

Marathon Gold Provides Third Quarter 2023 Construction Report

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TORONTO, Oct. 23, 2023 - [Marathon Gold Corp.](#) ("Marathon" or the "Company"; TSX: MOZ) is pleased to provide an update on progress at its 100% owned Valentine Gold Project located in central Newfoundland (the "Project") for the quarter ended September 30, 2023. Highlights include:

- The Project has marked one full year of construction since early works commenced in October 2022. More than 800,000 hours of site work have been completed without a lost time incident;
- The Project's overall budget and schedule remain in line with previous guidance, with first gold on track for the first quarter of 2025;
- At quarter end, overall completion stood at 50%;
- During the quarter, important de-risking of the Project was achieved with the completion of earthworks at the process plant and significant advancement of earthworks at the Tailings Management Facility. Rock placement for the tailings dam footprint is now 96% complete;
- During the quarter, 1.56 Mtonnes of overburden and construction waste rock were mined from the Leprechaun and Marathon Pits, with record monthly performance of 0.58 Mtonnes during September. Project-to-date, 3.87 Mtonnes have been moved, ably supporting the Project's construction schedule, and at mining costs trending below budget;
- During the quarter, Marathon was informed by Impact Assessment Agency of Canada that the addition of the Berry Deposit to the Project's permitted mine plan does not require a new impact assessment under the *Impact Assessment Act*;
- Currently, 634 Marathon employees and contractors are employed or providing services to the Project, 85% of whom are residents of Newfoundland and Labrador; and
- The Project now has permanent camp capacity of 424 beds and is on track to be connected to NL Hydro grid power by the end of the year, one full year before mill commissioning.

Matt Manson, President and CEO, commented: "The summer construction season has seen rapid progress at the Valentine Gold Project. We completed earthworks at our Process Plant, and since August have been preparing concrete foundations and footings for mill equipment and the mill building. Enclosing of the grinding building is on schedule for completion before the end of the year. We have been particularly encouraged by the progress achieved at our Tailings Management Facility, the most important earthworks element of the Project. Mining of construction materials is comfortably supporting TMF progress, and we are consistently achieving all requisite engineering and geotechnical standards. Our cost and schedule-to-complete estimates remain consistent with our previous reporting, and our procurement and detailed engineering are approaching completion. Most importantly, we are able to report a consistently safe and environmentally protected work site after one full year of construction."

A video showing 12 months of construction at the Project is available at <https://vimeo.com/870829907?share=copy>.

Figure 1: Valentine Process Plant Site, Looking West, October 2023.

Figure 2: Construction of the Tailings Management Facility, Looking West. October 2023

Site Progress Report
Process Plant Site Preparation and Foundations

During the third quarter, earthworks excavations were completed at the location of the SAG and Ball mills, the CIL tank farm, the tailings thickener, and the crushed ore stockpile and reclaim area. All load bearing sites successfully achieved geotechnical specifications for foundations, and the first foundation concrete pours commenced in July. By September 30, 2023, all foundations had been completed, concrete work for the SAG and Ball mill's sloped piers was well advanced (Figure 3), and concrete pours for the grinding building's footings and piers was ongoing. To date, approximately 5,500 m³ of concrete has been poured at the Project.

During the quarter, pads were also completed at the Mine Maintenance Facility site, the ROM stockpile, and the conveyor alignment. Earthworks excavation of the primary crusher location was completed, and construction of the crusher's Mechanically Stabilized Earth (MSE) retaining wall with gabion baskets had commenced (Figure 3).

Ongoing civils works at the process plant site through the fourth quarter will include the completion of the SAG and Ball mill's piers, completion of the grinding building wall footings, completion of the MSE wall, and the pouring of lean concrete and foundations for the primary crusher pad. Structural steel for the grinding building's exterior frame has been delivered to site, with enclosing of the building scheduled for the end of the year.

Figure 3: Concrete Pedestals for the SAG and Ball Mills and Grinding Building Steel Work (left). Gabion Basket Installation for MSE Wall at Crusher Location (right). October 2023

Mining

Mining during the Project's construction period is ongoing to generate rock for haul roads, pads and the TMF. During the third quarter, overburden removal and mining was transferred to the Marathon Pit due to its close proximity to the TMF. Overburden stripped was consistent with forecast, and pioneer mining proceeded quickly to the establishment of the first mining benches. During the third quarter, a total of 1.56 Mtonnes of material was moved, representing an average daily mining volume of 17,000 tonnes/day. Project-to-date, 3.4 Mtonnes of waste rock construction material and 481 ktonnes of overburden material had been mined, slightly exceeding forecast targets. Project to date, cumulative mining costs are C\$5.44/tonne compared to a budget C\$5.32/tonne. Mining costs are trending lower as high productivities are achieved consistently, and averaged C\$4.93/tonne during the third quarter.

Tailings Management Facility (TMF)

The Project's TMF will be a thickened tailings facility with a capacity of 31.6 Mtonnes. It is formed by constructing a perimeter zoned rockfill embankment dam, which will be raised in 6 phases during the first 10 years of the Project. The upstream face of the dam will be lined with a geomembrane which is anchored into low-permeability foundation till, and which will extend approximately 100m upstream of the dam toe and overlay granular crushed rock filter layers.

Construction of the Phase 1 main dam commenced in July with preparation of the till and bedrock foundation, and subsequent placement of mine waste rock ("Zone 6" material with 600 mm minus sizing). As of September 30, 2023, 98% of the main dam footprint had been excavated, and 96% of the Zone 6 rockfill had been placed, having achieved geotechnical subgrade approval.

Production and placement of the upstream filter layers which consists of two zones of crushed rock ("Zone 1" material at 25 mm minus, and "Zone 2" material at 75 mm minus) commenced in late August. As of September 30, 2023, 90% of the subgrade material underlying the upstream filter layer had been excavated, and 27% of the Zone 1 and Zone 2 crushed granular fill had been placed (Figure 4).

Geomembrane liner deliveries commenced during the quarter, with installation scheduled to commence in the second quarter of 2024.

Figure 4: Construction of the TMF. Spreading Filter Layers for Geomembrane Liner Placement. September

2023

Permanent Camp, Powerline and Infrastructure

During the quarter, the final dormitory of the permanent camp was completed and approved for occupancy, bringing total bed capacity to 424. Average camp occupancy during September was between 280 and 340 persons. Excess camp capacity is available if required in support of the construction schedule.

The Project's 66 kV powerline has been completed over its full 40 km length and ready to be connected to the on-site transformer station (Figure 5). Subsequent to the quarter end, modifications to the NL Hydro Star Lake Generating Station hook-up commenced, as well as installation of the Project site's power distribution network. The Project site is expected to be energised, on budget and schedule, prior to the end of the year. This means that mill construction and camp operations in 2024 will be on grid power, minimising the need for diesel generators and limiting on-site fuel requirements to the mobile mining fleet and the TMF construction contractor. 91% of NL Hydro's power is generated from renewable, hydroelectric sources, giving the Valentine Gold Project a comparatively low carbon footprint compared to similarly sized mining projects.

During the third quarter, upgrades to the Project's 80 km access road from Millertown commenced, so as to provide greater reliability during the spring 2024 construction season and into mine operations. This work has included culvert installation, ditching, raising of the road-bed and applying new road top coats of crushed rock. This work is being carried out by a local contractor based in the community of Millertown and is proceeding well (Figure 5).

The 80km road from Millertown to the Valentine Gold Project is public infrastructure, and with its connection to the historic Burgeo Highway it provides an alternate cross-Newfoundland vehicle route. Marathon's investment in this road, including the 2022 replacement of the Victoria River Bridge, creates a significant societal and economic benefit for the Province of Newfoundland and Labrador.

Figure 5: The Project's 66kv Powerline, Now Complete from the Star Lake Generating Station to the Project Site (left). Ongoing Road Improvement Works (right).

Engineering and Procurement

Detailed engineering is substantially complete on all aspects of the Project, with the exception of additional design hours to accommodate certain changes to mill building design in the areas of concrete, structural & layout design described in Marathon's Second Quarter report (see Marathon news release dated 2nd August, 2023).

Procurement stands at approximately 72% complete. Marathon reports procurement on the basis of all Project goods and services on an earned progress basis. All long-lead items, including major mill components and the Project's mobile mining fleet, have been procured. The SAG and Ball mills, including motors, are expected to be delivered to the site in the first quarter of 2024. Major construction packages remaining outstanding at the quarter end were the Structural, Mechanical and Piping, and Electrical and Instrumentation packages for the mill.

Schedule and Budget

The Project remains on schedule to achieve mill commissioning in the fourth quarter of 2024 and first gold in the first quarter of 2025. The Project's critical path is the development of the process plant, including its foundations, building enclosure, equipping, and commissioning as well as the TMF. Earthworks associated with the development of the TMF are scheduled over two summer construction seasons and one winter season so as to allow operating tailings commissioning in the second half of 2024.

Capital costs incurred from the start of early works in October 2022 to the end of September 2023 were C\$190 million with C\$318 million committed (excluding sunk costs of C\$71 million incurred prior to October 2022). The Project's cost to complete, including contingency, was estimated at C\$463 million as at October

31, 2022 and \$318 million at September 30, 2023. As at September 30, 2023, Marathon had approved contingency draws of C\$13.2 million from a total contingency reserve of C\$38.9 million. Unused contingency stood at C\$25.7 million, or 66%. Contingency draws are approved on a package-by-package basis as construction proceeds. During the quarter, C\$3.9 million of unused contingency on finalised construction packages was transferred to the Management Reserve, which now stands at C\$4.1 million.

Human Resources

At the end of September 30, 2023, 634 persons were employed directly or contracted to the Project. Marathon collects diversity employment data on the basis of voluntary declaration. On this basis, 15% of the persons employed by the Project are female and 8% are Indigenous persons. 23% are residents of the six communities within the Project's socio-economic area of influence (Millertown, Buchans, Buchans Junction, Grand Falls Windsor, Badger and Bishop's Falls) and 85% are residents of the province of Newfoundland and Labrador.

Construction Permitting and Berry Environmental Assessment

The Valentine Gold Project was released from its Newfoundland and Labrador Environmental Assessment ("EA") on March 17, 2022, and its federal EA process on August 24, 2022. Permitting for specific site activities has continued throughout the mine development process in accordance with the construction schedule. At the end of September 30, 2023, overall permitting progress stood at 97% complete, with site permitting proceeding smoothly in support of the construction schedule.

The Berry Complex (pit, waste rock facility and associated infrastructure) is subject to further EA requirements to identify, assess and mitigate potential environmental effects during all project phases, including construction, operation, decommissioning, rehabilitation and closure, and post-closure. Marathon filed EA registration materials for Berry with the Newfoundland and Labrador Department of Environment and Climate Change, EA Division, ("NLDECC") and the Impact Assessment Agency of Canada ("IAAC") on August 11, 2023, following the completion of an effects assessment and consultation with both the provincial and federal regulators, Indigenous groups, communities, and stakeholder organizations.

In late August 2023, Marathon was informed by IAAC that changes to the Project to accommodate Berry do not require a new impact assessment under the *Impact Assessment Act* ("IAA"). This means that, federally, the addition of the Berry Complex is considered a change to the Designated Project referenced in the August 2022 Decision Statement of the Minister of Environment and Climate Change Canada, and potential amendments to the Decision Statement are now being considered. Provincially, the assessment of Berry is considered a "new undertaking" and requires the submission of a new EA registration with the NLDECC. Marathon expects to be notified shortly by the NL Minister of Environment and Climate Change if additional information is required to complete the provincial assessment process, which is expected take the form of an Environmental Preview Report.

Marathon anticipates the Berry review processes will be completed during 2023 and 2024, well in advance of the scheduled commencement of mining at Berry in the second quarter of 2025.

Qualified Persons

Disclosure of a scientific or technical nature in this news release has been approved by Mr. Paolo Toscano, P.Eng. (Ont.), Senior Vice President, Projects, Engineering and Construction for Marathon, Mr. James Powell, P.Eng. (NL), Vice President, Regulatory and Government Affairs for Marathon and Mr. David Ross, P.Geo. (NL), Vice President of Geology and Exploration for Marathon. Mr. Toscano, Mr. Powell and Mr. Ross are qualified persons under National Instrument ("NI") 43-101.

About Marathon

Marathon (TSX:MOZ) is a Toronto based gold company advancing its 100%-owned Valentine Gold Project located in the central region of Newfoundland and Labrador, one of the top mining jurisdictions in the world. The Project comprises a series of five mineralized deposits along a 32-kilometre system. A December 2022

Updated Feasibility Study outlined an open pit mining and conventional milling operation producing 195,000 ounces of gold a year for 12 years within a 14.3-year mine life. The Project was released from federal and provincial environmental assessment in 2022 and construction commenced in October 2022. The Project has estimated Proven Mineral Reserves of 1.43 Moz (23.36 Mt at 1.89 g/t) and Probable Mineral Reserves of 1.27 Moz (28.22 Mt at 1.40 g/t). Total Measured Mineral Resources (inclusive of the Mineral Reserves) comprise 2.06 Moz (29.23 Mt at 2.19 g/t) with Indicated Mineral Resources (inclusive of the Mineral Reserves) of 1.90 Moz (35.40 Mt at 1.67 g/t). Additional Inferred Mineral Resources are 1.10 Moz (20.75 Mt at 1.65 g/t Au). Please see the NI 43-101 Technical Report "Valentine Gold Project, NI 43-101 Technical Report and Feasibility Study" effective November 30, 2022, Marathon's Annual Information Form for the year ended December 31, 2022 and other filings made with Canadian securities regulatory authorities available at www.sedar.com for 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". 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. More particularly and without restriction, this news release contains forward-looking statements and information about the FS and the results therefrom (including IRR, NPV_{5%}, Capex, FCF, AISC and other financial metrics and economic analysis), the realization of mineral reserve and mineral resource estimates, the future financial or operating performance of the Company and the Project, capital and operating costs, the ability of the Company to obtain all government approvals, permits and third-party consents in connection with the Company's exploration, development and operating activities, the potential impact of COVID-19 on the Company, the Company's ability to successfully advance the Project and anticipated benefits thereof, economic analyses for the Valentine Gold Project, processing and recovery estimates and strategies, future exploration and mine plans, objectives and expectations and corporate planning of Marathon, future 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. In respect of the forward-looking statements concerning the interpretation of exploration results and the impact on the Project's mineral resource estimate, the Company has provided such statements in reliance on certain assumptions it believes are reasonable at this time, including assumptions as to the continuity of mineralization between drill holes. 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 "inferred mineral resource" or an "indicated 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 risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations; uncertainty as to estimation of mineral resources; inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral resources); the potential for delays or changes in plans in exploration or development projects or capital expenditures, or the completion of feasibility studies due to changes in logistical, technical or other factors; the possibility that future exploration, development, construction or mining results will not be consistent with the Company's expectations; risks related to the ability of the current exploration program to identify and expand mineral resources; risks relating to possible variations in grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined; operational mining and development risks, including risks related to accidents, equipment breakdowns, labour disputes (including work stoppages and strikes) or other unanticipated difficulties with or interruptions in exploration and development; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; risks related to commodity and power prices, foreign exchange rate fluctuations and changes in interest rates; the uncertainty of profitability based upon the cyclical nature of the mining industry; risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental or other stakeholder approvals or in the completion of development or construction activities; risks related to environmental regulation and liability, government regulation and permitting; risks relating to the Company's ability to attract and retain skilled staff; risks relating to the timing of the receipt of regulatory and governmental approvals for continued operations and future development projects; political and regulatory risks associated with mining and exploration; risks relating to the potential impacts of the COVID-19 pandemic on the Company and the mining industry; changes in general economic conditions or conditions in the financial markets; and other risks described in Marathon's documents filed with Canadian securities regulatory authorities, including the Annual Information Form for the year ended December 31, 2022.

You can find further information with respect to these and other risks in Marathon's Annual Information Form for the year ended December 31, 2022 and other filings made with Canadian securities regulatory authorities 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.

Photos accompanying this announcement are available:

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