

TORONTO, Aug. 10, 2017 (GLOBE NEWSWIRE) -- Marathon Gold Corporation (TSX:MOZ) ("Marathon") announced today its financial results for the period ended June 30, 2017.

Highlights:

- At June 30, 2017 Marathon had \$21.1 million in cash and cash equivalents compared to \$8.5 million at December 31, 2016.

Marathon completed the following activities in the period ended June 30, 2017, and subsequently to the date of this MD&A:

- Financing ‐ On May 25, 2017, Marathon closed a bought deal prospectus financing underwritten by a syndicate of underwriters led by RBC Capital Markets. Marathon issued a total of 6,900,000 common shares at a price of \$1.03 per common share and 9,200,000 flow through shares at a price of \$1.25 per flow through share, for aggregate gross proceeds of \$18.6 million.

These proceeds are currently funding an aggressive program of infill and extension drilling at the Marathon and Leprechaun Deposits as well as exploration drilling focused on showings with favorable geophysical characteristics located between the Victory Northeast and Leprechaun areas, including the Spite Deposit area. Marathon's summer/fall field exploration program will include a geochemical soil sampling program east of the Leprechaun-Sprite area and detailed prospecting and follow-up trenching focused on the northeastern part of the Valentine Lake property where there are indications of gold mineralization but limited historical exploration activity. Additional work will include advanced environmental studies which will be used in economic studies on the project and for permitting and a preliminary economic assessment, which is expected to commence in the fourth quarter of 2017 following completion of a revised property-wide mineral resource estimate reflecting the results of the current drilling program.

In addition, Marathon obtained proceeds of \$2.1 million from the exercise of warrants and stock options during the six month period ended June 30, 2017 and additional proceeds of \$0.6 million from option and warrant exercises from July 1, 2017 to date.

- Mineral resource estimate ‐ In February 2017, Marathon released an updated mineral resource estimate and the supporting National Instrument 43-101 technical report for the Valentine Lake property, incorporating the results of drilling on the property since the completion of the previous resource estimate in 2015 through February 2017. With completion of the updated resource, the Valentine Lake property hosts a total measured and indicated resource of 1.4 million ounces of gold at a grade of 1.91 g/t and an additional inferred resource of 0.8 million ounces at a grade of 2.24 g/t. Compared to the previous global resource estimate, the global measured and indicated resource increased by 0.4 million ounces or 31%, while the global inferred resource increased by 0.6 million ounces or 284%.
- Acoustic surveying ‐ Marathon commenced work in January 2017 on an acoustic surveying program focused on identifying swarms of gold veining in areas of bog and heavy overburden to the southwest of the Marathon Deposit not readily amenable to traditional prospecting techniques. The expected cost of this program, which amounts to approximately \$1.8 million, is being underwritten in part by a grant of \$742,500 from the Research and Development Corporation of Newfoundland and Labrador ("RDC"), of which \$668,000 has been received to date.

The field work portion of this program was completed in February 2017 and involved line cutting and other ground preparation activity as well as the gathering of acoustic data. The remainder of the program, which involves the analysis of the acoustic data by the surveyor using a proprietary methodology, is in progress and management expects to receive the results of this work in the third quarter of 2017.

- Drilling - Drill programs, which ran from January to March and June to December 2016, January to March 2017, and May 2017 to date, focused on expanding and upgrading the Leprechaun and Marathon Deposit resources, with three drills currently operating at the Marathon Deposit and a fourth drill focused on the Leprechaun Deposit. Since May 22, 2017, Marathon has completed a total of 30 holes covering 15,765 meters out of a planned program of 60,000 meters of infill and extension drilling at Leprechaun and Marathon, of which a total of 10 holes covering 5,200 meters have been assayed and reported.

Operating Results:

The results of operations for the three- and six-month periods ended June 30, 2017 and 2016 are summarized below and reflect increases in staff compensation costs and director fees following an independent benchmarking review of Marathon's compensation practices; a performance bonus awarded to management and employees driven by the sharp increase in mineral resources at the Valentine Lake Gold Camp and related to performance in 2015 and 2016; stock options issued in the second quarter of 2017; and professional fees associated with changes to Marathon's shareholder rights plan, stock option plan, and corporate governance practices and policies.

Three months ended June 30		Six months ended June 30	
2017	2016	2017	2016
\$	\$	\$	\$

Expenses:

Exploration expenses	5,135	-	86,614	-
General and administrative expenses	1,229,011	243,641	1,583,268	485,183
Other finance expense	111,589	6,741	111,589	6,741
Interest income	(12,674)	(1,529)	(25,054)	(3,073)
Foreign exchange loss	3,287	1,374	5,225	24,824
Loss before tax	1,336,348	250,227	1,761,642	513,675
Income tax recovery	(699,851)	-	(1,874,140)	(415,151)
Loss (Income) for the period attributable to Marathon Gold shareholders	636,437	250,227	(112,498)	98,524

This press release should be read in conjunction with Marathon's unaudited condensed interim consolidated financial statements for the periods ended June 30, 2017 and 2016 and the related Management's Discussion and Analysis, both of which are available on www.sedar.com.

About Marathon Gold Corporation

[Marathon Gold Corp.](#) (TSX:MOZ) is a Toronto based gold exploration company rapidly advancing its 100% owned Valentine Lake Gold Camp located in Newfoundland, one of the top mining jurisdictions in the world. The Valentine Lake Gold Camp currently hosts four near-surface, mainly pit-shell constrained, deposits with measured and indicated resources totaling 1,388,200 oz. of gold at 1.91 g/t and inferred resources totaling 766,500 oz. of gold at 2.24 g/t. These resources occur over a 20-kilometer system of gold bearing veins, with much of the 24,000-hectare property having had little detailed exploration activity to date. Drilling in 2017 is continuing to focus on expanding the Marathon Deposit at surface and to depth. The Valentine Lake Gold Camp is accessible by year-round roads and is located in close proximity to Newfoundland's electrical grid. Marathon maintains a 50-person all-season camp at the property. Recent metallurgical tests have demonstrated 93% to 98% recoveries via conventional milling and 50% to 70% recoveries via low cost heap leaching at both the Leprechaun and Marathon Deposits.

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.](#), 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.](#)'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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