Management's Discussion and Analysis of Operations and Financial Condition

Marathon Gold Corporation ("we", "us", "the Company", or "Marathon") presents below management's review of the Company's results of operations and financial condition for the year ended December 31, 2015.

The MD&A should be read in conjunction with the consolidated financial statements for the years ended December 31, 2015 and 2014, including the notes thereto. This MD&A is presented as of March 28, 2016. All figures presented in this MD&A are expressed in Canadian dollars, unless specified otherwise.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this MD&A other than statements of historical fact are forward-looking statements based on certain assumptions and reflect the current expectations of Marathon's management. These statements include without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, goals, ongoing objectives, strategies and outlook of the Company, as well as the outlook for economic and capital markets conditions for the current and subsequent fiscal years.

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.

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.

NOTE TO U.S. INVESTORS

All references to mineral reserves and resources contained in this MD&A are determined in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators ("CSA") and Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") standards. While the terms "mineral resource," "measured mineral resource," "indicated mineral resource," and "inferred mineral resource" are recognized and required by Canadian regulations, they are not defined terms under the Securities and Exchange Commission ("SEC") standards in the United States ("U.S."). As such, information contained in this MD&A concerning descriptions of mineralization and resources under Canadian standards may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC. "Indicated mineral resource" and "inferred mineral resource" have a significant amount of uncertainty as to their existence and economic and legal feasibility. It cannot be assumed that all or any part of an "indicated mineral resource" or "inferred mineral resource" will ever be upgraded to a higher category of resource. Investors are cautioned not to assume that all or any part of the mineral deposits in these categories will ever be converted into proven and probable reserves.

1) STRATEGY

Marathon's principal business is the acquisition, exploration and development of natural resource properties located in North America. At the date of this MD&A, Marathon owns 100% interests in the following resource properties:

Newfoundland

- The Valentine Gold Camp in west central Newfoundland, Marathon's flagship property and currently the sole focus of its current exploration efforts. 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 hosting mineral resources, including the J. Frank, Rainbow and Narrows zones, and numerous untested drilling targets.
- The Baie Verte gold property in western Newfoundland, an early-stage exploration property acquired by staking in 2008.

Oregon, United States

- The Bonanza Mine, a historic former mine located in northeastern Oregon.

British Columbia

- The Gold Reef property, an exploration property located near Stewart, BC with existing underground workings and drill holes.

2) OVERVIEW

At December 31, 2015, Marathon had $2.6 million in cash and $2.2 million in working capital.

Marathon completed the following activities in the year ended December 31, 2015 and subsequently to the date of this MD&A:

- Two successful private placements of units and flow-through shares, which raised gross proceeds of $4.5 million.

- The sale of Marathon's interest in the Golden Chest mining property in Idaho, USA. On December 2, 2015 Marathon and New Jersey Mining Company ("NJMC") entered into a definitive agreement pursuant to which Marathon sold its 52.22% interest in Golden Chest LLC ("GCLLC") to NJMC for US $180,000 in cash and a 2% net smelter returns royalty on metal and mineral production from all of the existing claims making up the Golden Chest property and certain claims acquired in the future and falling within a defined area of interest. This sale eliminated the potential for further significant cash calls on Marathon's treasury in light of the suspension of mining activity on the property by Juniper Resources in September 2015.

- Initial open pit and underground resource estimates for the Marathon and Sprite Deposits, and an updated open pit and underground resource estimate for the Victory Deposit. These resources, which were completed in April 2015, incorporated the results of the 2015 winter drilling program and two earlier drilling programs completed in 2014 totaling 13,677 meters but do not include the results of Marathon's summer 2015 drilling at the Marathon Deposit or its 2016 winter drilling at and around the Marathon Deposit.

These combined resources represented a 30% increase in measured and indicated contained gold compared to the previous resource prepared in 2013 for the Leprechaun Deposit, with the majority of this resource growth related to the Marathon Deposit, a highly prospective area of the Valentine Gold Camp. Importantly, the mineral resources developed to date in all areas of the Valentine Gold Camp are relatively insensitive to fluctuations in the price of gold within a range of US $1,100 to US $1,350 per ounce.

- Metallurgical testing in 2014 and the first quarter of 2015 on a representative sample of mineralized material from the Leprechaun Deposit which concluded that direct sulphide-gold flotation followed by conventional cyanide leaching, carbon-in-pulp, and electrowinning could provide an overall recovery in the range of 92.8% to 95%, an increase in metallurgical recoveries associated with Leprechaun. At the date of this MD&A, a similar metallurgical testwork program is underway on mineralized material from the Marathon Deposit to determine potential recoveries from the same processing approach and to assess the amenability of the Leprechaun and Marathon Deposits' mineralization to heap leaching.

- A successful program of prospecting, trenching, and resource expansion and exploration drilling in the third and fourth quarters of 2015 focused on the Marathon, Sprite and Victory areas, with several key successes:

    - doubling the strike length of the Marathon Area to more than 850 meters, with the gold mineralization remaining open to depth and along strike to the southwest and northeast;
    - extending the strike length of the Sprite area to over 1600 meters with parallel gold zones; and
    - expanding the known extent of the mineralized corridor associated with the Victory Deposit to over 3 kilometers.

Additional widely spaced exploration drilling completed in the first quarter of 2016, covering a total of 13 holes over 2,062 meters, was focused on areas of the property to the southwest of the Marathon Deposit characterized by bogs and forests without outcrop and not amenable to drilling outside the winter months. This aggressive step-out drill program extended the strike length of the Marathon trend by 800 meters to a total of 1.7 kilometers and established the trend as a priority target for resource expansion drilling in the future.

3) SUMMARY OF MINERAL RESOURCES

The tables below set out the combined current mineral resource estimates for the Leprechaun, Marathon, Sprite, and Victory Deposits at the Valentine Gold Camp.

Combined Resources – Valentine Gold Camp (Leprechaun, Marathon, Sprite and Victory Deposits)

Valentine Gold Camp	In Pit (0.50 g Au/t cut-off)			Underground (2.0 and 3.0 g Au/t cut-off)			Total		
	Tonnes (kt)	Grade (g/t)	Gold (oz)	Tonnes (kt)	Grade (g/t)	Gold (oz)	Tonnes (kt)	Grade (g/t)	Gold (oz)
Measured	3,523	2.18	247,000	108	4.83	17,000	3,631	2.26	264,000
Indicated	10,440	2.00	672,000	923	4.19	124,100	11,363	2.18	796,100
Measured & Indicated	**13,963**	**2.05**	**919,000**	**1,031**	**4.26**	**141,100**	**14,994**	**2.20**	**1,060,100**
Inferred	**1,678**	**1,96**	**106,000**	**506**	**5.77**	**93,800**	**2,184**	**2.85**	**199,800**

The disclosure in this table is a composite of the most recent mineral resource estimate for the Leprechaun Deposit prepared by Roscoe Postle Associates and disclosed initially in a press release dated August 1, 2013 and mineral resource estimates for the Marathon, Sprite and Victory Deposits prepared by Micon International Limited and disclosed initially in a press release dated April 30, 2015. Detailed information concerning the tonnages, grades, resource classifications and underlying assumptions for each of these deposits is presented in section 4 of this MD&A.

4) EXPLORATION ACTIVITY IN THE PERIOD

a) Valentine Lake

Drilling Programs 2014 to 2016

During 2014 and 2015, and subsequently in 2016 to the date of this MD&A, Marathon carried out a total of 25,103 meters of drilling in four programs focused on four discrete areas of the Valentine Gold Camp. For clarity, this drilling is summarized below.

	Victory Deposit		Sprite Deposit		Rainbow Zone		Marathon Area	
	# of holes	Meters	# of holes	Meters	# of holes	Meters	# of holes	Meters
Winter 2014	10	1,120	26	3,487	-	-	-	-
Summer/Fall 2014	-	-	28	3,821	11	937	25	4,133
Winter 2015	-	-	-	-	-	-	23	4,312
Summer/Fall 2015	4	383	4	446	-	-	30	4,402
Winter 2016	-	-	-	-	-	-	13	2,062
	14	1,503	58	7,754	11	937	91	14,909

Fall 2014/ Winter 2015 Drilling and exploration programs

In the fourth quarter of 2014, Marathon began drilling in the Marathon Zone, located 7 kilometers along strike northeast from the Leprechaun Deposit and between 100 and 200 meters from the Valentine Lake Thrust Fault. The gold occurrences associated with the Marathon Zone, covering a 2 kilometer strike length, were discovered in 2014 as a result of prospecting and subsequent channel sampling.

The initial holes drilled in the Marathon Zone intercepted extensive stacked flat QTP veins within a steep structure to a depth of 200 meters, proving continuity of the mineralization to depth. Higher grade sections in the intervals were present as well as smaller parallel zones. Subsequent trenching and drilling to the end of the fourth quarter of 2014 indicated that the zone of mineralization was at least 200 meters long with good continuity of mineralization and up to 70 meters wide. In addition, interpretation showed that mineralization began at surface and continued to at least 200 meters in depth, moving the focus of work at the Marathon Zone quickly from exploration to resource definition.

Marathon resumed drilling at Valentine Lake in January 2015, focused exclusively on drilling in the Marathon Zone with the intention of extending the strike length of the main structure in anticipation of completing an initial mineral resource. The program concluded in late March 2015, with a total of 23 holes over 4,312 meters. In contrast to the relatively shallow holes drilled in the Sprite and Rainbow areas in the fourth quarter of 2014, close to half of the holes at the Marathon Zone were allowed to continue to over 200 meters in length. Some of the holes at Marathon were designed to extend to over 200 meters in order to intersect a parallel zone.

The 2015 winter drilling program concluded in March 2015 with management's broad objectives having been met. Specifically, the Marathon Zone strike length was extended to 350 meters without any significant reduction in the continuity of mineralization; the maximum width of the zone was extended to 100 meters; the deep holes served to further confirm the continuity of mineralization to depth as drilling progressed along strike; and the Marathon Zone continued to be open along strike both to the northeast and southwest and to depth. In addition, a parallel structure located between the southern boundary of the principal mineralized portion of the zone and the Valentine Lake Thrust Fault was discovered.

In addition to the drilling program, Marathon completed a test program of ground based magnetic surveying focused on the Sprite area and the Marathon Deposit. This survey was completed to improve the definition of the magnetic lows in these areas, which are potential areas of gold mineralization.

Mineral Resource Estimates

Marathon engaged Micon International Limited ("Micon") to produce initial mineral resource estimates for the Marathon and Sprite Deposits and an update to the resource estimate completed in 2013 for the Victory Deposit. These estimates were completed in April 2015 and disclosed initially in a press release dated April 30, 2015.

With the completion of these resource estimates, the Valentine Gold Camp hosts 4 separate deposits representing a total measured and indicated resource exceeding 1 million ounces, with an aggregate grade of 2.20 g/t. In addition, 87% of the measured and indicated resource is potentially open pittable, surpassing management's objectives for the 2014 and 2015 drilling programs.

The details of the resource estimates for the Marathon, Sprite and Victory Deposits, prepared by Micon and excerpted from Marathon's press release dated April 30, 2015, are detailed below. These resources form a subset of the total property resource summarized in section 3 of this MD&A.

Indicated Resource:

Deposit	In Pit (0.50 g Au/t cut-off) Tonnes (kt)	Grade (g/t)	Gold (oz)	Underground (3.0 g Au/t cut-off) Tonnes (kt)	Grade (g/t)	Gold (oz)	Total Tonnes (kt)	Grade (g/t)	Gold (oz)
Marathon	3,008	1.92	186,100	65	4.53	9,500	**3,073**	**1.98**	**195,600**
Sprite	301	2.03	19,700	36	4.73	5,500	**337**	**2.32**	**25,200**
Victory	939	1.82	55,200	58	4.88	9,100	**997**	**2.01**	**64,300**
Total	**4,248**	**1.91**	**261,000**	**159**	**4.71**	**24,100**	**4,407**	**2.01**	**285,100**

Inferred Resource:

Category / Deposit	In Pit (0.50 g Au/t cut-off) Tonnes (kt)	Grade (g/t)	Gold (oz)	Underground (3.0 g Au/t cut-off) Tonnes (kt)	Grade (g/t)	Gold (oz)	Total Tonnes (kt)	Grade (g/t)	Gold (oz)
Marathon	234	2.21	16,600	46	4.85	7,200	**280**	**2.64**	**23,800**
Sprite	158	2.72	13,800	49	5.28	8,300	**207**	**3.33**	**22,100**
Victory	80	1.80	4,600	62	4.64	9,300	**142**	**3.04**	**13,900**
Total	472	2.31	35,000	157	4.91	24,800	**629**	**2.96**	**59,800**

Notes:

1. CIM Definition Standards were followed for mineral resources.
2. The Qualified Person for the Marathon, Sprite and Victory Mineral Resource estimate is Charley Murahwi, B.Sc., P.Geo.
3. In pit Mineral Resources are reported at a cut-off grade of 0.5 g/t Au. Pit optimizations were used to constrain the resources.
4. Underground Mineral Resources are estimated at a cut-off grade of 3.0 g/t Au, outside the open pit constraint and using high grade wireframe vein models
5. Mineral resources are estimated using an average long-term forecast, gold price of US$1,200 per ounce.
6. Totals may not add correctly due to rounding.
7. The quantity and grade of reported Inferred mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define the Inferred mineral Resources as Indicated or Measured mineral Resources. It is uncertain if further exploration will result in upgrading them to Indicated or Measured mineral Resource categories.

The details of the most recently completed resource estimate for the Leprechaun Deposit, prepared by Roscoe Postle Associates and excerpted from Marathon's press release dated August 1, 2013, are detailed below. These resources form a subset of the total property resource summarized in section 3 of this MD&A.

Category / Leprechaun Deposit	Open Pit (0.50 g Au/t cut-off) Tonnes (kt)	Grade (g/t)	Gold (oz)	Underground (2.0 g Au/t cut-off) Tonnes (kt)	Grade (g/t)	Gold (oz)	Total Tonnes (kt)	Grade (g/t)	Gold (oz)
Measured	3,523	2.18	247,000	108	4.83	17,000	**3,631**	**2.26**	**264,000**
Indicated	6,192	2.07	412,000	764	4.05	100,000	**6,956**	**2.29**	**512,000**
Total M & I	**9,715**	**2.11**	**658,000**	**872**	**4.17**	**117,000**	**10,587**	**2.28**	**775,000**
Inferred	**1,206**	**1.82**	**71,000**	**349**	**6.13**	**69,000**	**1,555**	**2.79**	**140,000**

Notes:

1. CIM Definition Standards were followed for mineral resources.
2. Open pit Mineral Resources are reported at a cut-off grade of 0.5 g/t Au. Pit optimizations were used to constrain the resources.
3. Underground Mineral Resources are estimated at a cut-off grade of 2.0 g/t Au, outside the open pit constraint and using high grade wireframe vein models

4. Mineral resources are estimated using an average long-term forecast, gold price of US$1,350 per ounce and an exchange rate of US$:C$ of 1:1.
5. Totals may not add correctly due to rounding.
6. The quantity and grade of reported Inferred mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define the Inferred mineral Resources as Indicated or Measured mineral Resources. It is uncertain if further exploration will result in upgrading them to Indicated or Measured mineral Resource categories.

Management considered these results a significant success, particularly since they were achieved efficiently with a limited exploration budget. Management was particularly encouraged by the following aspects of these additional resources and the exploration work that led to their completion.

- Similar to the resource for the Leprechaun Deposit, the open pit resources reported in 2015 are relatively insensitive to gold prices in the range of US $1,100 to US $1,350, as shown below:

Victory, Sprite and Marathon Resources
Whittle In-Pit Mineral Resources by Gold Price; Open Pit (0.50 g Au/t cut-off)

Gold Price	Indicated			Inferred		
	Tonnes	Grade (g/t)	Contained Au (oz)	Tonnes	Grade (g/t)	Contained Au (oz)
$1,100	4,068,000	1.93	252,100	428,000	2.38	32,700
$1,150	4,160,000	1.92	256,700	448,000	2.34	33,700
$1,200	4,248,000	1.91	261,000	472,000	2.31	35,000
$1,250	4,371,000	1.90	267,500	498,000	2.30	36,800
$1,300	4,441,000	1.90	270,500	518,000	2.32	38,600
$1,350	4,520,000	1.89	274,200	541,000	2.30	40,100

- Development of resources at the Marathon Deposit was rapid, progressing from prospecting to a resource in seven months. The Company benefited from the apparent good continuity of mineralization at the Marathon Deposit and used its improved understanding of the underlying geology of the property to complete an initial resource with just 48 holes and 8,445 meters of drilling.
- The cost of developing new resources in each exploration area was low, amounting to approximately $10 per resource ounce.
- The overall resource grades in all deposits were consistent, running at about 2 g/t gold.
- The Marathon, Sprite and Victory Deposits are all open along strike and to depth. While the underground portion of each resource is considered modest at present, they appear open at depth.

Summer/Fall 2015 Drilling and exploration program

Marathon resumed drilling at the Valentine Gold Camp in late June 2015 once it became apparent that the Company's private placement of flow through shares had been well subscribed. In total, the drilling completed in the third quarter of 2015 comprised 35 new holes and 3 extensions of holes completed in earlier programs and totalled 5,231 meters of drilling in the Marathon, Sprite and Victory Areas, with the majority of the work concentrated on the Marathon Zone. Concurrent with and subsequent to the summer drilling program, Marathon undertook surface exploration programs including prospecting, trenching, geophysical surveying and detailed geological mapping around each of these areas.

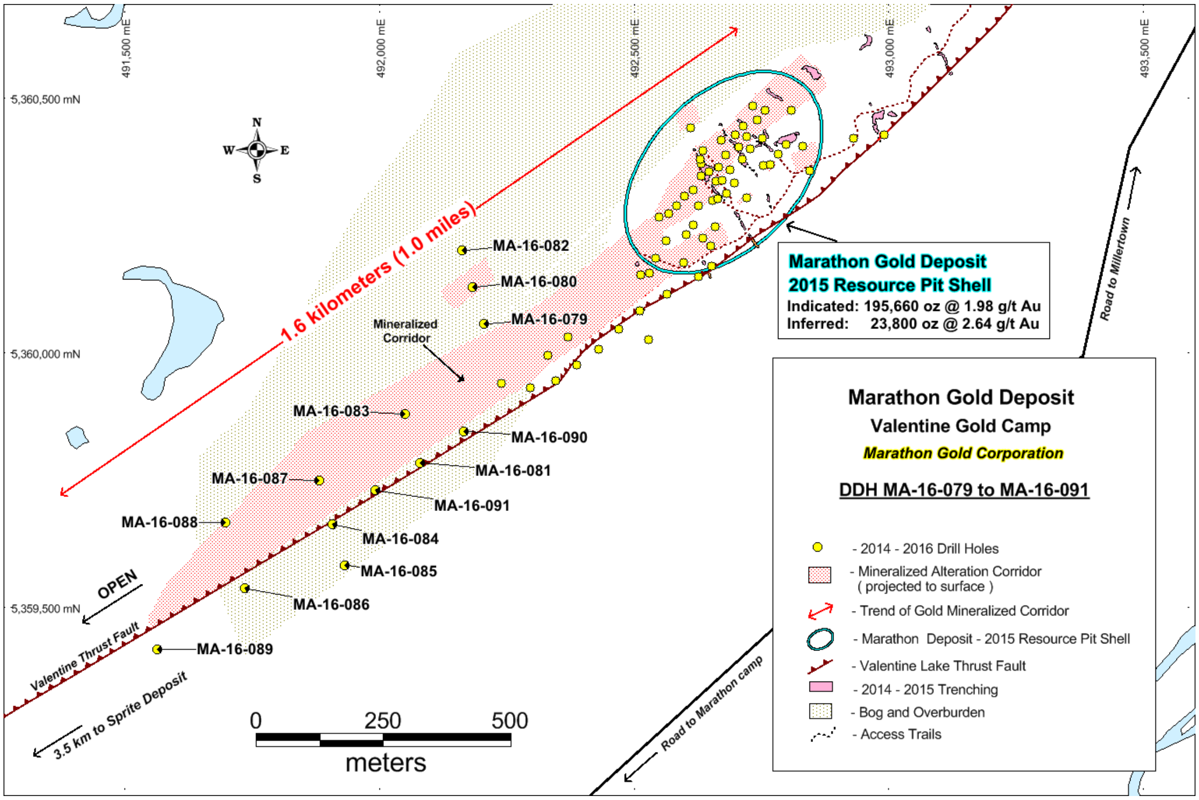
The significant results from this work are summarized below.

- In the **Marathon Area**, 7 holes drilled earlier in the year that had ended in mineralization were extended. In addition, and 23 widely spaced exploration drill holes covering 4,402 meters were drilled along the Valentine Lake Thrust Fault, with the result that the strike length of the Marathon Deposit was increased over 100% to more than 850 meters. In addition, drilling results confirmed the continuity of mineralization over the strike length of the area, which remains open to depth and along strike to both the southwest and northeast. Drilling farther away from the Marathon Deposit resource boundaries along the main trend of mineralization was made difficult by boggy ground conditions.
- In the **Sprite Area**, prospecting and trenching in an area 550 meters to the northeast of a high grade gold occurrence identified in 2014 resulted in the discovery of a new, high-grade gold zone that increased the strike length of the Sprite Area to over 1.6 kilometers and identified a number of parallel mineralized corridors flanking magnetic high areas. A total of 3 short, near-surface holes were drilled in this newly identified gold zone and encountered good grades of mineralization.
- In the **Victory Area**, a total of 4 drill holes totalling 383 meters were completed. Marathon also carried out extensive prospecting, trenching and geophysical surveying in the area which identified a prospective 3 kilometer long corridor of mineralization associated with Victory.

A number of drilling targets on the property lying between the Sprite, Marathon and Victory Deposits were impracticable to drill because of boggy surface conditions.

Winter 2016 Drilling and Exploration Program

Marathon resumed drilling in January 2016 in a program which consisted of 13 widely spaced step-out holes totalling 2,062 meters of drilling over a strike length of approximately 1.2 kilometers. The map below illustrates the location of these holes. This drilling focused on otherwise inaccessible areas to the southwest of the Marathon Deposit resource boundary in wetlands and boggy areas with little to no outcrop and up to 9 meters of overburden.



This drilling program and an accompanying geophysical survey satisfied management's objective of confirming the mineralization trend southwest from the Marathon Deposit using 200 meter step-out holes which expanded the strike length another 800 meters from the boundaries of the fall 2015 drilling program. The winter drilling successfully intersected zones of variable quartz-tourmaline-pyrite veining and alteration typical of the gold mineralization throughout the property.

The total strike length of the Marathon trend is now over 1.7 kilometers and remains open to the southwest. This section of the mineralized trend is a priority target for closer spaced resource expansion drilling. In addition, future step-out drilling will focus along the 2.5 kilometers of unexplored ground between the Sprite and Marathon areas as well as highly prospective targets to the northeast of the Victory Deposit.

Metallurgical Testwork

During the third and fourth quarters of 2014 and the first quarter of 2015, a metallurgical testwork program was carried out on a representative sample of mineralized material from the Leprechaun Gold Deposit. This work was performed to develop a technically viable process for the production of doré from Leprechaun.

This testwork, which was underwritten in part by the Research and Development Corporation of Newfoundland and Labrador, concluded that direct sulphide-gold flotation followed by conventional cyanide leaching, carbon-in-pulp, and electrowinning would provide an overall recovery in the range of 92.8% to 95%. This was an improvement over the results of the previous round of metallurgical work undertaken in 2011.

In the first quarter of 2016, Marathon commenced work on a metallurgical testwork program intended to determine the potential recoveries that could be expected from processing mineralized material from the Marathon Deposit, which is hosted in rock that is more silicified than the host rock associated with the Leprechaun Deposit, using the conventional processing approach developed in 2014. In addition, material from both Leprechaun and Marathon is in the process of being evaluated for amenability to low-cost heap leaching.

b) Golden Chest

Exploration Activity at Golden Chest

No exploration work was undertaken at Golden Chest by the operator in the period from January 1, 2015 to December 2, 2015, the date on which Marathon disposed of its interest in GCLLC, as described below.

Suspension of Mining Operations by Juniper Resources

In September 2013, GCLLC entered into a lease agreement with Juniper Resources ("Juniper"), a privately-held mining company based in Idaho. Under the terms of the agreement, Juniper had the right to mine the Skookum Lode from underground for a period of up to 36 months commencing November 30, 2013 in return for the following:

- The payment of instalments due on a non-recourse promissory note owed by GCLLC to the original vendor of the Golden Chest property ("the Beasley Note") for so long as Juniper was mining the property; and
- A 2% net smelter returns royalty, net of US $250,000 in advance royalties paid to NJMC and Marathon in 2013.

During the year ended December 31, 2014 and the nine months ended September 30, 2015, Juniper paid six quarterly installments on the Beasley Note amounting to US $750,000 but did not pay the instalment due September 15, 2015. On September 23, 2015, Juniper suspended mining operations at Golden Chest, thereby terminating the lease.

No royalties in excess of the advances described above were paid or became payable to Marathon or NJMC at any time during Juniper's term of operations.

Option Agreement to Sell Interest in GCLLC and Discontinued Operations

On October 9, 2015, Marathon and NJMC entered into an option agreement pursuant to which NJMC had the right but no obligation to acquire Marathon's interest in GCLLC for the following consideration:

- An initial payment of US$10,000;
- A further payment of US $90,000 to be received no later than November 30, 2015 upon execution of a definitive purchase and sale agreement and royalty agreement as described below;
- A final payment of US $100,000 to be received no later than May 31, 2016, secured by a pledge of title to three patented mining claims comprising part of the Golden Chest property; and
- A 2% net smelter returns ("NSR") royalty on metal and mineral production from all of the existing claims making up the Golden Chest property and certain claims acquired in the future and falling within a defined area of interest.

On December 2, 2015 Marathon and NJMC entered into a definitive agreement pursuant to which Marathon sold its interest in GCLLC to NJMC for total cash consideration of US $180,000, all of which was received upon execution of the sale agreement, and the NSR referred to above. Given the difficulty in attracting potential purchasers of this mining interest in the current commodity and capital market environment and the provisions of the GCLLC operating agreement, which favored the sale of members' interests in GCLLC to other members rather than to third parties, management considered the sale a success, and the transaction removed all further obligation to fund the operations of Golden Chest, particularly in light of Juniper's abandonment of the property.

In the period ended December 31, 2015 Marathon wrote down the net assets of GCLLC to their net realizable value and incurred an impairment loss from discontinued operations amounting to $3,100,191, of which $1,481,273 was attributable to NJMC's non-controlling interest in GCLLC. Upon completion of the sale of GCLLC, Marathon released to operations reserves related to its investment in the net assets of GCLLC amounting to $1,122,668.

4) OUTLOOK

a) Valentine Gold Camp

The drilling carried out at the Valentine Gold Camp in the third and fourth quarters of 2015 and the first quarter of 2016 were widely spaced exploration holes. Future infill drilling of the new mineralized areas identified by these drilling programs will lead to an expanded resource, which management considers necessary prior to commencing a preliminary economic assessment. The timing of this infill drilling is dependent on financing.

Marathon has also begun the process of obtaining permits for the construction of access roads in the boggy areas of the Marathon trend which would enable drilling to take place year round.

b) Other properties

There are no plans in place to carry out exploration work in 2016 at Baie Verte or Bonanza.

5) RESULTS OF OPERATIONS

The results of operations for the three and twelve month periods ended December 31, 2015 and 2014 are summarized below.

	Three months ended December 31		Year ended December 31	
	2015	2014	**2015**	2014
	$	$	**$**	$
Expenses:				
Exploration expenses	**831**	726	**21,253**	24,010
General and administrative expenses	**350,882**	299,097	**1,404,033**	1,213,509
Other expense	**23,595**	-	**32,307**	1,903
Interest income	**(1,553)**	(11,491)	**(14,299)**	(17,444)
Loss on investments	**-**	68,526	**9,575**	68,526
Foreign exchange (gain) loss	**(7,090)**	33	**(10,489)**	(139)
Loss from continuing operations before tax	**366,665**	356,891	**1,442,380**	1,290,365
Income taxes	**(13,333)**	(146,853)	**(103,911)**	(146,853)
Loss from continuing operations for the period	**353,332**	210,038	**1,338,469**	1,143,512
(Income) Loss from discontinued operations, net of tax	**(1,021,120)**	8,212,288	**1,977,523**	8,212,288
(Net income) Net loss for the period	**(667,788)**	8,422,326	**3,315,992**	9,355,800
Net loss attributable to non-controlling interest	**(48,518)**	(3,923,832)	**(1,481,273)**	(3,923,832)
(Income) Loss attributable to Marathon Gold shareholders	**(716,306)**	4,498,494	**1,834,719**	5,431,968

Notes:

Three months ended December 31, 2015:

a) The increase in general and administrative expenses in the quarter was due primarily to an increase in stock-based compensation costs charged to operations, as Marathon awarded 1,709,000 options to directors, officers and employees in the fourth quarter of 2015, with no Stock based compensation costs charged to operations increased to $174,486 from $107,536, reflecting the fact that 1,909,000 options were awarded in the third quarter of 2015 compared to 798,500 options in the same period in 2014.

b) The finance expense charged to operations in the fourth quarter of 2015 relates to a portion of the share issue costs incurred in connection with Marathon's private placement of flow through shares in November 2015. There was no equivalent financing transaction in the fourth quarter of 2014.

c) The loss on investments incurred in 2014 did not recur as all of Marathon's investments in equity securities had either been disposed of or had been written down to Nil.

Year ended December 31, 2015:

a) As for the year ended December 31, 2014, Marathon confined its exploration activities to the Valentine Gold Camp and reported minimal exploration expenses. The current period expense represents annual claim renewal costs with respect to the Bonanza property, and the change in the expense for the year is almost entirely due to exchange rate fluctuations.

b) The increase in general and administrative expenses in the year was driven primarily by the following:

i) Salaries and director fees increased to $620,724 from $486,859, reflecting the discontinuation in September 2014 of a 25% reduction in director fees and officer and administrative salaries which had been in effect since the third quarter of 2013 and the awarding of a discretionary bonus tied to exploration success and resource growth.
ii) Stock based compensation costs charged to operations increased to $249,099 from $174,486, reflecting the awarding of 3,618,000 options in 2015 compared to 1,668,500 in 2014.

6) QUARTERLY RESULTS

Selected quarterly information derived from Marathon's consolidated financial statements for each of the eight most recently completed financial periods is set out below.

	2015 Q4	2015 Q3	2015 Q2	2015 Q1	2014 Q4	2014 Q3	2014 Q2	2014 Q1
	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Statement of Operations:								
Exploration expenses	1	-	20	-	1	18	5	-
General and administrative expenses	351	476	281	296	299	330	237	348
Other expenses		-	-	-	-	-	-	-
Other (income) loss	13	2	1	1	57	(2)	(1)	(1)
Loss from continuing operations before tax	365	478	302	297	357	346	241	347
Balance Sheet:								
Cash, cash equivalents and short term investments	2,600	2,351	3,455	1,609	2,707	4,139	1,152	596
Working capital	2,198	2,201	3,208	1,653	2,636	3,792	1,091	507
Mineral exploration and evaluation assets	44,100	43,199	41,653	41,135	40,121	50,022	48,324	48,352

Marathon's reported exploration expenses reflect the timing of exploration activities at properties other than Valentine Lake and are not directly comparable from one accounting period to another.

Marathon's reported general and administrative expenses in the first and third quarters of 2014 and the third quarter of 2015 reflect the issuance of stock options in each period.

Amounts charged to Other (income) loss in the fourth quarter of 2014 reflect the determination that $67,500 in accumulated unrealized losses with respect to Marathon's investment in equity securities were non-temporary, resulting in the transfer of such losses from Other comprehensive income to operations.

From the fourth quarter of 2014 to the third quarter of 2015, the reported value of Marathon's Mineral exploration and evaluation assets excludes the carrying value of Golden Chest, which has been reclassified as an asset held for sale. The net assets of GCLLC were sold in the fourth quarter of 2015.

7) CAPITAL, LIQUIDITY AND GOING CONCERN

Cash at December 31, 2015 amounted to $2,600,269. Marathon's working capital at December 31, 2015 was $2,197,836.

Marathon's consolidated financial statements are prepared on a going concern basis. The appropriateness of this approach is discussed in detail in note 1 to the financial statements.

In the year ended December 31, 2015 Marathon incurred a consolidated operating loss from continuing operations of $1,159,935, excluding non-cash charges for income taxes, stock based compensation, and depreciation.

Marathon funded its operations in the period through the use of existing cash raised through a private placement of units and flow through common shares which closed in July 2015, generating gross cash proceeds of $3,383,750 and an additional private placement of flow through shares which closed in November 2015, raising gross cash proceeds of $1,073,822. The proceeds of these financings have been used to advance the Valentine Lake project and for corporate purposes.

Marathon's ability to carry out exploration work at its mining properties, particularly resource expansion drilling, continues to depend on additional financing. While management has been successful in raising equity in current market conditions, which remain extremely challenging, there can be no assurance that Marathon will continue to be successful in its efforts to attract capital.

8) CAPITAL ACTIVITIES

Marathon completed two private placement financings in 2015.

In June and July 2015, Marathon closed a non-brokered private placement of 9,725,000 units at a price of $0.25 per unit and 3,175,000 flow-through shares at a price of $0.30 per share, which raised gross proceeds of $3,383,750. Each unit consisted of one common share and one-half of one share purchase warrant, with each whole warrant being exercisable at a price of $0.34 per share for two years after closing. In addition, in November 2015 Marathon closed a private placement of 5,369,110 flow-through shares at a price of $0.20 per share, which raised gross proceeds of $1,073,822.

While management continues to seek additional financing to advance the Valentine Gold Camp and has been successful in doing so in 2015 and prior years, there can be no assurance that financing on acceptable commercial terms will continue to be available to Marathon.

9) OPTIONS

The terms of Marathon's option plan authorize the issue of share purchase options to employees, officers and directors, and third party service providers subject to a stipulation that total options issued at any point in time cannot exceed 10% of the number of common shares issued and outstanding at that time.

In the year ended December 31, 2015, Marathon awarded a total of 3,618,000 options exercisable at a weighted average exercise price of $0.23 per share. These options vested immediately upon grant.

10) RELATED PARTY TRANSACTIONS

Marathon incurred the following compensation costs related to key management and directors in the normal course of business. At December 31, 2015, no amounts were owing by Marathon in respect of the transactions described below.

	Three months ended December 31		Year ended December 31	
	2015	2014	**2015**	2014
	$	$	**$**	$
Salaries paid to key management	**146,250**	146,250	**662,000**	482,333
Director fees	**29,875**	27,625	**119,000**	102,333
Stock based compensation	**96,805**	-	**315,090**	238,563
Consulting fees paid to a business controlled by a director of the Company	**-**	-	**10,000**	-
	272,930	173,875	**1,106,090**	823,229

11) FULLY DILUTED SHARE CAPITAL

	Number of shares
Common shares	93,293,502
Unexercised stock options	8,510,500
Unexercised share purchase warrants	7,991,217
Fully diluted share capital – March 28, 2016	**109,795,219**

12) OFF-BALANCE SHEET ARRANGEMENTS

Marathon had no off balance sheet arrangements as at December 31, 2015 or subsequently to the date of this MD&A.

13) RISK FACTORS AND UNCERTAINTIES

Marathon is subject to the usual risks associated with a junior mineral exploration company. The Company competes for access to financing, specialized third party service providers and human capital against other exploration companies, some of whom may be better capitalized. Prices for the commodities contained in Marathon's exploration properties have fluctuated significantly over the last few years and may continue to do so. Such volatility may affect the timing and magnitude of funds which Marathon may seek to raise to support further exploration of its properties or may make it difficult to complete an offering of securities.

It may not be possible to raise additional funds to complete development and achieve profitable production or to obtain the permits required to enable Marathon to commence mining operations on its properties.

Marathon has participated in the past, and may participate in the future, in exploration joint ventures as a means of earning or acquiring interests in properties with existing mineral resources and subsequently increasing shareholder value through exploration and resource expansion. The ability of Marathon to influence the nature, extent, and timing of exploration and evaluation activities at properties where Marathon is not the 100% owner depends on a number of factors, including but not limited to decisions made by project operators, who typically have control over the scope of project budgeting and the pace of work against such budgets, and the financial health of Marathon's partners. The inability of a partner in any of Marathon's projects to continue to fund the ongoing exploration work or other obligations of the project could have a material impact on Marathon's finances and the reported values of its mineral exploration and evaluation assets.

While management has used its best efforts to ensure title to all its properties and secured access to surface rights, these titles or rights may be disputed.

For a more detailed discussion of risk factors, reference should be made to Marathon's Annual Information Form for the year ended December 31, 2015. This document may be obtained at www.sedar.com.

14) FUTURE ACCOUNTING PRONOUNCEMENTS

The Company has not yet adopted the following new accounting pronouncements which are effective for fiscal periods of the Company beginning on or after January 1, 2016:

International Financial Reporting Standard 9, Financial Instruments ("IFRS 9")

In July 2014, the IASB published the final version of IFRS 9 *Financial Instruments* ("IFRS 9"), which brings together the classification, measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 replaces the multiple classifications for financial assets in IAS 39 with a single principle based approach for determining the classification of financial assets based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The final version of IFRS 9 is effective for periods beginning on or after January 1, 2018 and may be adopted early.

The Company is in the process of evaluating the impact of adopting this standard.

International Financial Reporting Standard 16, Leases ("IFRS 16")

In January 2016, the IASB issued IFRS 16 which replaces existing standards and interpretations under IAS 17, "*Leases*". IFRS 16 requires all leases, including financing and operating leases, to be reported on the balance sheet with the intent of providing greater transparency on a company's lease assets and liabilities. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted.

The Company is in the process of evaluating the impact of adopting this standard.

15) INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for the design and operating effectiveness of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with accounting principles generally accepted in Canada. Based on a review of its internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures are appropriately designed and were operating effectively as at December 31, 2015.

16) DISCLOSURE CONTROLS

Management is also responsible for the design and operation of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, is made known to the Company's certifying officers. The Company's Chief Executive Officer and Chief Financial Officer have each evaluated the design and effectiveness of the Company's disclosure controls and procedures as of December 31, 2015 and have concluded that these controls and procedures are effective.

17) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and at the date of the financial statements and the reported amount of expenses and other income during the year. These estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience.

The following are the critical judgments that management has made in the course of applying Marathon's accounting policies and which have the most significant effect on the amounts recognized in these consolidated financial statements:

Mineral exploration and evaluation assets

Marathon capitalizes exploration and evaluation costs on mineral properties with an existing mineral resource and expenses exploration costs incurred with respect to properties without existing mineral resources.

The estimation of mineral resources and reserves is complex and requires significant subjective assumptions which are valid at the time of estimation. These assumptions may change significantly over time when new information becomes available and may cause the mineral resources and reserves estimates to change. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may have a significant impact on the economic assessment of the mineral resources and reserves and may result in their restatement.

Impairment of mineral exploration and evaluation assets

Determining whether facts and circumstances indicate that Marathon's mineral exploration and evaluation ("E&E") assets may be impaired and require the recognition of an impairment loss, or conversely whether a reversal of an impairment loss recognized in a prior period may be required, is a subjective process involving judgment and a number of estimates and interpretations.

Determining whether to test for impairment of E&E assets requires management's subjective assessment of a number of facts and circumstances concerning each subject property, including, among others:

- whether the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed;
- whether substantive expenditure on further E&E of mineral resources in a specific area is either budgeted or planned;
- Marathon's financial capacity to execute exploration activities on a given property;
- the extent to which exploration for and evaluation of mineral resources in a specific area have led to the discovery of commercially viable quantities of mineral resources and any resulting decisions by management to cease or significantly reduce further E&E activities in the area; and
- the existence of sufficient data to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the E&E asset is unlikely to be recovered in full from successful development or by sale.

Stock based compensation

The compensation cost associated with stock options granted under the terms of Marathon's stock option plan is measured at the grant date by using the Black-Scholes option pricing model to determine fair value. The Black-Scholes model requires the use of subjective estimates, in particular for the estimated life of options and the expected rate of volatility in Marathon's share price over the life of the options, which can materially affect the fair value estimate.

A total of 3,618,000 options were awarded in the year ended December 31, 2015. The key assumptions used to determine the fair value of options awarded in the years ended December 31, 2015 and 2014 are detailed in note 11 to the financial statements.

18) ADDITIONAL INFORMATION

Additional information relating to Marathon can be found on SEDAR at www.sedar.com.

(Signed) "Phillip C. Walford"	(Signed) "James Kirke"
Phillip C. Walford	James Kirke
President and Chief Executive Officer	Chief Financial Officer