

Marathon Gold Closes US\$185M Credit Facility for the Valentine Gold Project

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TORONTO, March 31, 2022 - [Marathon Gold Corp.](#) ("Marathon" or the "Company"; TSX: MOZ) is pleased to report that it has closed a 6.5 year US\$185 million term loan credit facility (the "Facility") with Sprott Private Resource Lending II (Collector-2) LP ("Sprott"). The proceeds of the Facility are to be used for the construction, development and working capital requirements of Marathon's Valentine Gold Project located in the central region of Newfoundland and Labrador (the "Project" or "Valentine").

Matt Manson, President and CEO of Marathon, commented: "We are very happy to be announcing today the closing of our previously disclosed US\$185 million credit facility with Sprott. This term loan has an attractive overall cost of capital for Marathon, and a carefully tailored structure designed to maximize our success at the Valentine Gold Project. Our financing approach for Valentine from the start has been to arrange the appropriate balance of traditional term loan debt and equity, without excessive leverage. With this Facility, we have now achieved the debt component of our strategy with an experienced and highly commercial resource lender. Following upon the Project's recent release from provincial environmental assessment, today's news represents another important milestone in the development of the largest gold mining project in Atlantic Canada."

Greg Caione, Managing Partner of Sprott, commented: "As one of the largest investors and lenders dedicated to the natural resource sector, Sprott is excited to partner with Marathon's experienced and accomplished management team. Our financing of Marathon is consistent with our strategy to provide innovative and flexible capital to maximize the value of exceptional projects and support world-class management teams. We look forward to partnering with Marathon on its journey to becoming a Canadian mid-tier producer. Valentine is an exceptional project in an excellent jurisdiction."

Key Facility Terms

- Senior secured term loan facility of US\$185 million maturing on June 30, 2028 (the "Maturity Date"), with a 6-month extension option available.
- The Facility will be funded into a debt proceeds account (the "DPA") in two tranches, being US\$125 million at close (the "Initial Advance") and US\$60 million on December 31, 2022. Subject to conditions, the Facility is available to the Company up to the end of March 31, 2025 (the "Availability Period") on a prescribed schedule. Such conditions include the Project's release from federal environmental assessment, the perfection of security, a construction decision by Marathon's Board of Directors and certain other customary covenants and terms.
- A fee of US\$4 million (the "Initial Advance Fee") is payable upon the Initial Advance. Upon first release, the outstanding amount of the Facility will bear an interest of 7.75% plus the greater of (i) 3-month LIBOR, and (ii) 0.50% per annum, payable quarterly. The Initial Advance Fee and 75% of the interest accruing to the end of the Availability Period shall be capitalized.
- US\$15/ounce will be payable on the first 1 million ounces of payable gold produced by the Project. No other commitment or arrangement fees shall apply.
- The Facility is to be repaid in ten quarterly principal repayments equal to 5.0% of the outstanding balance commencing on December 31, 2025, with the remaining 50% due at the Maturity Date.

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 20-kilometre system. An April 2021 Feasibility Study outlined an open pit mining and conventional milling operation over a thirteen-year mine life with a 31.5% after-tax rate of return. The Project has estimated Proven Mineral Reserves of 1.40 Moz (29.68 Mt at 1.46 g/t) and Probable Mineral Reserves of 0.65 Moz (17.38 Mt at 1.17 g/t). Total Measured Mineral Resources (inclusive of the Mineral Reserves) comprise 1.92 Moz (32.59 Mt at 1.83 g/t) with Indicated

Mineral Resources (inclusive of the Mineral Reserves) of 1.22 Moz (24.07 Mt at 1.57 g/t). Additional Inferred Mineral Resources are 1.64 Moz (29.59 Mt at 1.72 g/t Au). Please see Marathon's Annual Information Form for the year ended December 31, 2021 and other filings made with Canadian securities regulatory authorities and available at www.sedar.com for further details and assumptions relating to the Valentine Gold Project.

About Sprott

Sprott is an alternative asset manager and global leader in mining and real asset investments. Through its subsidiaries in Canada, the US and Asia, Sprott is dedicated to providing investors with best in-class investment strategies that include Exchange Listed Products, Alternative Asset Management and Private Resource Investments. The Corporation also operates Merchant Banking and Brokerage business in both Canada and the US. Sprott is based in Toronto with offices in New York, Carlsbad, and Vancouver and the shares of its parent company, Sprott Inc., are listed on the New York Stock Exchange under the symbol (NYSE:SII) and Toronto Stock Exchange under the symbol (TSX:SII).

For more information, please contact:

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To find out more information on [Marathon Gold Corp.](http://www.marathon-gold.com) 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.

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 "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 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, 2021.

You can find further information with respect to these and other risks in Marathon's Annual Information Form for the year ended December 31, 2021 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.

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