Marathon Gold Announces Positive Pre-Feasibility Study for the Valentine Gold Project

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TORONTO, April 06, 2020 - Marathon Gold Corp. (“Marathon” or the “Company”) (TSX: MOZ) is pleased to report the results of the Pre-Feasibility Study (“PFS”) for the Valentine Gold Project in Central Newfoundland (the “Project”). The PFS supports an open pit mining operation with low initial capital cost and high rate of return over a 12-year mine life. Highlights of the PFS are as follows (all figures are in Canadian dollars unless otherwise noted):

- After-tax IRR of 36% and $NPV_{5\%}$ of $472M (US$354M) based on US$1,350/oz gold, increasing to 49% and $671M (US$503M) at US$1,550/oz gold;
- Initial capital cost (“Capex”) of $272M (US$205M) yielding a favourable after-tax $NPV_{5\%}$ /Capex ratio of 1.74. Life-of-mine (“LOM”) capital of $545M (US$409M);
- After-tax payback of 1.8 years;
- 12-year mine life, with average gold production of 175,000 oz/year in Years 1-9 from the processing of high-grade mill feed, and 54,000 oz/year in Years 10-12 from the processing of low-grade stockpile;
- LOM average Total Cash Costs of US$633/oz and All-In Sustaining Costs of US$739/oz;
- Proven and Probable Mineral Reserves of 1.87 Moz (41.05 Mt at 1.41 g/t Au);
- Mill capacity of 6,800 tpd (2.5 Mtpa) during Years 1-3 based on gravity-leaching, expanding to 11,000 tpd (4.0 Mtpa) in Year 4 based on gravity-flotation-leaching with LOM average gold recovery of 93%;
- Simplified execution strategy based on open pit mining, conventional milling and thickened tailings deposition, with no heap leaching.

Matt Manson, President & CEO commented: “The Valentine Pre-Feasibility Study released today presents a high value, low capex project with a strong gold production profile and high operating margins. We have taken the approach of identifying the optimum starting point for mining at Valentine, emphasising highest rate of return and lowest risk, while recognising that the large resource inventory and extensive exploration potential along strike and at depth offers plenty of opportunity for mine life extension. Our mill expansion strategy is supported by internal cash flow using a conservative gold price assumption, and the project carries strong project financing attributes, including a fast payback.” Mr. Manson continued: “The Valentine Project is expected to be Atlantic Canada’s largest gold producer. Notwithstanding the current COVID-19 challenges, it represents the future of responsible resource development in Central Newfoundland. With a strong treasury in hand ($28M as of Dec 31, 2019) our attention now turns to the submission of our Environmental Impact Statement, expected later this year, and the commencement of Feasibility-level studies.”

Valentine Gold Project Pre-Feasibility

The PFS was completed by Ausenco Engineering Canada Inc. as Lead Consultant. Moose Mountain Technical Services acted as Mining Consultant, APEX Geoscience Ltd. as Geological Consultant, Golder Associates Ltd. as Tailings Consultant, Stantec Consulting Ltd. as Environmental Consultant and Terrane Geoscience Inc. as Geotechnical Consultant. The Valentine Gold Project Mineral Resource Estimate (*see Marathon Gold news release dated January 20, 2020*) was prepared by John T. Boyd Company. The Mineral Reserve Estimate was prepared by Moose Mountain Technical Services. Key results and assumptions used in the Valentine Gold Project PFS are summarized in Table (1) below.

Table 1: Summary of Key Results and Assumptions in the Pre-Feasibility Study

		Values	Units
Production Data*note 1*			
	Life of Mine	12	Years
	Processing Years 1-3 (Phase 1)	6,800 (2.5)	tpd (Mtpa)

	Processing Years 4-12 (Phase 2)	11,000 (4.0)	tpd (Mtpa)
	Recovered Gold	1.73	Moz
	Average Gold Recovery	93%	
	Total Mined Tonnes (including prestrip)	353	Mt
	Total Milled Tonnes	41	Mt
	Overall Strip Ratio	7.6	waste:ore
	Average Annual Gold Production	170	koz
Years 1-5: Payback & Expansion Phase	Average Mill Feed Grade	2.01	g/t
	Annual Average After-Tax Free Cash Flow	$86	C$M
	Average Annual Gold Production	175	koz
Years 1-9: Main Phase	Average Mill Feed Grade	1.74	g/t
	Annual Average After-Tax Free Cash Flow	$102	C$M
	Average Annual Gold Production	145	koz
Years 1-12: Including Low Grade Stockpile	Average Mill Feed Grade	1.41	g/t
	Annual Average After-Tax Free Cash Flow	$84	C$M
Capital Costs*note 1*		Values	Units
	Initial Capital	$272	C$M
	Expansion Capital	$42	C$M
	LOM Sustaining Capital (excluding salvage)	$231	C$M
	LOM Total Capital	$545	C$M
	Contingency (included in all capital items)	15%	
Operating Costs*note 1*		Values	Units
	Mining (/t mined)note 2	$2.51	C$/t
	Mining (/t milled)	$20.88	C$/t
	Processing (/t milled)	$11.26	C$/t
	G&A (/t milled)	$2.27	C$/t
	Total Operating Cost (/t milled)	$34.40	C$/t
	Refining & Transport	$2.57	C$/oz
	LOM Average Cash Cost	$633	US$/oz
	LOM Average All-In Sustaining Cost*note 3*	$739	US$/oz
	Capital Intensity (Initial Capital/oz)	$118	US$/oz
Financial Analysis*note 1*		Values	Units
	Gold Price Assumption for Financial Analysis	$1,350	US$
	US$:C$ Exchange	0.75	
	Pre-Tax $NPV_{5\%}$	$752	C$M
	Pre-Tax IRR	45.1%	
	Pre-Tax Payback	1.6	years
	After-Tax $NPV_{5\%}$	$472	C$M
	After-Tax IRR	36.2%	
	After-Tax Payback	1.8	years
	Royalties	1.5%	
	Pre-Tax Unlevered Free Cash Flow	$1,115	C$M
	After-Tax Unlevered Free Cash Flow	$710	C$M
	Effective Cash Tax Rate	29%	

Notes:

1. See note on "Non-IFRS Financial Measures".

2. Based on total material moved, excluding pre-strip.

3. AISC includes Total Cash Costs and Sustaining Capital, including expansion and closure costs. Excludes salvage and Corporate G&A.

Mining

The PFS contemplates open pit mining from the Marathon and Leprechaun deposits only. Ore with a cut-off grade of 0.70 g/t Au will be prioritized for mill processing, initially at 6,800 tonnes per day (“tpd”), or 2.5 Million tonnes per annum (“Mtpa”), and then at 11,000 tpd, or 4.0 Mtpa, following mill expansion. Ore between 0.70 g/t and 0.33 g/t Au will be stockpiled for processing at the end of the mine life.

The open pits have been designed and scheduled to maximise project rate of return. Each deposit will be developed in three phases, with the Marathon pit achieving a maximum dimension of 1,250 m x 700 m by 294 m deep, and the Leprechaun pit achieving 1,050 m x 650 m by 306 m deep. LOM strip ratios will be 6.7 at Marathon, 9.1 at Leprechaun, and 7.6 overall. Benches will be mined by conventional drill/blast/load/haul methods on 6 m bench heights with 8 m wide berms every third bench. Dual-lane haul road allowances will support a diesel-powered mining fleet that will include thirty two 90-tonne payload trucks operating between the two open pits.

Mineral Reserve Estimate, Effective April 6, 2020

Proven and Probable Mineral Reserves are derived from the Measured and Indicated Mineral Resources utilizing Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards on Mineral Resources and Reserves (2014).

Total Proven and Probable Mineral Reserves (Table 2) are estimated at 1.87 Moz (41.05 Mt at 1.41 g/t Au) utilizing a cut-off of 0.33 g/t Au. Mineral Reserves with a 0.70 g/t Au cut-off, at 1.61 Moz (25.29 Mt at 1.98 g/t Au), are scheduled for priority processing in the mine plan.

Table 2: Proven and Probable Mineral Reserves

	Category	Tonnes (Mt)	Diluted Grade (g/t Au)	In Situ Gold (Moz Au)		Category	To
Marathon Deposit	Proven	17.86	1.41	0.81	High Grade (+0.70 g/t)	Proven	16
	Probable	7.59	1.21	0.30		Probable	8.
	Total	25.45	1.35	1.10		Total	25
Leprechaun Deposit	Proven	8.40	1.75	0.47	Low Grade (+0.33/-0.70 g/t)	Proven	9.
	Probable	7.20	1.25	0.29		Probable	6.
	Total	15.60	1.52	0.76		Total	15
	Total	41.05	1.41	1.87		Total	41

Notes to the Mineral Reserves:

1. The Mineral Reserve estimate has been prepared by an independent Qualified Person, Marc Schulte, P.Eng., of Mo date of April 6, 2020.

2. The Mineral Reserves are based on the Mineral Resource Estimate effective January 10, 2020 (see news release d

3. The Mineral Reserves are based on engineering and technical information developed at a Pre-Feasibility level for th

4. Mineral Reserves are mined tonnes and grade, referenced to the mill feed at the crusher. This mill feed includes est

5. Mineral Reserves are reported at a cut-off grade of 0.33 g/t Au, based on a US$1,300/oz gold price, 0.75 US$:C$ ex and transport costs, 85% process recovery at cutoff, $12.40/t process costs, $1.90/t G&A costs, and $1.50/t stockpile r

6. The estimate of mineral reserves may be materially affected by environmental, permitting, legal, title, socio-political, forth in in Marathon’s Annual Information Form for the year ended December 31, 2019 and other filings made w available at www.sedar.com.

7. Columns may not sum exactly due to rounding.

Mine planning and Mineral Reserves use block dimensions of 6 m x 6 m x 6 m with whole block dilution after re-blocking the Mineral Resource model, which has been sub-blocked at a 2 m x 2 m x 2 m minimum block size. Mining dilution of 22% and loss of 3% is introduced. Ore blocks surrounded by waste on all sides, and

blocks surrounded by waste on three sides with a grade of less than 0.5 g/t Au are also treated as waste. This yields an additional mining recovery loss of 5% by tonnage and 2% by gold content. Inferred Mineral Resources of 0.27 Moz (8.07 Mt at 1.05 g/t Au) that are within the open pits are treated as waste and excluded from the economic analysis.

Processing and Recovery

The PFS contemplates an initial milling strategy based on grinding to 75 ?m followed by gravity concentration and cyanidation of gravity concentrates and tails (“Gravity-Leaching”). Grinding will be by way of a SAG and a ball mill. Processing capacity in Phase 1 will be 6,800 tpd (2.5 Mtpa).

The mill will be expanded in Year 4 by coarsening the initial grind to 150 ?m and adding flotation and regrinding of the flotation concentrates, followed by cyanidation (“Gravity-Flotation-Leaching”). No additional grinding equipment will be required for this expansion phase. Processing capacity in Phase 2 will be 11,000 tpd (4 Mtpa). The PFS incorporates scheduled ramp-ups to 1.9 Mtpa in Year 1 and 3.3 Mtpa in Year 4.

Process design has been supported by a metallurgical testwork program conducted by the Company under the supervision of Mr. John Goode, including studies in mineralogy, comminution, gravity concentration, flotation, leaching and cyanide destruction. This work has been performed by a variety of third-party laboratories starting in 2010 and with a focus on the specific PFS scope since 2018.

Overall gold recovery is estimated at 93% at an average grade of 1.41 g/t Au (85% at cut-off grade and capped at 97%). Phase 1 Gravity-Leaching has the advantage of a lower initial capital cost but at an average $3/t higher operating cost and an estimated 0.6% lower recoveries. Phase 2 Gravity-Flotation-Leaching allows for higher throughput, with an estimated $42M of expansion capital, at a lower average operating cost and higher recovery.

Capital and Operating Costs

Capital costs (Table 3) have a basis of estimate at Class 4 (FEL2) with a stated +/-25% accuracy (after the Association for the Advancement of Cost Engineering International) and are stated in Q1 2020 Canadian dollars. All capital items are estimated with a uniform 15% contingency. More than 80% of equipment costs and bulk materials are estimated with budget quotes from vendors, with smaller items priced from precedent projects. Certain commodity estimates are derived from material take-offs. Growth factors of up to 10% have been applied on an item by item basis. Mobile equipment is assumed to be lease financed with associated costs contained within sustaining capital estimates.

Capital costs of $42M for the Phase 2 (Gravity-Flotation-Leaching) expansion of the mill are expected to be financed internally out of cash flow at the base case gold price assumption of US$1,350/oz.

Mine operating costs (Table 4) are estimated at $2.51/t mined or $20.88/t milled (LOM) based on an annual average mining rate of 38.0 Mt. Mining costs reflect the relatively high strip ratios of 6.7 and 9.1 in the Marathon and Leprechaun pits respectively, and short haul distances for waste. Process-related costs are estimated at $11.26/t milled, G&A at $2.27/t milled, for total site costs of $34.40/t milled. Bullion transport and refinery charges are estimated at $2.57/oz. Overall, the unit costs are consistent with similar scale projects elsewhere in Canada. Diesel costs are estimated at $1.09/litre and power at $0.059/kWh.

Table 3: Capital Costs

Item	Cost (C$M)
Pre-strip Mining Capex	$ 25
Mining Capex	$ 23
Construction Indirects	$ 7
Mill Process Facility	$ 61
Reagents & Plant Services	$ 12

Infrastructure	$	73
Management and Owners Costs	$	36
Contingency	$	35
Total Initial Capital	$	272
Mill Expansion	$	36
Contingency	$	5
Mill Expansion Capital	$	42
Sustaining Capital, Mining	$	142
Sustaining Capital, Infrastructure	$	37
Closure	$	35
Salvage	$	(13)
Contingency	$	30
Total Sustaining Capital	$	231
Total	$	545

Notes:
1. Columns may not sum exactly due to rounding.

Table 4: Operating Costs

Item	Value	Units
Tonnes Mined, Years 1-12	342	Mt
Tonnes Milled, Years 1-12	41	Mt
Payable Ounces	1.73	Moz
Mining Costs	$ 857	C$M
	$ 2.51	C$/tonne mined
	$ 20.88	C$/tonne milled
Processing & Water Treatment	$ 462	C$M
	$ 11.26	C$/tonne milled
G&A	$ 93	C$M
	$ 2.27	C$/tonne milled
Total	$ 1,412	C$M
	$ 34.40	C$/tonne milled
Off-Site Costs, Refining and Transport	$ 4	C$M
Royalties	$ 47	C$M
Total Cash Costs	$ 633	US$/oz
Sustaining Capital (excluding salvage)	$ 244	C$M
Total AISC*note 2*	$ 739	US$/oz

Notes:
1. Columns may not sum exactly due to rounding.
2. AISC includes Cash Costs and Sustaining Capital, including expansion and closure costs. Excludes salvage and Corporate G&A.

Financial Analysis

At a US$1,350 gold price and a US$:C$ exchange of 0.75 the Project generates an after-tax Net Present Value (NPV) of $472M, at a 5% discount rate, and an Internal Rate of Return (“IRR”) of 36.2% based on an effective cash tax rate of 29%. Payback on initial capital is 1.8 years. Before taxes, $NPV_{5\%}$ is $752M, IRR is 45.1%, and payback is 1.6 years. The Project’s valuation is discounted to December 31, 2021.

A 1.5% Net Smelter Royalty (“NSR”) is applied to all gold production. In February 2019 the

Company sold a 2% net smelter returns royalty on the Valentine Gold Project to Franco-Nevada Corp. The PFS assumes the exercise of a right in favour of the Company to repurchase 0.5% of the NSR for US$7M prior to December 31, 2022, the cost of which is excluded from the Project-level economic analysis.

The Project is most sensitive to revenue attributes such as gold price, head grade and exchange rate, followed by operating cost and capital cost (Table 5). At US$1,550/oz gold the Project generates an after-tax IRR of 49% (Table 6). Importantly, in a downside scenario, the Project generates a 15% after-tax IRR at a gold price of US$1,075/oz, more than US$500/oz below the current spot price.

Table 5: After-Tax Valuation Sensitivity to Certain Operating Parameters ($NPV_{5\%}$, C$M)

Factor		-20%	-10%	0%	10%	20%
Head Grade	*IRR*	*15.4 %*	*26.6 %*	*36.2 %*	*44.8 %*	*53.1 %*
	NPV	$156	$326	$472	$607	$739
Operating Cost	*IRR*	*44.2 %*	*40.3 %*	*36.2 %*	*31.7 %*	*27.3 %*
	NPV	$596	$536	$472	$405	$338
Capital Cost	*IRR*	*48.2 %*	*41.5 %*	*36.2 %*	*32.0 %*	*28.4 %*
	NPV	$525	$499	$472	$446	$419
Mining Cost (C$/t Mined)	*IRR*	*41.8 %*	*39.0 %*	*36.2 %*	*33.1 %*	*30.1 %*
	NPV	$549	$511	$472	$430	$388

Table 6: After-Tax Valuation Sensitivities to the Gold Price at a US$:C$ exchange of 0.75

Gold Price (US$/oz)			$1,050	$1,150	$1,250	$1,350	$1,450	$1,550	$1,650
NPV (C$M)	*0*	*%*	$242	$415	$569	$710	$844	$975	$1,105
	3	*%*	$159	$306	$437	$555	$668	$778	$887
	5	*%*	$115	$248	$366	$472	$573	$671	$769
	8	*%*	$61	$177	$278	$370	$457	$541	$625
	10	*%*	$32	$138	$231	$315	$393	$470	$546
	15	*%*	-$23	$63	$139	$207	$270	$331	$392
IRR			12.7%	21.5%	29.3%	36.2%	42.7%	48.8%	55.0%
$NPV_{5\%}$/Capex			0.4	0.9	1.3	1.7	2.1	2.5	2.8
Payback	*Years*		7.0	5.0	3.6	1.8	1.6	1.4	1.3

Notes:

1. Payback is defined as achieving cumulative positive free cashlow after all cash costs and capital costs, including sustaining and expansion.

Infrastructure and Facilities

In addition to the mill and Tailings Management Facility (“TMF”), on-site infrastructure includes maintenance and office facilities, a 300-person accommodation camp, a wastewater treatment plant, ditching and sedimentation ponds for water management, and site roads. Cost provision has been made for the upgrading and widening of the current 80 km long access road from Millertown via Red Indian Lake. Electrical power to site is to be supplied by NL Hydro with a 30 km long 66 kV transmission line from the Star Lake Hydroelectric Generating Station with back-up on-site diesel generators. Peak power demand for Phase 1 mill processing at the Project (Gravity-Leach) is estimated at 18 MW, increasing to 22 MW following the Phase 2 mill expansion (Gravity-Flotation-Leaching).

Environment, Permitting and Social Acceptability

The Valentine Gold Project is subject to regulation under the environmental protection regimes of the Canadian Environmental Assessment Act and the Newfoundland and Labrador (“NL”) Environmental Protection Act. Marathon filed a project description with both the Impact Assessment Agency (“IAA”, formerly the Canadian Environmental Assessment Agency) and the NL Department of

Municipal Affairs and Environment (“NLDMAE”) on April 5, 2019, which was accepted into the formal Environmental Assessment (“EA”) process on April 16, 2019. Both the IAA and the NLDMAE issued a determination requiring a project Environmental Impact Statement (“EIS”) and EIS guidelines have now been published by both parties.

The EIS is expected to be filed with the regulators in the 3rd quarter of 2020, and will describe the environmental, social and economic impacts of the scope of project outlined in the PFS. The site layout allows for waste rock storage facilities adjacent to the Marathon and Leprechaun open pits, and a TMF that avoid areas of known fish habitat. The TMF will employ a thickened tailings deposition strategy with a water treatment plant and polishing pond, following a trade-off study of alternate deposition techniques. The TMF has also been successfully located in an area downstream of the Victoria Reservoir and the associated Victoria Dam. Waste rock and tailings geochemical characterization studies indicate very low likelihood for acid rock drainage or metal leaching from either the waste rock storage facilities or tailings. The TMF will receive thickened tailings from the mill between Years 1 and 9, with the mined-out Leprechaun open pit scheduled to receive tailings starting in Year 10. Effluent and contact water from the TMF, waste rock piles and open pits will be collected and, if necessary, treated prior to release. A mitigation strategy will be developed for seasonal Caribou migration which occurs in the spring and fall within the eastern area of the property.

In support of the EA process and the future development and operation of the Project, Marathon has also initiated formal stakeholder engagement with the communities of Buchans, Buchans Junction, Millertown, Badger, Bishop’s Falls and Grand Falls-Windsor, the Qalipu and Miawpukek (Conne River) First Nations and other interested parties. The PFS estimates maximum employment of 404 persons during construction and 426 persons during operations, and over $100 million of annual average purchasing of goods and services.

Project Schedule

The Valentine Gold Project PFS contemplates completion of a Feasibility Study in the first half of 2021, completion of the EA and Ministerial Approval by mid-2021, and the commencement of site-specific permitting thereafter. Ground-breaking for site construction is scheduled for January 1, 2022, with a total 18-month construction period and first gold production by mid-2023. The reader is cautioned that the timeframes contained within the PFS have been estimated without consideration of potential impacts from the ongoing COVID-19 challenges, such as disruption to supply chains, labour markets, work practices and permitting, amongst other factors.

Mineral Resource Estimate, Effective January 10, 2020

The updated Mineral Resource Estimate was authored by John T. Boyd Company utilizing Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards on Mineral Resources and Reserves (2014). Peer review and risk analysis was completed by RPA Inc., who determined that the Mineral Resource models as presented for both the Leprechaun and Marathon Deposits were reasonable overall.

Total Project Measured and Indicated Mineral Resources, which are inclusive of the Mineral Reserves, are 3.09 Moz (54.9 Mt at 1.75 g/t Au). Additional Inferred Mineral Resources are 0.96 Moz (16.77 Mt at 1.78 g/t Au).

Table 7: Measured and Indicated Mineral Resources by Deposit

	Category	Tonnes (Mt)	Grade (g/t Au)	Gold (Moz Au)
Marathon	Measured	23.15	1.73	1.29
	Indicated	13.04	1.52	0.64
	Total M&I	36.20	1.65	1.92
Leprechaun	Measured	8.53	2.23	0.61
	Indicated	8.37	1.73	0.47
	Total M&I	16.90	1.99	1.08

Victory	Measured	-	-	-
	Indicated	1.08	1.47	0.05
	Total M&I	1.08	1.47	0.05
Sprite	Measured	-	-	-
	Indicated	0.68	1.77	0.04
	Total M&I	0.68	1.77	0.04
All Deposits	Measured	31.69	1.86	1.90
	Indicated	23.17	1.60	1.19
	Total M&I	54.85	1.75	3.09

Table 8: Inferred Mineral Resources by Deposit

	Category	Tonnes (Mt)	Grade (g/t Au)	Gold (Moz Au)
Marathon	Inferred	10.57	1.96	0.67
Leprechaun	Inferred	2.86	1.67	0.15
Victory	Inferred	2.14	1.31	0.09
Sprite	Inferred	1.19	1.29	0.05
All Deposits	Total Inferred	16.77	1.78	0.96

Notes to the Mineral Resources (Tables 7 and 8):

1. The Mineral Resource has an effective date of January 10, 2020.

2. Mineral Resources are based on $1,300/oz gold with a US$:C$ exchange rate of 0.75.

3. In-pit Mineral Resources have been determined by the Whittle method based on an estimate of their reasonable prospects for economic extraction, using certain assumptions for gold recovery, costs for mining, processing and sale.

4. The Mineral Resources 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. All Mineral Resources are reported using an open pit gold cut-off of 0.300 g/t Au and an underground gold cut-off of 1.663 g/t Au.

5. The reader is reminded that 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 including risks set forth in in Marathon’s Annual Information Form for the year ended December 31, 2019 and other filings made with Canadian securities regulatory authorities and available at www.sedar.com.

6. Mineral Resources are inclusive of the Mineral Reserves.

7. Columns may not sum exactly due to rounding.

NI 43-101 Technical Report

Marathon will file an updated Technical Report prepared in accordance with the requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) for the Valentine Gold Project PFS including a description of the updated Mineral Resource Estimate.

Marathon has prepared a presentation with further technical information regarding the Pre-Feasibility Study results which is available on the company’s website at www.marathon-gold.com.

Qualified Persons

Disclosure of a scientific or technical nature in this news release has been approved by Robbert Borst, C.Eng, Chief Operating Officer of Marathon Gold Corp.. Mr. Borst has verified the data disclosed including sampling, analytical and test data underlying the information contained in this news release. This included a site inspection, drill database verification, and independent analytical testwork.

The Qualified Person responsible for the preparation of the January 2020 Valentine Gold Project Mineral

Resource Estimate is Robert Farmer, P.Eng. of John T Boyd Company. The Qualified Person responsible for the preparation of the Mineral Reserves and mine planning is Marc Schulte, P.Eng., of Moose Mountain Technical Services. Roy Eccles, P.Geol., of APEX Geoscience Ltd. is the Qualified Person responsible for geological technical information including a QA/QC review of drilling and sampling data used in the Mineral Resource Estimate. Paul Staples P.Eng., of Ausenco Engineering Canada Inc. is the Qualified Person responsible for the design of the process plant and infrastructure, and financial modelling. Peter Merry, P.Eng., of Golder Associates Ltd. is the Qualified Person responsible for design of the TMF and water management infrastructure. Sheldon Smith, P.Geo., of Stantec Consulting Ltd. is the Qualified Person responsible for site water balance and surface water management. Each of Mr. Farmer, Mr. Eccles, Mr. Staples, Mr. Schulte, Mr. Merry and Mr. Smith are considered to be “independent” of Marathon and the Valentine Gold Project for purposes of NI 43-101.

Non-IFRS Financial Measures

The Company has included certain non-IFRS financial measures in this news release, such as Initial Capital Cost, Total Cash Cost, All-In Sustaining Cost, Expansion Capital, Capital Intensity, and Effective Cash Tax Rate which are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. As a result, these measures may not be comparable to similar measures reported by other corporations. Each of these measures used are intended to provide additional information to the user and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS.

Non-IFRS financial measures used in this news release and common to the gold mining industry are defined below.

Total Cash Costs and Total Cash Costs per Ounce

Total Cash Costs are reflective of the cost of production. Total Cash Costs reported in the PFS include mining costs, processing & water treatment costs, general and administrative costs of the mine, off-site costs, refining costs, transportation costs and royalties. Total Cash Costs per Ounce is calculated as Total Cash Costs divided by payable gold ounces.

All-in Sustaining Costs (“AISC”) and AISC per Ounce

AISC is reflective of all of the expenditures that are required to produce an ounce of gold from operations. AISC reported in the PFS includes total cash costs, sustaining capital, expansion capital and closure costs, but excludes corporate general and administrative costs and salvage. AISC per Ounce is calculated as AISC divided by payable gold ounces.

Acknowledgments

Marathon acknowledges the financial support of the Junior Exploration Assistance Program, Department of Natural Resources, Government of Newfoundland and Labrador.

About Marathon

Marathon (TSX:MOZ) is a Toronto based gold company advancing its 100%-owned Valentine Gold Project located in central Newfoundland, one of the top mining jurisdictions in the world. The Project comprises a series of four mineralized deposits along a 20-kilometre system. The Pre-Feasibility Study announced in this news release outlines an open pit mining and conventional milling operation over a twelve-year mine life with a 36% after-tax rate of return. The Project has estimated Proven and Probable Mineral Reserves of 1.87 Moz (41.05 Mt at 1.41 g/t Au) and Total Measured and Indicated Mineral Resources (inclusive of the Mineral Reserves) of 3.09 Moz (54.9 Mt at 1.75 g/t Au). Additional Inferred Mineral Resources are 0.96 Moz (16.77 Mt at 1.78 g/t Au). An updated Technical Report prepared in accordance with the requirements of NI 43-101 will be filed on SEDAR shortly including further details and assumptions relating to the Valentine Gold Project.

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To find out more information on Marathon Gold Corp. and the Valentine Gold Project, please visit www.marathon-gold.com.

Cautionary Statement Regarding Forward-Looking Information

Certain information contained in this news release constitutes forward-looking information within the meaning of Canadian securities laws ("forward-looking statements"). All statements in this news release, other than statements of historical fact, which address events, results, outcomes or developments that Marathon expects to occur are 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", "estimates", "considers", "intends", "targets", or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could". More particularly and without restriction, this news release contains forward-looking statements and information about economic analyses for the Valentine Gold Project, capital and operating costs, processing and recovery estimates and strategies, future exploration and mine plans, objectives and expectations of Marathon, future feasibility studies and environmental impact statements and the timetable for completion and content thereof and statements as to management's expectations with respect to, among other things, the matters and activities contemplated in this news release.

Forward-looking statements involve known and unknown risks, uncertainties and assumptions and accordingly, actual results and future events could differ materially from those expressed or implied in such statements. You are hence cautioned not to place undue reliance on forward-looking statements. A mineral resource that is classified as "inferred" or "indicated" has a great amount of uncertainty as to its existence and economic and legal feasibility. It cannot be assumed that any or part of an "indicated mineral resource" or "inferred mineral resource" will ever be upgraded to a higher category of mineral resource. Investors are cautioned not to assume that all or any part of mineral deposits in these categories will ever be converted into proven and probable mineral reserves.

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. Factors that could cause future results or events to differ materially from current expectations expressed or implied by the forward-looking statements include availability of financing to fund Marathon’s exploration and development activities, the ability of the current exploration program to identify and expand mineral resources, operational risks in exploration and development for gold, Marathon’s ability to realize the pre-feasibility study, delays or changes in plans with respect to exploration or development projects or capital expenditures, uncertainty as to calculation of mineral resources, changes in commodity and power prices, changes in interest and currency exchange rates, the ability to attract and retain qualified personnel, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral resources), changes in development or mining plans due to changes in logistical, technical or other factors, title defects, government approvals and permits, cost escalation, changes in general economic conditions or conditions in the financial markets, environmental regulation, operating hazards and risks, delays, taxation rules, competition, public health crises such as the COVID-19 pandemic and other uninsurable risks, liquidity risk, share price volatility, dilution and future sales of common shares, aboriginal claims and consultation, cybersecurity threats, climate change, delays and other risks described in Marathon’s documents filed with Canadian securities regulatory authorities. You can find further information with respect to these and other risks in Marathon’s Annual Information Form for the year ended December 31, 2019 and other filings made with Canadian securities regulatory authorities and available at www.sedar.com. Other than as specifically required by law, Marathon undertakes 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.