

November 7, 2017



This Supplemental News Report is published as required, is part of the annual MERGENT INDUSTRIAL and INTERNATIONAL Manuals and will be included in the bound November 2017 Monthly News Reports and is published on our Website.

MARATHON GOLD CORP

Company Website: www.marathon-gold.com

History: Incorporated in Canada under the Canada Business Corporation Act on Dec. 3, 2009 as 7289812 Canada Inc. Present name adopted on Mar. 12, 2010.

On July 13, 2012, Co. acquired all of the outstanding common shares of Mountain Lake Resources, Inc. for CS\$15,100,000.

On Dec. 2, 2015, New Jersey Mining Co., Inc. ("New Jersey") acquired 52.22% in Golden Chest LLC giving New Jersey a 100% interest in the Golden Chest Mine from Co. for US\$180,000 and gave Co. a 2% Net Smelter Return Royalty on production from the Golden Chest property, as well as a 2% Net Smelter Return Royalty on patented and unpatented mining claims from an adjacent area of interest.

Business Summary: Marathon Gold is engaged in the acquisition, exploration and development of precious and base metal prospects.

Property: Co. maintains its registered and principal office in Toronto, Ontario. As of Dec. 31, 2016, Co. had mineral interests in the Valentine Lake gold camp located in central Newfoundland, the property includes four zones with existing mineral resources, the Leprechaun, Marathon, Sprite and Victory Deposits. The property also comprises mineralized areas which have not been advanced to the point of hostig mineral resources, including the J. Frank, Narrows, Rainbow and Scott zones. Co. also maintains the Baie Verte gold property located in western Newfoundland. In the United States, Co. owns the Bonanza Mine located in Baker County in northeastern Oregon. In British Columbia, Co. owns the Gold Reef property, an exploration property consisting of approximately 12 hectares of claims located near Stewart, British Columbia with existing underground workings and drill holes.

Subsidiaries

Marathon Gold USA Corporation (United States)
Mountain Lake Resources Inc.

Officers

George D. Fought, Chairman
Phillip C. Walford, President; Chief Executive Officer
James D. Kirke, Chief Financial Officer; Vice President - Finance; Secretary
Sherry M. Dunsworth, Senior Vice President - Exploration

Directors

George D. Fought, Chairman; Director
Douglas H. Bache, Director
Julian B. Kemp, CPA, Director
Joseph G. Spiteri, Director
Janice A. Stairs, Director
Phillip C. Walford, Director

Auditors: PricewaterhouseCoopers LLP

Legal Counsel: Norton Rose Fullbright Canada LLP

Transfer Agent & Registrar: CST Trust Company, Toronto, Ontario, Canada

Annual Meeting: In June

Shareholder Relations: Christopher Haldane, Investor Relations Manager **Tel:** 416-987-0714

No. of Stockholders: Oct. 31, 2017, 4,926, beneficial

No. of Employees: Aug. 31, 2017, 7

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Consolidated Income Statement, Years Ended Dec. 31

(Can\$)	2016	2015 (revised)	2014 (revised)
Exploration expenses	(22,527)	(21,253)	(24,010)
Wages, salaries & benefits	(546,497)	(620,724)	(486,859)
Professional fees	(76,000)	(87,331)	(83,162)
Investor relations expense	(106,528)	(130,156)	(132,888)
Depreciation	(26,439)	(23,771)	(40,771)
Other expenses	(314,240)	(292,952)	(271,555)
Stock based compensation charged to operations	(494,609)	(249,099)	(198,274)
Other expense	(202,507)	(32,307)	(1,903)
Interest income	6,171	14,299	17,444
Loss on investments	...	(9,575)	(68,526)
Foreign exchange gain (loss)	(15,580)	10,489	139
Income (loss) from continuing operations before tax	(1,798,756)	(1,442,380)	(1,290,365)
Income taxes	252,784	103,911	146,853
Income (loss) from continuing operations for the year	(1,545,972)	(1,338,469)	(1,143,512)
Income (loss) from discontinued operations, net of tax	...	(1,977,523)	(8,212,288)
Net income (loss) for the year	(1,545,972)	(3,315,992)	(9,355,800)
Net income (loss) attributable to non-controlling interest	...	(1,481,273)	(3,923,832)
Income (loss) attributable to Marathon Gold shareholders	(1,545,972)	(1,834,719)	(5,431,968)
Weighted average shares outstanding - basic	104,135,054	82,025,711	70,349,015
Weighted average shares outstanding - diluted	104,135,054	82,025,711	70,349,015

Year end common shares outstanding	2016	2015	2014
Net income (loss) per share from continuing operations - basic	Can\$(0.01)	Can\$(0.02)	Can\$(0.02)
Net income (loss) per share from discontinued operations - basic	...	Can\$(0.01)	Can\$(0.06)
Net income (loss) per share from continuing operations - diluted	Can\$(0.01)	Can\$(0.02)	Can\$(0.02)
Net income (loss) per share from discontinued operations - diluted	...	Can\$(0.01)	Can\$(0.06)
Net income (loss) per share - diluted	Can\$(0.01)	Can\$(0.03)	...
Number of full time employees	7
Number of part time employees	35
Total number of employees	42
Number of stockholders	4,926

Reclassified to conform with 2016 presentation; Reclassified to conform with 2015 presentation; Shares increased due to the effect of issuance for private placement, prospectus offering, and exercise of stock options and warrants; Shares increased due to the effects of shares issued pursuant to private placement and flow through shares issued pursuant to private placements; Shares increased due to the effect of private placement; As of August 31, 2017; As of October 31, 2017

Consolidated Balance Sheet, Years Ended Dec. 31 (Can\$):

	2016	2015 (revised)
Assets:		
Cash	8,458,077	2,600,269
Amounts receivable	304,182	84,695
Prepays & deposits	44,144	51,205
Total current assets	8,806,403	2,736,169
Mineral exploration & evaluation assets	48,795,366	44,099,790
Property, plant & equipment	53,840	41,579
Total non-current assets	48,849,206	44,141,369
Total assets	57,655,609	46,877,538
Liabilities:		
Trade payables	264,407	123,182

Flow-through share tax liability	2,096,487	415,151
Total current liabilities	2,360,894	538,333
Total liabilities	2,360,894	538,333
Common shares	59,702,739	50,092,448
Share capital	59,702,739	50,092,448
Warrants	810,509	1,092,235
Contributed surplus	11,432,216	10,229,589
Retained earnings (deficit)	(16,838,696)	(15,292,724)
Accumulated other comprehensive income	187,947	217,657
Equity attributable to owners	55,294,715	46,339,205
Total equity	55,294,715	46,339,205
Total liabilities & shareholders' equity	57,655,609	46,877,538

Auditor's Report:

The following is an excerpt from the Report of the Independent Auditors, PricewaterhouseCoopers LLP, as it appeared in Co.'s 2016 Annual Report:

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Marathon Gold Corporation and its subsidiaries as at December 31, 2016 and December 31, 2015 and their financial performance and their cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements, which describe matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about Marathon Gold Corporation's ability to continue as a going concern."

Capital Stock: 1. Marathon Gold Corp common; no par.

OUTSTANDING–Dec. 31, 2016, 118,008,952 shs; no par.
WARRANTS–9,064,750 shs.

OPTIONS–Dec. 31, 2016, outstanding, 10,123,500.

TRANSFER AGENT & REGISTRAR–CST Trust Company, Toronto, Ontario, Canada

PRIMARY EXCHANGE–Toronto (TSX): MOZ.

SECONDARY EXCHANGES–National Bulletin Board (NBB): MGD P F.

PRIVATE PLACEMENTS–(9,725,000 units and 3,175,000 flow-through shares) at C\$0.25 and C\$0.30 per unit and per flow-

through share, respectively, privately placed in two tranches on June 29 and July 7, 2015 for total gross proceeds of C\$3,383,750. Each unit consisted of one common share and one-half of one share purchase warrant warrant.

(5,369,110 flow-through shares) at C\$0.20 per share privately placed on Nov. 25, 2015 for gross proceeds of C\$1,073,822.

(10,504,500 units and 2,163,500 flow-through shares) at C\$0.23 and C\$0.27 per unit and flow-through share, respectively, privately placed on May 6, 2016 for total gross proceeds of C\$3,000,180.

(8,880,000 flow through common shares) at C\$0.90 per share privately placed on Oct. 27, 2016 for gross proceeds of 7,992,000.

(8,000,000 flow-through common shares and 6,000,000 common shares) at C\$1.25 per flow-through share and C\$1.03 per common share, respectively, privately placed on May 4, 2017 for aggregate gross proceeds of C\$16,180,000.

OFFERED–(16,100,000 shares) at Can\$1.03 a share on May 25, 2017 through Beacon Securities Limited, Canaccord Genuity Corp., Haywood Securities Inc., Paradigm Capital Inc., RBC Capital Markets, Raymond James Ltd. Offering consisted of 6,900,000 common shares at C\$1.03 per share and 9,200,000 flow through shares at C\$1.25 per share.

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