

TORONTO, ON--(Marketwired - August 13, 2016) - [Marathon Gold Corp.](#) (TSX: MOZ) ("Marathon") announced today its financial results for the period ended June 30, 2016.

Highlights:

- At June 30, 2016 Marathon had \$3.7 million in cash and working capital. On May 6, 2016, Marathon closed a bought deal private placement of units and flow-through shares which raised aggregate gross proceeds of \$3 million. The proceeds from this financing are funding Marathon's summer drilling program, which commenced in early June and will run to the end of the third quarter of 2016, along with an accompanying program of geological mapping, prospecting, surface sampling and trenching.
- Marathon began work in March on a two-phase metallurgical testing program, approximately 75% of the costs of which are being underwritten by the Research and Development Corporation of Newfoundland and Labrador. This work is focused on material from the Leprechaun and Marathon Deposits, which together represent over 90% of the current measured and indicated resource associated with the Valentine Gold Camp.

The first phase of this program is focused on assessing the amenability of mineralized material from the Leprechaun and Marathon Deposits to low-cost heap leaching, which could provide options to reduce both capital and operating costs significantly in production. Column testing on samples of mineralized material from the Leprechaun and Marathon Deposits crushed to -0.50" and -0.75" is underway, with gold recoveries continuing after 125 days of leaching. The column tests will be concluded on August 15, and Marathon will report definitive recoveries as assays to determine the remaining gold in each sample are completed. Management expects that definitive recoveries will be reported during the third quarter, with definitive results on the -0.50" sized samples being reported first in early September.

A second phase of metallurgical testing is focused on determining the potential recoveries that may be achieved by processing mineralized material from the Marathon Deposit using a conventional processing flowsheet consisting of milling, flotation, and cyanidation of concentrate. This work is also expected to be completed by the end of the third quarter.

- Marathon completed a short program of widely spaced exploration drilling in the first quarter of 2016, covering a total of 13 holes over 2,062 meters. This drilling was focused on areas of the property to the southwest of the Marathon Deposit characterized by bogs and forests without outcrop and not amenable to drilling outside the winter months. This aggressive step-out drill program, which followed on from the results of the fall 2015 drilling program, extended the strike length of the Marathon trend by 800 meters to more than 1.6 kilometers.
- Following completion of its financing in May 2016, Marathon commenced work on its summer program of in-fill, step-out and exploration drilling. This program is focused primarily on expanding the Marathon Deposit resource. At the Marathon Deposit, a total of 21 new holes and three extensions of existing holes drilled in 2015 covering 4,488 meters have expanded the mineralization corridor associated with the Marathon area, both to the northwest and southwest of the Marathon Deposit resource boundary. This drilling intersected wide intervals of mineralization with higher than average grades, confirming that mineralization continues to depths in excess of 250 meters. Assays are pending for additional drilling completed at the Leprechaun and Victory Deposits.

Based on the positive drilling results at Marathon to date, the summer drilling program, which was originally planned to cover 7,500 meters of drilling, has been expanded to 10,000 meters. The remaining drilling associated with Marathon's summer program is expected to be complete by the end of the third quarter.

- Marathon is also carrying out a program of mapping and prospecting along the Sprite/Marathon trend proximal to the Valentine Lake Thrust Fault and to the northeast of the Victory Deposit. Assays are pending for this work.

Operating Results:

Marathon's results of operations for the three and six months ended June 30, 2016 and 2015 are summarized below. Marathon focused its exploration efforts in 2015 and 2016 exclusively on the Valentine Gold Camp and incurred no exploration costs other than holding costs related to its non-core properties.

| | Three months ended June 30 | | Six months ended June 30 | |
|-------------------------------------|----------------------------|---------|--------------------------|----------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$ | \$ | \$ | \$ |
| Expenses: | | | | |
| Exploration expenses | - | 20,422 | - | 20,422 |
| General and administrative expenses | 243,641 | 280,940 | 485,183 | 577,357 |
| Other finance expense | 6,741 | 4,849 | 6,741 | 4,849 |
| Interest income | (1,529) | (4,086) | (3,073) | (11,114) |
| Loss on investments | - | - | - | 9,575 |
| Foreign exchange loss (gain) | 1,374 | (340) | 24,824 | (3,399) |

| | | | | |
|---------------------------------------------------|---------|-----------|-----------|-----------|
| Loss from continuing operations before tax | 250,227 | 301,785 | 513,675 | 597,690 |
| Income taxes | - | - | (415,151) | (90,578) |
| Loss from continuing operations for the period | 250,227 | 301,785 | 98,524 | 507,112 |
| Loss from discontinued operations, net of tax | - | 1,073,833 | - | 1,073,833 |
| Net loss for the period | 250,227 | 1,375,618 | 98,524 | 1,580,945 |
| Net loss attributable to non-controlling interest | - | (513,077) | - | (513,077) |
| Loss attributable to Marathon Gold shareholders | 250,227 | 862,541 | 98,524 | 1,067,868 |

This press release should be read in conjunction with Marathon's condensed interim consolidated financial statements for the three and six months ended June 30, 2016 and the related Management's Discussion and Analysis, both of which are available on www.sedar.com.

About Marathon Gold Corporation

Marathon is a Toronto based gold resource company focused on its 100% owned Valentine Gold Camp located in central Newfoundland. The Valentine Gold Camp currently hosts four near-surface, mainly pit-shell constrained, gold resources totaling 1,060,100 oz. gold at 2.20 g/t (Measured & Indicated) and 200,000 oz. gold at 2.85 g/t (Inferred), (April 2015). These resources, open along strike and to depth, cover less than 10% of the total length of the highly prospective Valentine Lake Thrust Fault and associated splay faults which host the majority of the gold mineralization within the property. Marathon receives financial support in respect of certain of the Company's exploration expenditures from the Junior Exploration Assistance program of Newfoundland and Labrador and the Research and Development Corporation of Newfoundland and Labrador.

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

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to [Marathon Gold Corp.](http://www.marathon-gold.com), certain information contained herein constitutes "forward-looking statements". Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "considers", "intends", "targets", or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could". We provide forward-looking statements for the purpose of conveying information about our current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. These risks and uncertainties include but are not limited to those identified and reported in [Marathon Gold Corp.](http://www.marathon-gold.com)'s public filings, which may be accessed at www.sedar.com. Other than as specifically required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results otherwise.

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