,724,000	1.63	1,242,800
M+I	**33,848,000**	**1.69**	**1,842,700**	**655,000**	**5.49**	**115,600**	**34,503,000**	**1.77**	**1,958,300**
Inferred	13,784,000	1.69	750,100	1,839,000	3.86	228,300	15,623,000	1.95	978,400
Victory Deposit									
Measured	0	0.00	0	0	0.00	0	0	0.000	0
Indicated	1,009,000	1.54	49,900	2,000	1.85	100	1,011,000	1.54	50,000
M+I	**1,009,000**	**1.54**	**49,900**	**2,000**	**1.85**	**100**	**1,011,000**	**1.54**	**50,000**
Inferred	1,821,000	1.26	74,000	155,000	3.17	15,800	1,976,000	1.41	89,800
All Deposits									
Measured	16,397,000	2.12	1,119,800	223,000	6.51	46,700	16,620,000	2.18	1,166,500
Indicated	27,938,000	1.60	1,437,900	588,000	4.61	87,000	28,526,000	1.66	1,524,900
M+I	**44,335,000**	**1.79**	**2,557,700**	**811,000**	**5.13**	**133,700**	**45,146,000**	**1.85**	**2,691,400**
Inferred	**24,429,000**	**1.57**	**1,230,200**	**2,428,000**	**3.86**	**301,400**	**26,857,000**	**1.77**	**1,531,600**

Notes:

1. The effective date for this mineral resource estimate for 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 October 9, 2018. The effective date for the mineral resource estimate for the Leprechaun Deposit is October 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 use an economic pit shell to determine material available for open pit mining. The underground mineral resources are that material outside of the in-pit mineral resources above the stated underground cutoff grade.

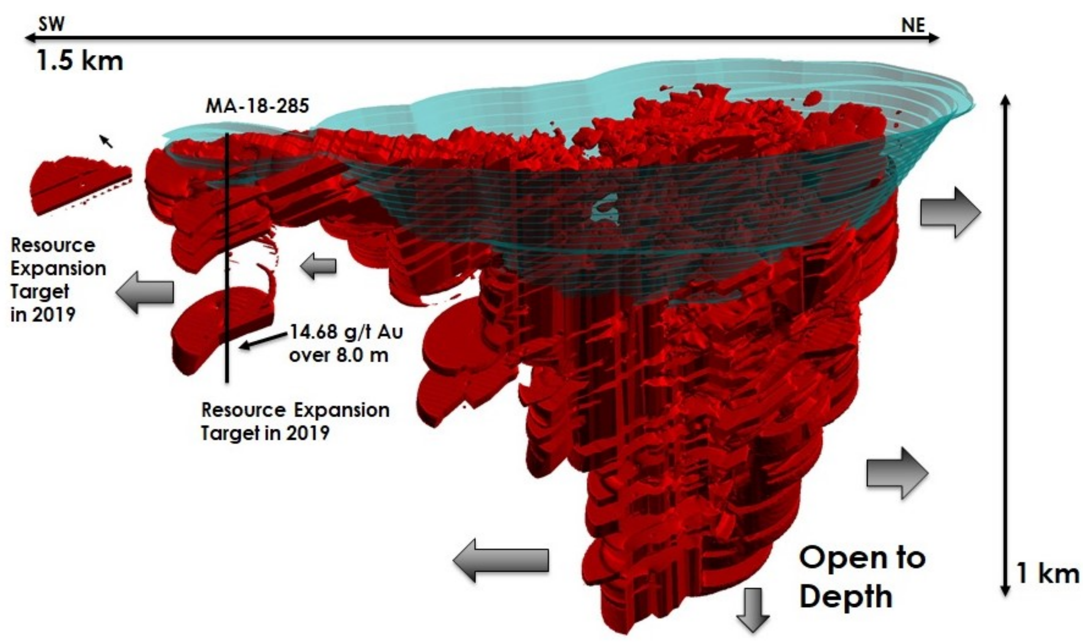
4. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues.

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 ID^3 methods for grade estimation. Mineral resources for the Leprechaun and Sprite deposits are reported using an open pit gold cut-off of 0.281 g/t Au and an underground gold cut-off of 1.767 g/t Au. Material between a 0.281 Au g/t value and 1.142 Au g/t is assumed to be processed on a heap leach. Material above a 1.142 Au g/t is assumed to be processed in a mill. Higher gold grades were given a limited area of influence which was applied during grade estimation by mineralized domain. Mineral resources for the Marathon and Victory deposits are reported using an open pit gold cut-off of 0.328 g/t Au and an underground gold cut-off of 1.731 g/t Au. Material between a 0.328 Au g/t value and 0.700 Au g/t is assumed to be processed on a heap leach. Material above a 0.700 Au g/t is assumed to be processed in a mill. Higher gold grades were given a limited area of influence which was applied during grade estimation by mineralized domain.

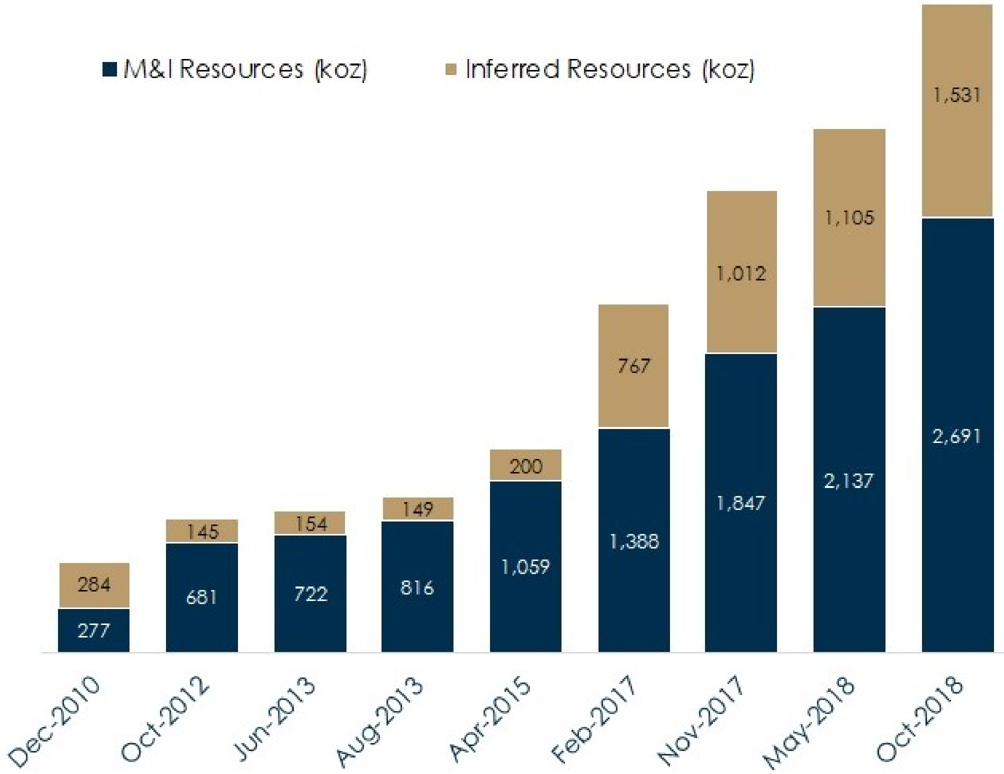
6. The mineral resources presented here were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council May 10, 2014.

7. Figures are rounded, and totals may not add correctly.

The October 2018 resource represented an increase in measured and indicated resources of 554,000 ounces compared to May 2018, a 26% increase, and an increase in inferred resources of 426,000 ounces, or 39%. The longitudinal view of the Marathon Deposit block model below illustrates the configuration of the Marathon Deposit pit shell included in the updated PEA mine plan and areas presenting significant opportunities to expand the Marathon resource estimate.



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



Metallurgy

Marathon's 2019 metallurgical testwork program remains in progress at the date of this report and includes heap leach amenability testing of lower-grade material and mill testing of higher-grade material, taken in each case from representative samples of drill core from the Marathon and Leprechaun deposits. Column testing on a total of 12 discrete and composited samples taken from representative core from the Leprechaun and Marathon deposits with varying crush sizes has been completed, with each sample being subject to leaching for 160 days. Each sample is being analyzed to derive final recovery rates, and this work is expected to be complete later in May 2019.

In addition, bulk flotation on almost 2 tonnes of ore is completed and the two flotation concentrates and flotation tailings are being prepared for the next round of tests, which includes cyanidation tests on concentrates after regrinding, regrind energy demand tests, liquid-solid separation tests to allow sizing of the concentrate and tailings thickeners, and environmental tests. The recoveries arising from completion of this work are expected to be finalized in the third quarter of 2019.

2019 Drilling Program

Marathon's focus to the date of this MD&A was on its infill drilling program, which commenced early in January 2019 and remains underway with an expected completion in the third quarter of 2019. This program is being carried out primarily on the main mineralized corridors of the Marathon and Leprechaun deposits with two concurrent objectives:

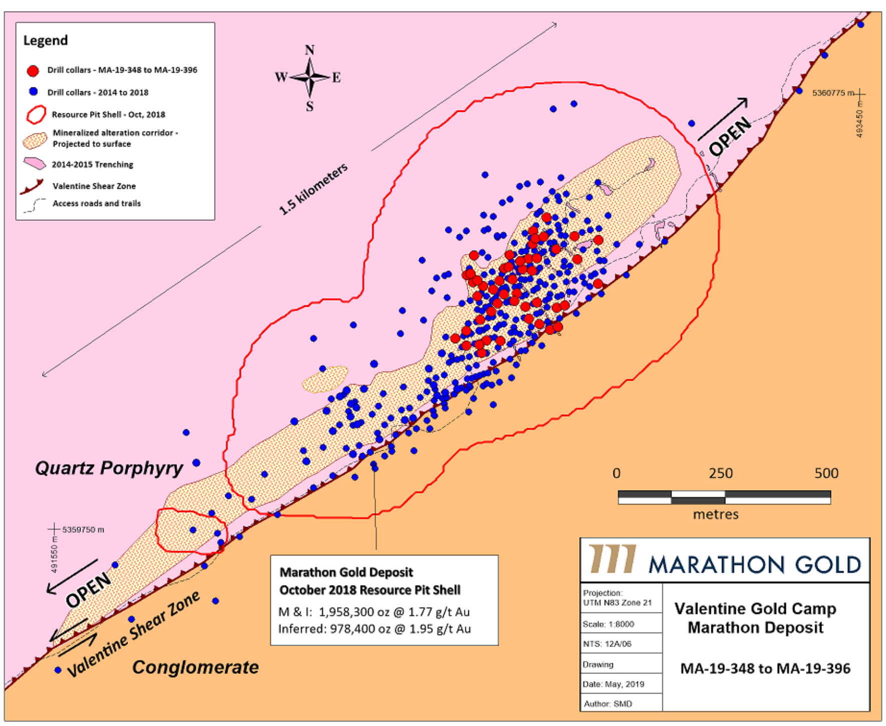
- To further confirm Marathon's geological models for the Marathon and Leprechaun deposits by demonstrating the lateral continuity of the QTP-gold veining along and across strike as well as to depth within the mineralized corridors, and
- To continue to upgrade existing inferred resources in each deposit into the measured and indicated categories.

To the date of this MD&A, Marathon completed a total of 73 drill holes – 49 holes at the Marathon deposit covering 11,384 meters, and an additional 24 holes at the Leprechaun deposit covering 8,484 meters. This drilling represents approximately 44% of Marathon's planned infill drill program for 2019.

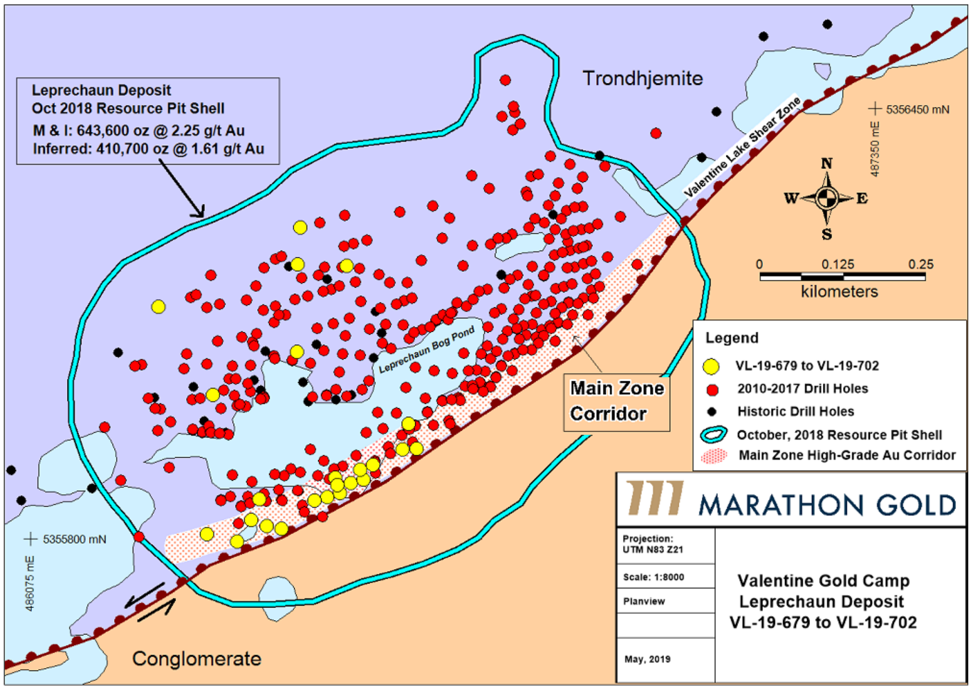
As mentioned above, the infill drilling was focused on the main mineralized corridors of each deposit. In the case of Leprechaun, this involved several holes drilled from shoreline ice on Leprechaun, the first time such drilling had been possible for a number of years. This made it possible to position drill holes to penetrate downward through and at high-angle to the en-echelon stacked QTP-gold veining of the main Leprechaun mineralized corridor, drilling along the strike in areas not otherwise amenable to drilling. To the date of this MD&A, drilling in the core of each deposit has consistently yielded results that met or exceeded management's expectations, with abundant visible gold in numerous holes in each deposit. The infill drilling at both the Leprechaun and Marathon deposits has provided further confirmation of the lateral continuity of higher-grade mineralization between adjacent drill holes in the deposits, an important step in Marathon's work to de-risk the project.

The drill maps below illustrate the location of the drill holes completed to the date of this MD&A within the resource pit shells for the Marathon and Leprechaun deposits.

Marathon Deposit (2019 drilling shown in red):



Leprechaun Deposit (2019 drilling shown in yellow):



Environment and Stakeholder Engagement

In January 2019, Marathon strengthened its project team with the appointment of James Powell as Director of Environment and Stakeholder Engagement. Since that time, Marathon has begun the EA and permitting process with respect to the Valentine Gold project.

On April 5, 2019 Marathon submitted the EA Registration/Project Description, a detailed description of the project which sets out details of:

- The location and size of the land package comprising the project and its geographical setting;
- The main elements of the mine's infrastructure, including planned roadworks, open pits, process plant and water treatment facilities, and storage and management of reagents and other materials, mineral stockpiles, tailings, and process and sanitary waste water;
- Proposed plans and scheduling for construction of mine infrastructure and the development of the open pits;
- The environmental setting, potential environmental impacts of Marathon's planned construction and operating activities; and
- Marathon's planned approach to stakeholder consultation.

These documents are posted by the Newfoundland and federal governments for public review and comment and are reviewed by the various regulatory departments to determine if, and to what extent, further EA is required. A decision on this stage of the EA process is due on May 31, 2019 by both levels of government. Management expects that Marathon will ultimately be required to complete an Environmental Impact Statement concerning the project.

In March 2019 Marathon began the formal process of stakeholder engagement, initially with the three closest communities to the project – Buchans, Millertown, and Grand Falls-Windsor - to brief local residents, governments, and other interested persons on management's development plans for the project and to answer questions concerning the potential impact of the project on these communities. These initial meetings and presentations, which took place in March 2019, were well received, with no adverse comments about Marathon's plans. This process of engagement and consultation with stakeholders, including provincial and federal government agencies and affected community groups, will continue throughout the EA and permitting processes and throughout the life of the project.

7) OUTLOOK

a) Valentine Gold Project

The majority of Marathon's activity with respect to the Valentine Gold project for the remainder of the year is in support of the completion of the PFS.

In addition to the infill drilling and metallurgical testwork programs discussed, earlier, Marathon's plan for the second through fourth quarters of 2019 includes:

- Trenching to condemn planned infrastructure sites;
- An updated property-wide resource update following completion of the infill drilling program;
- Geotechnical investigations to assess and optimize pit slopes at the Marathon and Leprechaun deposits;
- The commencement of work in support of an EIS for the project;
- Hydrology, hydrogeology and acid rock drainage studies; and
- The engagement of a lead consultant with respect to the PFS and commencement of work on the study itself.

In addition, management plans to complete a program of 10,700 meters of exploration drilling in the Sprite Gap once the infill drilling program is complete.

b) 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 for further exploration work at Baie Verte at the date of this MD&A and will let its interest in the claims underlying this property lapse in July 2019.

Marathon also 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.

8) RESULTS OF OPERATIONS

The results of operations for the three months ended March 31, 2019 and 2018 are summarized below.

	2019	2018
	$	$
Expenses:		
General and administrative expenses	**583,179**	483,630
Other income – royalty payments related to gold sales by the Golden Chest Mine	**(26,344)**	-
Interest income	**(27,518)**	-
Interest expense	**216**	-
Foreign exchange gain	**(6,587)**	(5,225)
Loss before tax	**522,946**	478,405
Income taxes	**104,784**	(311,151)
Loss for the period	**627,730**	167,254

Notes:

- **General and administrative expenses** increased from $483,630 to $583,179. The principal components of this change are set out below.
  - **Salaries and wages** charged to operations increased from $168,701 to $214,678, driven by the recognition of cumulative accrued vacation pay in the quarter.
  - **Investor relations** decreased from $122,338 to $89,661, driven by efforts to reduce activity during the quarter, as several US and overseas road trips and other marketing initiatives were not repeated in 2019.
  - **Professional fees** increased from $27,935 to $93,891, reflecting costs incurred in 2019 in the development of a capital markets strategy in the quarter.
  - **Part XII.6** tax decreased from $21,813 to $3,654 as a direct result of lower levels of exploration expenditures having been renounced at December 31, 2018 using the look-back rule with respect to flow through financings completed in 2018, compared to the prior period.
- **Royalty income** increased from $Nil to $26,344 as payments received in 2018 were applied to reduce the carrying value of the net smelter returns royalty arising from the sale of Marathon's interest in the Golden Chest mine in 2015. With the carrying value of this royalty reduced to $Nil in the second quarter of 2018, all subsequent receipts have been treated as Other income.
- **Interest income** increased from $Nil to $27,518 as Marathon invested surplus cash arising from the sale of the FNV NSR in interest-bearing deposits.

9) 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.

	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3	2017 Q2
Statement of Operations: (all amounts in $000's)								
Exploration expenses	-	1	22	-	-	1	22	5
General and administrative expenses	583	364	1,123	379	483	424	510	1,229
Other (income) loss	(60)	(36)	24	(8)	(5)	30	(42)	103
Loss before tax	523	329	1,169	371	478	455	490	1,337
Income taxes	105	409	227	175	(311)	3,401	(222)	(700)
Loss (Income) attributable to Marathon shareholders	628	738	1,396	546	167	3,856	268	637
Loss (Income) per Share:								
Loss (Income) attributable to Marathon shareholders								
Basic	$0.004	$0.005	$0.009	$0.004	$0.001	$0.03	$0.002	$0.005
Diluted	$0.004	$0.005	$0.009	$0.004	$0.001	$0.03	$0.002	$0.005
Balance Sheet: (all amounts in $000's)								
Cash, cash equivalents and short-term investments	19,431	3,662	5,905	3,240	4,136	7,172	17,425	21,127
Working capital	18,640	2,985	5,139	2,001	2,563	4,850	15,556	19,324
Mineral exploration and evaluation assets	70,520	85,778	83,685	79,490	77,563	73,826	59,477	55,099
Total assets	90,437	89,803	90,192	83,131	82,409	81,542	77,560	76,867

Notes:

1. 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.
2. Marathon's reported general and administrative expenses in the second and third quarters of 2017 and the third quarter of 2018 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 reflects the buy-back in November 2017 of a 2% net smelter returns royalty from Glencore, while the increase in reported cash and working capital at March 31, 2019 compared to December 31, 2018 reflects the sale of FNV NSR, as discussed in section 6 of this MD&A.

10) CAPITAL, LIQUIDITY AND GOING CONCERN

Cash and cash equivalents at March 31, 2019 amounted to $19,430,568 compared with $3,662,137 at year-end 2018. Marathon's working capital at March 31, 2019 was $18,639,735 compared with $2,985,137 at year-end 2018.

Marathon funded its operations in the period ended March 31, 2019 and subsequently to the date of this MD&A through the use of existing cash reserves at December 31, 2018; the sale of the FNV NSR, which raised net cash proceeds of $17,979,222; and additional proceeds of $416,900 from the exercise of stock options,

The FNV NSR provided Marathon with sufficient resources to fund its aggressive 2019 infill drilling program at the Marathon and Leprechaun deposits and, looking forward, to fund the additional work required to complete the PFS on the Valentine Lake project. As Marathon moves forward, it will require additional financing to undertake exploration and development activities.

11) CAPITAL ACTIVITIES

Marathon did not undertake any capital markets transactions in the period ended March 31, 2019 or subsequently to the date of this MD&A.

12) 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 300,000 options at an exercise price of $0.80 per share in the period ended March 31, 2019. In addition, a total of 1,570,000 options were exercised during the period, generating proceeds of $416,900. In the period from January 1, 2019 to the date of this MD&A, Marathon issued an additional 300,000 options with an exercise price of $0.80 per share, 1,570,000 options were exercised for proceeds of $416,900, and 6,000 options expired. Of the 1,570,000 shares issued pursuant to the exercise of stock options in the period ended March 31, 2019, a total of 1,502,000 were held by the respective optionees subsequent to exercise and have not been sold to the date of this MD&A.

13) RELATED PARTY TRANSACTIONS

Marathon incurred the following compensation costs related to key management and directors in the normal course of business in the three months ended March 31, 2019 and 2018.

	2019	2018
	$	$
Salaries paid to officers	**205,000**	155,000
Fees paid to directors	**47,500**	47,500
	252,500	202,500

14) FULLY DILUTED SHARE CAPITAL

	Number of shares
Common shares	161,146,702
Unexercised stock options	10,446,500
Fully diluted share capital – May 13, 2019	**171,593,202**

15) OFF-BALANCE SHEET ARRANGEMENTS

Marathon had no off balance-sheet arrangements as at March 31, 2019 or subsequently to the date of this MD&A.

16) 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 has completed an updated preliminary economic assessment on the Valentine Lake project, the second economic study on the property, and has commenced work on a pre-feasibility study. While Marathon was successful in raising financing through the sale of the FNV NSR, the proceeds from which will fund Marathon's operations through to completion of the pre-feasibility study, moving forward toward the completion of a definitive feasibility study and, if considered appropriate, construction and commissioning of a mine 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, 2018. This document may be obtained at www.SEDAR.com.

17) 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.

There have been no changes in Marathon's internal controls over financial reporting during the three-month period ended March 31, 2019 that have materially affected or are likely to materially affect its internal control over financial reporting.

18) 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 and have concluded that these controls and procedures were effective as at March 31, 2019.

19) 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.

20) CHANGES IN ACCOUNTING POLICIES

Marathon adopted IFRS 16, Leases effective January 1, 2019.

Overview of IFRS 16, Leases

Marathon adopted IFRS 16 as of January 1, 2019 but has not restated comparatives for the 2018 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and adjustments arising from adoption of this standard are therefore reflected as of January 1, 2019.

Marathon leases real estate under a lease contract with a fixed term of three years at inception. The lease agreement does not impose any covenants on Marathon.

On adoption of IFRS 16, Marathon recognized a lease liability in respect of a lease in respect of real estate property, which had been recognized previously as an operating lease under *IAS 17, Leases*. The liability was measured at the present value of the remaining lease payments to the end of the lease agreement assuming that Marathon would not renew the lease upon termination, discounted using an estimate of the implicit interest rate for the lease, as at January 1, 2019. Each lease payment is allocated between interest expense and repayment of the lease liability. The interest expense on the lease liability is charged to the Consolidated Statements of Operations using the effective interest method so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period.

The discount rate applied to the lease liability on adoption of IFRS 16 on January 1, 2019 was 5.6%.

The effect of adoption of IFRS 16 as reflected on January 1, 2019 was to recognize a right-of-use asset and a corresponding lease liability of $22,224, which is classified as a current liability. At March 31, 2019 the lease liability amounted to $13,974.

Upon adoption of this standard, the right-of-use asset is shown as part of Property, plant and equipment on the Consolidated Balance Sheets, and amortization costs are included within depreciation costs on the Consolidated Statements of Operations. The right-of-use asset is depreciated over the shorter of the asset's useful life and the remaining lease term on a straight-line basis. Depreciation of the right-of-use asset is included within depreciation in the Operating activities section of the Consolidated Statements of Cash Flows.

The change in accounting policy affected the following items in the Consolidated Balance Sheets on January 1, 2019.

	$
Property, plant and equipment – increased by	22,224
Lease liabilities – increased by	(22,224)
	-

Until the end of 2018, payments under operating leases were charged to the Consolidated Statements of Operations on a straight-line basis over the life of the lease and consequently were fully included in the calculation of loss per share. Subsequent to adoption of IFRS 16, only depreciation charged on in respect of right-of-use assets and interest expense on lease liabilities are now included in the Consolidated Statements of Operations and therefore included in the calculation of loss per share. Principal portions of lease payments are not included in the Consolidated Statements of Operations and are instead applied to reduce the lease liability in the Consolidated Balance Sheets. There was no material impact of these changes on the measurement of Marathon's loss per share for the three-month period ended March 31, 2019.

Short-term lease payments are not included in the measurement of lease liabilities and are not shown in the Consolidated Balance Sheets in accordance with IFRS 16. These payments are included as part of Mineral exploration and evaluation assets in the Consolidated Balance Sheets. Similarly, variable lease payments that do not depend on an index or rate are not included in the measurement of lease liabilities and are reflected in the Consolidated Statements of Operations and the Operating Activities section of the Consolidated Statements of Cash Flows.

Practical expedients applied

In applying IFRS for the first time, Marathon has considered the following practical expedients permitted by the standard:

- The use of hindsight in determining the lease term where the lease agreement contained an option to renew the lease.

The significant judgments, estimates and assumptions made by management and applied in the preparation of these financial statements, specifically as they relate to the adoption of IFRS 16, included evaluating the appropriate discount rate used to discount the lease liability and determining the lease term.

21) ADDITIONAL INFORMATION

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

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