April 1, 2019

Dear [Name]

Re: Your request for access to information under Part II of the Access to Information and Protection of Privacy Act (File # NR-43-2019)

On March 20, 2019, the Department of Natural Resources received your request for access to the following records/information:

Requesting any Information / Correspondence / Briefings etc... regarding a mining exploration company operating in Central Newfoundland known as Marathon Gold - for period of February 01-2019 to the current date.

I am pleased to inform you that a decision has been made by the Department of Natural Resources, confirmed by the Deputy Minister, to provide access to the requested records. The records are attached.

We are providing access to the most information possible but have made redactions in accordance with Sections 29(1)(a), 35(1)(d) and 40(1) of ATIPPA, 2015 as follows:

29. (1)(a) The head of a public body may refuse to disclose to an applicant information that would reveal advice, proposals, recommendations, analyses or policy options developed by or for a public body or minister;

35. (1)(d) The head of a public body may refuse to disclose to an applicant information which could reasonably be expected to disclose information, the disclosure of which could reasonably be expected to result in the premature disclosure of a proposal or project or in significant loss or gain to a third party;

40. (1) The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party’s personal privacy.

P.O. Box 8700, St. John’s, NL, Canada A1B 4J6 t 709.729-1466
Please be advised that you may ask the Information and Privacy Commissioner to review the processing of your access request, as set out in section 42 of the Access to Information and Protection of Privacy Act (the Act). A request to the Commissioner must be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner  
2 Canada Drive  
P. O. Box 13004, Stn. A  
St. John’s, NL A1B 3V8  

Telephone: (709) 729-6309  
Toll-Free: 1-877-729-6309  
Facsimile: (709) 729-6500

You may also appeal directly to the Supreme Court Trial Division within 15 business days after you receive the decision of the public body, pursuant to section 52 of the Act.

Please be advised that this letter will be published following a 72 hour period after it is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the letter posted to the Office of Public Engagement's website within one business day following the applicable period of time.

If you have any questions, please feel free to contact me at 709-729-0463 or rhynes@gov.nl.ca.

Sincerely,

Rod Hynes

Rod Hynes  
ATIPP Coordinator
Hi Sherry,

I received the cheque last week and everything has been processed.

Justin

From: Sherry Dunsworth
Sent: Monday, February 18, 2019 12:45 PM
To: Lake, Justin W <JustinWLake@gov.nl.ca>; Canning, Perry <PerryCanning@gov.nl.ca>
Subject: Fwd: Confirming the cost of 15 year renewals for licences 010899m and 010943M

Hello Justin,

Can you please advise if you have, in fact, received the cheque worth $35,121.25 from Marathon Gold Corporation for the 15 year renewal of the Mineral Licences 010899M and 010943M.

Thank you, Sherry

-------- Forwarded message --------
From: Sherry Dunsworth
Date: Fri, Feb 8, 2019 at 4:45 PM
Subject: Fwd: Confirming the cost of 15 year renewals for licences 010899m and 010943M
To: Lake, Justin W <JustinWLake@gov.nl.ca>

Hi Justin,

I have not heard back from you, tried calling but no response.

So, today (Feb 8, 2019) I have sent the Marathon Gold Corporation cheque # 2334 for the renewals of mineral licences 010899M and 010943M and the accompanying letter to you using Canada Post - express mail.

The tracking number is 35,121.25

Please advise when you have received the package.

Thank you, Sherry

-------- Forwarded message --------
Hi Justin,

I have attached a scan of the letter and cheque covering the renewal of licences 010899M and 010943M.

Please advise if this cheque is to be sent to you and if so, what is the best address for courier.

Thank you, Sherry

On Wed, Jan 23, 2019 at 9:34 AM Lake, Justin W <JustinWLake@gov.nl.ca> wrote:

Hi Sherry,

Your amounts and dates are correct.

Justin

From: Sherry Dunsworth
Sent: Tuesday, January 22, 2019 9:10 PM
To: Lake, Justin W <JustinWLake@gov.nl.ca>
Subject: Confirming the cost of 15 year renewals for licences 010899M and 010943M

Hi Justin,

Could you please confirm to me that the 15-year mineral licence renewals for the Marathon Gold Corporation mineral licences 010899M and 010943M due April 27, 2019 are for the following amounts:

010899M - 246 claims

010943M - 256 claims

Thank you, Sherry
"This email and any attached files are intended for the sole use of the primary and copied addressee(s) and may contain privileged and/or confidential information. Any distribution, use or copying by any means of this information is strictly prohibited. If you received this email in error, please delete it immediately and notify the sender."
Potential copyright material

If you wish to obtain a copy please contact the ATIPP Office at (709) 729-7072 or atippoffice@gov.nl.ca.
From: Canning, Perry
Sent: Friday, February 22, 2019 7:59 AM
To: Bradbury, Keith R.; Smith, Alex O.
Subject: FW: Marathon Gold

Perry

From: Lomond, Ted
Sent: Thursday, February 21, 2019 7:47 PM
To: Noseworthy, Tanya <tanyanoseworthy@gov.nl.ca>; Canning, Perry <PerryCanning@gov.nl.ca>
Subject: Fwd: Marathon Gold

Sent from my iPhone

Begin forwarded message:

From: "Hanrahan, Denise" <Hanrahand@gov.nl.ca>
Date: February 20, 2019 at 11:41:16 AM NST
To: "Lomond, Ted" <TedLomond@gov.nl.ca>
Subject: Fwd: Marathon Gold

Begin forwarded message:

From: "Sharpe, Dennis" <dsharpe@gov.nl.ca>
Date: February 20, 2019 at 11:15:00 AM NST
To: "Martin, Craig" <CMartin@gov.nl.ca>, "Hanrahan, Denise" <Hanrahand@gov.nl.ca>
Subject: FW: Marathon Gold

Denise / Craig,

Thanks,
-----Original Message-----
From: Aucoin, Rosalita <raucoin@gov.nl.ca>
Sent: Wednesday, February 20, 2019 11:03 AM
To: Sharpe, Dennis <dsharpe@gov.nl.ca>
Subject: RE: Marathon Gold

-----Original Message-----
From: Sharpe, Dennis <dsharpe@gov.nl.ca>
Sent: Wednesday, February 20, 2019 10:47 AM
To: Aucoin, Rosalita <raucoin@gov.nl.ca>
Subject: Marathon Gold

Thanks
Dennis

Sent from my iPhone
I reached out to Stephen Hinchey regarding the 2019 provincial exploration approval and the 2019 exploration expenditure estimate for Marathon. He had only received the federal exploration expenditures last night and was kind enough to provide an assessment for Marathons 2019 intentions. Please see below.

Keith,

**Bold** figures below (i.e., those for Marathon) are to be kept confidential as per the terms of the survey.

Expenditure statistics for 2018 (preliminary), 2019 (intentions) based on fall 2018 survey returns (I will send out an email to the group soon as per standard practice):

2018 preliminary exploration + deposit appraisal:

$28,263,266 **Newfoundland** **35.1. d**

<table>
<thead>
<tr>
<th>How it relates to Marathon, with largest components being <strong>drilling and 35.1. d</strong> for <strong>diamond</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$17,149,507 <strong>Labrador</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$45,412,773 province total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2019 intentions exploration + deposit appraisal:

$26,085,000 **Newfoundland** **35.1. c**

<table>
<thead>
<tr>
<th>How it relates to Marathon</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$13,367,963 <strong>Labrador</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$39,452,963 province total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note that both the application for 2019 exploration approval and the survey were completed during fall 2018, so it may be the case that they permitted for maximum possible work while on other hand reporting a minimum expected level of expenditures on the survey.

Stephen

---

From: Canning, Perry  
Sent: Friday, February 22, 2019 8:34 AM  
To: Smith, Alex O.; Bradbury, Keith R.  
Subject: RE: Marathon Gold

Will the exploration activity increase now given the recent announcement?

Marathon and Franco Nevada
CAD $18,000,000. The NSR applies to the entire Valentine Lake property and covers the sales of precious and base metals and minerals. Marathon has an option to buy back 0.5% of the NSR for US $7 million until December 31, 2022.

Use of Proceeds:

- Marathon is carrying out an aggressive program of engineering, drilling and environmental programs for the remainder of 2019, targeting completion of the PFS by the end of 2019. A key element of this program is an infill drilling program focused on upgrading Inferred resources in the Leprechaun and Marathon pits to the Measured and Indicated categories. In addition, an exploration drill program will test the Sprite Gap. Condemnation drilling is also planned for infrastructure locations, along with geotechnical drilling.

---

From: Smith, Alex O.
Sent: Friday, February 22, 2019 8:15 AM
To: Canning, Perry <PerryCanning@gov.nl.ca>; Bradbury, Keith R. <kbradbury@gov.nl.ca>
Cc: Smith, Alex O. <asmith@gov.nl.ca>
Subject: RE: Marathon Gold

Yes. We provide the exploration expenditures as forecasted by NRCan and only for the coming year. See the pages 20 and 21 of the attached.

Alex

Alex Smith, P.Eng.
Director, Mineral Development Division
Department of Natural Resources
(709) 729-6379

---

From: Canning, Perry
Sent: Friday, February 22, 2019 7:59 AM
To: Bradbury, Keith R.; Smith, Alex O.
Subject: FW: Marathon Gold

---

From: Lomond, Ted
Sent: Thursday, February 21, 2019 7:47 PM
To: Noseworthy, Tanya <tanyanoseworthy@gov.nl.ca>; Canning, Perry <PerryCanning@gov.nl.ca>
Subject: Fwd: Marathon Gold

Sent from my iPhone

Begin forwarded message:

---

s.29.1.a
Begin forwarded message:

From: "Sharpe, Dennis" <dsharpe@gov.nl.ca>
Date: February 20, 2019 at 11:15:00 AM NST
To: "Martin, Craig" <CMartin@gov.nl.ca>, "Hanrahan, Denise" <Hanrahand@gov.nl.ca>
Subject: FW: Marathon Gold

Denise / Craig,

Thanks,
Dennis

-----Original Message-----
From: Aucoin, Rosalita <raucoin@gov.nl.ca>
Sent: Wednesday, February 20, 2019 11:03 AM
To: Sharpe, Dennis <dsharpe@gov.nl.ca>
Subject: RE: Marathon Gold

-----Original Message-----
From: Sharpe, Dennis <dsharpe@gov.nl.ca>
Sent: Wednesday, February 20, 2019 10:47 AM
To: Aucoin, Rosalita <raucoin@gov.nl.ca>
Subject: Marathon Gold

Thanks
Dennis
Sent from my iPhone
Below are the exploration expenditure figures from NRCan based on returns from the fall 2018 survey. Winter 2018 and earlier survey numbers are in the email chain below for comparison.

To summarize:

- The preliminary 2018 expenditure estimate is higher than the 2017 expenditure figure, however lower than the intended expenditures reported in the winter 2018 survey. The final 2018 figure will come from the survey conducted this winter.

- 2019 expenditure intentions are lower than the 2018 preliminary estimate and resemble more the 2017 figure. That being said, we expect 2019 expenditures should come in significantly higher than this if for no other reason than yesterday's press release from Marathon and the large amount of work they are permitted for (i.e., well beyond the level that would correspond to their 2019 reported expenditure intentions).

One very important caveat is that to date we have not been accounting for the change in exploration expenditures between years in terms of projects progressing to the mining complex stage of development (as opposed to the "exploration" and "deposit appraisal" stages of development), nor are we accounting for ongoing construction and maintenance expenditures associated with operating and idled mines, despite having survey data for all of these. Consequently, we have not been capturing the complete picture of economic activity of the mineral industry, and actually this is an enormous gap in terms of the expenditures involved. Myself and Keith have been discussing this issue with the aim of eliminating this gap in our measurement and analysis of mineral industry activity.

2018 preliminary expenditures exploration and deposit appraisal:

$28,263,266 Newfoundland
$17,149,507 Labrador
$45,412,773 province total

2019 expenditure intentions exploration and deposit appraisal:

$26,085,000 Newfoundland
$13,367,963 Labrador
$39,452,963 province total

Stephen Hinchey, M.Sc.
Land Use Geologist
Mineral Lands Division, Mines Branch, Department of Natural Resources
telephone (709) 729-5748, fax (709) 729-6782
stephenhinchey@gov.nl.ca
P.O. Box 8700, 50 Elizabeth Avenue, St. John's A1B 4J6

Sorry, there was a mistake in the 2017 expenditures communicated in my October 9 email, however the total value remains the same. Here are the complete set of expenditure statistics corrected for this mistake:
2017 expenditures exploration and deposit appraisal:

$30,508,572 Newfoundland
$11,009,896 Labrador
$41,518,468 province total

2018 revised intentions exploration and deposit appraisal:

$34,829,131 Newfoundland
$13,464,890 Labrador
$48,294,021 province total

Stephen Hinchey
Land Use and Exploration Monitoring
Mineral Lands Division, Mines Branch, Department of Natural Resources
telephone (709) 729-5748, fax (709) 729-6782
stephenhinchev@gov.nl.ca
P.O. Box 8700, 50 Elizabeth Avenue, St. John's A1B 4J6

From: Hinchey, Stephen
Sent: Tuesday, October 09, 2018 12:22 PM
To: Hinchey, Stephen
Cc: Canning, Perry; Sheppard, Kevin; Smith, Alex O.; Lake, Justin W; Bradbury, Keith R.; Lawlor, Bernadine
Subject: exploration expenditures based on winter 2018 NRCan survey

Below are the exploration expenditure figures from NRCan based on returns from the winter 2018 survey. Fall 2017 and earlier survey numbers are in the email chain below for comparison. To summarize:

- 2017 expenditures have increased significantly from 2016 which represented a 13-year low and mark a turnaround from the steady decreases that began in 2013.
- 2018 expenditure intentions have increased from late 2017 and – if materialized – would represent a continued increase in expenditure levels from the 2017 turnaround.

2017 expenditures exploration and deposit appraisal:

$29,914,939 Newfoundland
$11,603,529 Labrador
$41,518,468 province total

2018 revised intentions exploration and deposit appraisal:

$34,829,131 Newfoundland
$13,464,890 Labrador
$48,294,021 province total

Stephen Hinchey
Land Use and Exploration Monitoring
Mineral Lands Division, Mines Branch, Department of Natural Resources
telephone (709) 729-5748, fax (709) 729-6782
stephenhinchev@gov.nl.ca
P.O. Box 8700, 50 Elizabeth Avenue, St. John's A1B 4J6

From: Hinchey, Stephen
Sent: Thursday, February 22, 2018 12:01 PM
To: Sheppard, Kevin; Smith, Alex O.; Lake, Justin W; Bradbury, Keith R.; Lawlor, Bernadine
Subject: exploration expenditures based on fall 2017 NRCan survey
Below are the expenditure figures from NRCan based on returns from the fall 2017 survey. Winter 2017 survey numbers are in the email below for comparison. Based on the preliminary numbers for 2017, exploration expenditures have significantly increased from 2016, marking a turnaround from the steady decreases that began in 2013. That said, the 2018 intentions suggest that expenditure levels may hold more or less steady between 2017 and 2018.

Note that the preliminary 2017 numbers below do not include expenditures made by Shawn Ryan in Labrador, however I will advise NRCan to survey Shawn Ryan for the winter 2018 survey so that his expenditures get included in the final numbers for 2017.

2017 preliminary expenditures exploration and deposit appraisal:

$30,080,918 Newfoundland
$6,650,185 Labrador
$36,731,103 province total

2018 intentions exploration and deposit appraisal:

$30,489,183 Newfoundland
$7,984,349 Labrador
$38,473,532 province total

Stephen Hinchey  
Land Use and Exploration Monitoring  
Mineral Lands Division, Mines Branch, Department of Natural Resources  
telephone (709) 729-5748, fax (709) 729-6782  
stephenhinchey@gov.nl.ca  
P.O. Box 8700, 50 Elizabeth Avenue, St. John's A1B 4J6

From: Hinchey, Stephen  
Sent: Thursday, October 19, 2017 2:05 PM  
To: Sheppard, Kevin; Smith, Alex O.; Lake, Justin W; Bradbury, Keith R.; Lawlor, Bernadine  
Subject: exploration expenditures based on winter 2017 NRCan survey (final)

Below are the expenditure figures from NRCan based on returns from the winter 2017 survey. Fall 2016 numbers are in the email below for comparison.

2016 expenditures exploration and deposit appraisal:

$16,981,882 Newfoundland
$8,399,699 Labrador
$25,381,581 province total

2017 revised intentions exploration and deposit appraisal:

$25,230,714 Newfoundland
$8,962,270 Labrador
$34,192,984 province total

Stephen Hinchey  
Land Use and Exploration Monitoring  
Mineral Lands Division, Mines Branch, Department of Natural Resources  
telephone (709) 729-5748, fax (709) 729-6782  
stephenhinchey@gov.nl.ca  
P.O. Box 8700, 50 Elizabeth Avenue, St. John's A1B 4J6

From: Hinchey, Stephen  
Sent: Friday, February 17, 2017 12:45 PM
To: Sheppard, Kevin; Lake, Justin W; Bradbury, Keith R.; DROVER, MARK  
Subject: exploration expenditures based on fall 2016 NRCan survey (final)  

Below are the final expenditure figures from NRCan based on returns from the fall 2016 survey. In 2016 Newfoundland fared better than expected and Labrador about the same as expected. Both looking up for 2017 with Newfoundland set to exceed expectations.

2016 preliminary expenditures exploration and deposit appraisal:

$16,687,440 Newfoundland  
$5,324,037 Labrador  
$22,011,477 province total

2017 intentions exploration and deposit appraisal:

$24,747,700 Newfoundland  
$7,831,700 Labrador  
$32,579,400 province total

Stephen Hinchey  
Land Use and Exploration Monitoring  
Mineral Lands Division, Mines Branch, Department of Natural Resources  
telephone (709) 729-5748, fax (709) 729-6782  
stephenhinchey@gov.nl.ca  
P.O. Box 8700, 50 Elizabeth Avenue, St. John's A1B 4J6
Parsons, Bernadette

From: Bradbury, Keith R.
Sent: Tuesday, February 26, 2019 10:00 AM
To: Smith, Alex O.
Subject: FW: Meeting - March 4
Attachments: AGENDA Mon, March 4, 2019 meeting with Minister Coady.docx

From: Butland, Anne
Sent: Tuesday, February 26, 2019 9:52 AM
To: Bradbury, Keith R.
Cc: Canning, Perry
Subject: FW: Meeting - March 4

Keith, Attached is the Agenda for meeting with Marathon Gold during PDAC.

Thanks

Anne

From: Sherry Dunsworth [mailto:40.1]
Sent: Monday, February 25, 2019 4:54 PM
To: Butland, Anne
Subject: Re: Meeting - March 4

Hello Anne,

Please find attached the agenda for the meeting with Minister Siobhan Coady on Monday, March 4th, 2019 at 9:00 - 9:30 am, Royal York Hotel, Toronto, ON.

Thank you, Sherry

On Thu, Feb 21, 2019 at 4:04 PM Butland, Anne <annebutland@gov.nl.ca> wrote:

Hi Sherry,

I understand you are scheduled to meet with Minister Coady at PDAC from 9:00 to 9:30 a.m. on Monday, March 4.

Could you please provide an agenda for the meeting.
Thank-you.

Anne

Anne Butland
Administrative Assistant to ADM
Department of Natural Resources
Government of Newfoundland & Labrador
P.O. Box 8700
St. John’s, NL A1B 4J6
Phone: (709) 729-2005

“This email and any attached files are intended for the sole use of the primary and copied addressee(s) and may contain privileged and/or confidential information. Any distribution, use or copying by any means of this information is strictly prohibited. If you received this email in error, please delete it immediately and notify the sender.”

--

Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Marathon Gold Corporation
P.O.Box 160,
Pasadena, NL, A0L 1K0
Fax: 1.709.686.2317
March 26, 2019

Memo:
Agenda for Monday, March 4th, 2019 meeting at 9:00-9:30 am with the Minister Siobhan Coady, Department of Natural Resources.

Agenda:
(1) Details of the Feb 21, 2019 Franco-Nevada royalty deal and implications for Marathon Gold Corporation
(2) Update on 2019 planned exploration program
(3) Update on road map to mine development
(4) Update on Commercial Cutting Permit
(5) Update on Crown Lands and cabins

Sherry Dunsworth, M.Sc., P.Geo.
SVP Exploration
Marathon Gold Corporation
Dennis,

Valentine Lake is an advanced exploration project with a Preliminary Economic Assessment (https://www.marathon-gold.com/site/assets/files/5047/2018-10-pea.pdf) completed in October 2018 and currently working towards a pre-feasibility study. The study does not include a timeframe for the project - any scheduling is based on year -1 to year 13 (see page 16.29) without a break down when initial and sustaining capital will be spent. Page 22.4 of the PEA assumes a 2 year development period. I have attached a brief summary of the PEA.

The project has not yet registered for Environmental Assessment and, to our knowledge, has not raised the capital needed to construct the project (US$355 million). They did recently raise $18 million through sale of an NSR which will cover exploration and pre-feasibility costs that are in addition to the US$355 capital estimate.

That being said, there is a nominal schedule (slide 21) up to the start of construction in Marathon’s corporate presentation (https://www.marathon-gold.com/site/assets/files/4295/2019-02-04-cp_moz.pdf) showing construction starting Q1 2021.

I have also been requested to send information on Alderon’s Kami project. I will try to get that to you this afternoon.

We are available to discuss should you wish.

Alex

Alex Smith, P.Eng.
Director, Mineral Development Division
Department of Natural Resources
(709) 729-6379
Marathon Gold Updated PEA

- Marathon Gold Corporation released an updated Preliminary Economic Assessment on October 30, 2018 to incorporate its aggressive drill results and resource estimate update into its Valentine Lake Gold Camp.

- The preproduction capital has been reduced to $US355 million, a savings of $US25 million from a previous PEA released in May 2018. The mine life has increased by 2 years with annual average production increased by 68,000 ounces a year to produce a total annual production of 225,100 ounces a year. Total recovered gold ounces have increased by 44% from previous PEA.

- The Valentine Lake Gold Camp currently hosts four near-surface deposits with measured and indicated resources totaling 2,691,400 oz. of gold at 1.85 g/t and inferred resources totaling 1,531,600 oz. of gold at 1.77 g/t.

- After tax NPV value has increased by $US126 million to $US493 million at 5% discount rate. The after tax internal rate of return (IRR) of 30%.

- Near surface, high-grade resources will allow for a low strip ratio and high gold production levels to allow for a quick payback period of only 1.7 years.

- A Preliminary Feasibility Study by the company is expected for 2019.
Thanks Justin.

Yes, the renewal date on the last page is what made me wonder as well as the grouping information.

Will look in the mail for the usual notice of renewals.

Sherry

On Wed, Mar 13, 2019 at 1:32 PM Lake, Justin W <JustinWLake@gov.nl.ca> wrote:

Hi Sherry,

These are the renewed licenses and it gives a renewal date of 2019/04/27 on the last page of the licenses but it is not clear what exactly that date refers to. Our new system will actually send out a notice that your license has been renewed, so this will be much clearer in the future.

Justin

Hi Justin,

I have received letters from your department dated Feb 19, 2019 regarding Grouped Extended Map Staked mineral licences 010899M and 010943M. Scanned copies are attached.
I want to confirm with you that these letters are confirming the 15 year renewals for these two mineral licences (see attached letter)?

Thank you, Sherry

--

Sherry Dunsworth, M.Sc., P.Geo.

SVP Exploration

Marathon Gold Corporation

P.O.Box 160,

Pasadena, NL, A0L 1K0

Fax: 1.709.686.2317

"This email and any attached files are intended for the sole use of the primary and copied addressee(s) and may contain privileged and/or confidential information. Any distribution, use or copying by any means of this information is strictly prohibited. If you received this email in error, please delete it immediately and notify the sender."

--

Sherry Dunsworth, M.Sc., P.Geo.

SVP Exploration

Marathon Gold Corporation

P.O.Box 160,

Pasadena, NL, A0L 1K0

Fax: 1.709.686.2317
Thanks, I am going to read through the information and look at the forecast info as well to brush up on what was there. I will also have a look at the email I sent you on Tuesday. If I need to call I will, I appreciate that.

Keith

Sent from my iPhone

Begin forwarded message:

From: "Smith, Alex O." <asmith@gov.nl.ca>
Date: March 4, 2019 at 1:27:48 PM NST
To: "Sharpe, Dennis" <dsharpe@gov.nl.ca>
Cc: "Lomond, Ted" <TedLomond@gov.nl.ca>, "Canning, Perry" <PerryCanning@gov.nl.ca>, "Smith, Alex O." <asmith@gov.nl.ca>
Subject: Marathon

Dennis,

Valentine Lake is an advanced exploration project with a Preliminary Economic Assessment (https://www.marathon-gold.com/site/assets/files/5047/2018-10-pea.pdf) completed in October 2018 and currently working towards a pre-feasibility study. The study does not include a timeframe for the project - any scheduling is based on year -1 to year 13 (see page 16.29) without a breakdown when initial and sustaining capital will be spent. Page 22.4 of the PEA assumes a 2 year development period. I have attached a brief summary of the PEA.

The project has not yet registered for Environmental Assessment and, to our knowledge, has not raised the capital needed to construct the project (US$355 million). They did recently raise $18 million through sale of an NSR which will cover exploration and pre-feasibility costs that are in addition to the US$355 capital estimate.
That being said, there is a nominal schedule (slide 21) up to the start of construction in Marathon’s corporate presentation (https://www.marathon-gold.com/site/assets/files/4295/2019-02-04-cp_moz.pdf) showing construction starting Q1 2021.

I have also been requested to send information on Alderon’s Kami project. I will try to get that to you this afternoon.

We are available to discuss should you wish.

Alex

Alex Smith, P.Eng.
Director, Mineral Development Division
Department of Natural Resources
(709) 729-6379
Marathon Gold Updated PEA

- Marathon Gold Corporation released an updated Preliminary Economic Assessment on October 30, 2018 to incorporate its aggressive drill results and resource estimate update into its Valentine Lake Gold Camp.

- The preproduction capital has been reduced to $US355 million, a savings of $US25 million from a previous PEA released in May 2018. The mine life has increased by 2 years with annual average production increased by 68,000 ounces a year to produce a total annual production of 225,100 ounces a year. Total recovered gold ounces have increased by 44% from previous PEA.

- The Valentine Lake Gold Camp currently hosts four near-surface deposits with measured and indicated resources totaling 2,691,400 oz. of gold at 1.85 g/t and inferred resources totaling 1,531,600 oz. of gold at 1.77 g/t.

- After tax NPV value has increased by $US126 million to $US493 million at 5% discount rate. The after tax internal rate of return (IRR) of 30%.

- Near surface, high-grade resources will allow for a low strip ratio and high gold production levels to allow for a quick payback period of only 1.7 years.

- A Preliminary Feasibility Study by the company is expected for 2019.
Hi Keith,

See attached for a revised version of the mining section for your final approval. The main changes are as follows:

1. IOC has been updated to reflect the info in the LIORC annual report that was released.
2. I have added a paragraph on Beaver Brook in the development section.
3. I added in some info on Marathon Gold based on the recent announcements.
4. I added some further details on exploration which I largely got from the exploration document on the NR website.
5. The missing price outlook statements were added in.

All of the changes you suggested have been incorporated except where noted below:

1. Anaconda paragraph – The mid-2019 is from their annual report press release in which they say they “Development at Argyle is expected towards the middle of the year”
2. The fluorspar paragraph – I made the changes we discussed on the phone.
3. Value of shipments outlook – Beaver Brook is not a significant contributor to the growth in 2019 hence why it is not mentioned.

If you have any further changes you would like made or would like to discuss any of this further feel free to send me an email or give me a call.

Thanks,

Daniel McKelvie
Econometrician
Economic Research & Analysis Division
Department of Finance
(709) 729-0856
DanielMckelvie@gov.nl.ca

Hi Daniel,
As discussed, please find attached the suggested edits for the Mining Section of the Economy. I have provided as highlights and comments inserted into the PDF doc to improve readability, you can let me know if this works better than the scan of a marked-up pdf that we have traditionally provided.

Any questions do not hesitate to reach out.

Thanks

Keith

Keith Bradbury
Manager, Mineral Industry Analysis
Mineral Development Division
Natural Resources
50 Elizabeth Avenue, St. John's, NL A1B 4J6
Tel: (709) 729-5811
Fax: (709) 729-3493

---

From: McKelvie, Daniel
Sent: Wednesday, February 27, 2019 10:23 AM
To: Smith, Alex O.
Cc: Bradbury, Keith R.; Aucoin, Rosalita
Subject: RE: Economy 2019 Mining Section DRAFT

Thanks for the heads up Alex. Whenever you can get your comments to us, we will try to incorporate them into the document.

Daniel

Daniel McKelvie
Econometrician
Economic Research & Analysis Division
Department of Finance
(709) 729-0856
DanielMcKelvie@gov.nl.ca

---

From: Smith, Alex O.
Sent: Tuesday, February 26, 2019 3:58 PM
To: McKelvie, Daniel <DanielMcKelvie@gov.nl.ca>
Cc: Bradbury, Keith R. <kbradbury@gov.nl.ca>; Aucoin, Rosalita <raucoin@gov.nl.ca>; Smith, Alex O. <asmith@gov.nl.ca>
Subject: RE: Economy 2019 Mining Section DRAFT

Daniel,

We are in the middle of a deadline crunch ourselves and will not be able to meet your time requirements.

We will endeavour to get something to you on Monday.

Alex
From: McKelvie, Daniel  
Sent: Tuesday, February 26, 2019 3:15 PM  
To: Smith, Alex O.  
Cc: Bradbury, Keith R.; Aucoin, Rosalita  
Subject: Economy 2019 Mining Section DRAFT

Alex,

Please see attached for the draft of the mining section for the economic review. This is a little bit earlier that we had originally anticipated getting the draft to you, but we have gotten word in the past week that budget may be a lot earlier this year than we had been planning for. Consequently, there are a few things in the document that are not yet finalized as we are waiting on data.

The things that you should note as being preliminary / placeholders are:
1. The price index chart which is waiting on us getting the February prices.
2. The statements on the price outlook at the end of the document.
3. IOC production is reported only for 3 quarters as LiORF has not yet released their annual numbers.
4. Rambler production is reported for only 3 quarters as they have not yet released their annual numbers.
5. Photo credits are still a work in progress.

Items 1, 2 and 5 we will be fixing the beginning of next week and items 3 and 4 we will adjust if the data becomes available in time to include it.

If you could have your staff review the document and let us know of any changes or corrections. If possible can you get this back to us by end of day Thursday? I know that is a quick turnaround, but we are under significant time pressure at our end with the potential of an earlier than expected budget date.

As always we really appreciate all the feedback and comments that you all give us.

Thanks,

Daniel McKelvie  
Econometrician  
Economic Research & Analysis Division  
Department of Finance  
(709) 729-0856  
DanielMcKelvie@gov.nl.ca
Mining

The value of Newfoundland and Labrador mineral shipments totalled $2.9 billion in 2018, a decrease of 19.3% from 2017 (see chart). This decline was due to lower iron ore production and prices which more than offset gains in nickel production. Total mining related employment (including employment associated with activities at Vale’s Long Harbour nickel processing facility) grew by around 11% to approximately 5,700 person years in 2018. This growth mainly reflects the start of construction on the Voisey’s Bay underground mine.

Market Conditions
Market conditions for the provincial mining industry fluctuated throughout 2018. Iron ore prices remained relatively steady, staying between $60 and $70 for most of the year (see chart). Overall, iron ore prices averaged $66.34/tonne in 2018, down 6.0% from 2017.

On the other hand, nickel prices were more erratic. Prices rose substantially over the first half of 2018, reaching a peak of $7.12/lb in June as the possibility of sanctions being placed on a major Russian nickel producer increased fears of supply constraints. However, uncertainty around global economic growth and the fear of a China-U.S. trade

Value of Mineral Shipments

<table>
<thead>
<tr>
<th></th>
<th>Iron Ore</th>
<th>Nickel</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ Billions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>35</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>2018</td>
<td>30</td>
<td>20</td>
<td>5</td>
</tr>
</tbody>
</table>

p: preliminary; e: estimate; f: forecast
Source: Department of Natural Resources; Natural Resources Canada
war lead to substantial price declines in the second half of the year, even as demand increased. For the year as a whole, nickel prices averaged $5.95/lb, up 26.0% from 2017.

Iron Ore Company of Canada
The Iron Ore Company of Canada (IOC), located near Labrador City, is the province’s oldest operating mine. The mine currently generates approximately 1,800 person years of employment.

IOC shipped 15.1 million tonnes of iron ore in 2018, down 21% from 2017. This significant decline in production was due to a work stoppage at the mine from March 27 to May 28 of last year because of a labour dispute. The company has since negotiated a new, five-year collective agreement with their employees and production ramped back up to normal levels by the end of June. Capital spending at IOC was $205 million in 2018, down from $265 million in the previous year. This decline was partly due to the disruption caused by the work stoppage.

Production at the new Moss Pit (previously known as the Wabush 3 deposit) began in September 2018. The new open pit mine will allow flexibility in providing iron ore feed to the existing concentrator plant to achieve and maintain production of iron concentrate at the mill’s rated capacity.

Tata Steel Minerals Canada
Tata Steel Minerals Canada (TSMC) operates a high-grade iron ore project, which straddles the Québec-Labrador border. This operation is a joint-venture between Tata Steel of India, Ressources Québec and New Millennium Iron Corp. TSMC has deposits in both Labrador and Québec.

Until recently, TSMC had been operating as a direct shipping ore (DSO) project, but is now transitioning to the production of high grade concentrate to take advantage of the current market premiums. TSMC has restarted construction of the $700 million wet processing plant, which will produce the concentrate. Construction of the plant initially began in 2011, but was put on hold in 2016 due to low commodity prices. The wet plant is currently in the final stages of construction and once complete, TSMC will produce both concentrate and DSO.

TSMC also plans to develop the Howse deposit. Once developed, the open pit mine is expected to have a life of 15 years and a maximum production rate of 22,000 tonnes of iron ore per day. The project has been given Mining Act approval and has been released from both Federal and Provincial environmental assessment.

In recent years, TSMC has idled operations during the winter to reduce operational costs. However, in 2018, some operational activity continued over the winter months as work on the construction and commissioning of the wet plant continued. The project generated approximately 400 person years of employment in the province in 2018.

Vale
Vale Newfoundland and Labrador (VNL) operates the Voisey’s Bay open pit nickel mine on the north coast of Labrador and the nickel processing facility in Long Harbour on the island portion of the province. Currently, all nickel mined at Voisey’s Bay is shipped to Long Harbour for processing and the processing facility operates using 100% Voisey’s Bay
concentrate. The value of nickel shipped by VNL rose by 4.2% in 2018 as a result of higher nickel prices. On June 11, 2018, VNL announced that it would be proceeding with the development of an underground mine at Voisey’s Bay. The project had initially been sanctioned in July 2015 but had been put on hold pending a company-wide review of all base metal operations. Capital investment in the project is expected to be almost $2 billion. Vale also announced that it had entered into an agreement with two companies to sell 75% of cobalt produced in Labrador starting in 2021 for an upfront payment of $US690 million. This deal allowed Vale to raise 40% of the capital needed for the development of the underground mine.

On October 17, 2018, the development of the underground mine officially began with the first blast at the Reid Brook portal rock face. The underground mine will include two separate deposits (Reid Brook and Eastern Deeps) and is expected to produce 45,000 to 50,000 tonnes of nickel-in-concentrate annually that will be processed into finished nickel at the Long Harbour processing plant. Mining operations will gradually transition from open pit to underground beginning in 2020. Access to the underground ore is expected to increase operational employment at the Voisey’s Bay mine from its current level of 500 person years to approximately 950 person years annually and is expected to extend the mine life to 2034.

Employment for all aspects of the Voisey’s Bay project—current operations at the Voisey’s Bay mine, the Long Harbour nickel processing facility and construction of the underground mine—averaged about 2,000 in 2018.

Other Mines

Rambler Metals and Mining Canada Ltd. (RMM) extracts and processes ore from its copper-gold Ming Mine on the Baie Verte Peninsula. RMM commenced commercial production in November 2012. Recent initiatives, focused on productivity and efficiency improvements, have enabled RMM to boost production as the company works towards its target of a sustained 1,250 tonnes of concentrate per day. RMM continues to pursue engineering evaluations of the potential of a further operational capacity increase with the goal of reaching 2,000 tonnes of concentrate production per day. Over the first three quarters of 2018, the company produced 3,067 tonnes of copper and 2,881 ounces of gold, an increase of 5.4% and 27.5%, respectively, from the same period in 2017. The mine currently generates around 200 person years of employment annually.

Anaconda Mining Inc. began gold production at its Point Rousse project near Baie Verte in 2008. In early 2018, production shifted from the Pine Cove pit to the Stog’er Tight deposit which is now the main feed source for the Pine Cove mill. Anaconda has continued an aggressive drilling program to further delineate the resource estimates for a number of gold prospects in the area. One of these prospects, the Argyle deposit, is expected to begin development in mid-2019 with ore production commencing in the third quarter of the year. Anaconda produced 20,149 ounces of gold in 2018, an increase of around 11% from a similar period in 2017. The operation currently generates around 80 person years of employment annually.

Canada Fluorspar Inc. (CFI) is operating a fluorspar mine and mill located in St. Lawrence. Construction of the project is complete and CFI made its first commercial shipment in August 2018. Production is expected to continue to ramp up. When the mine and mill are both fully operational, the project is expected to produce up to 200,000 tonnes of fluorspar concentrate per year. CFI generated around 250 person years of employment in 2018.

The province’s construction aggregate industry (i.e. producers of gravel, sand, crushed stone, or other mineral material that is used in the construction industry) shipped approximately seven million
metric tonnes of aggregate, sand and gravel valued at $39.9 million in 2018. The sector generated around 550 person years of employment.

**Development**

In July 2017, Tacora Resources Inc. announced that it had acquired the assets associated with the Scully Mine located in Wabush. The iron ore mine was formerly owned by Cliffs Natural Resources, who closed it in October 2014. In November 2018, Tacora announced that it had secured funding for the restart of the mine. The company is currently in the process of hiring the workforce and implementing the various commercial contracts and capital projects required for the restart of the operation. Costs associated with reactivating the mine are estimated at US$276 million. Mining operations are expected to begin in June 2019 with production ramping up through 2021. Once fully operational, the project is estimated to generate around 300 person years of employment.

China Minmetals is moving forward with the redevelopment of a closed antimony mine in central Newfoundland. The Beaver Brook Antimony Mine ceased production in 2012 due to falling commodity prices, lower than expected ore grades and high operating costs. The reopening of the mine is expected to create 100 new jobs and at full production the mine is expected to produce 160,000 tonnes of antimony per year.

**Exploration**

Mineral exploration activity has recovered somewhat due to several new exploration projects on both the island and in Labrador. Continued interest in gold has spurred several large scale gold exploration projects. Improving nickel prices have resulted in several new exploration projects for this commodity in areas surrounding the Voisey's Bay mine site as well as other prospective areas of Labrador. While still low on a historical basis,

**Mineral Exploration Expenditures**

<table>
<thead>
<tr>
<th>Year</th>
<th>Labrador</th>
<th>Newfoundland</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>100</td>
<td>200</td>
</tr>
<tr>
<td>2011</td>
<td>150</td>
<td>300</td>
</tr>
<tr>
<td>2012</td>
<td>200</td>
<td>400</td>
</tr>
<tr>
<td>2013</td>
<td>250</td>
<td>500</td>
</tr>
<tr>
<td>2014</td>
<td>300</td>
<td>600</td>
</tr>
<tr>
<td>2015</td>
<td>350</td>
<td>700</td>
</tr>
<tr>
<td>2016</td>
<td>400</td>
<td>800</td>
</tr>
<tr>
<td>2017</td>
<td>450</td>
<td>900</td>
</tr>
<tr>
<td>2018</td>
<td>500</td>
<td>1000</td>
</tr>
</tbody>
</table>

Source: Department of Natural Resources

exploration expenditures rose to $45.4 million in 2018 from $41.5 million in 2017 (see chart).

A number of other long term potential projects continued to progress in 2018. Alderon Iron Ore released the results of an updated Feasibility Study on the Kami Iron Ore Project. Norzinc reported an updated resource estimate for their Lemarchant VMS Deposit. Buchans Resources conducted a drilling program in the Buchans area while Search Minerals continued drilling on their Deep Fox rare earth prospect in preparation for an initial resource estimate.

Marathon Gold is progressing with their Valentine Lake Gold Camp in central Newfoundland. Recent drilling results have continued to show a significant resource potential for the project. An environmental assessment is expected to be submitted to provincial and federal regulators in March and the company is planning to complete preliminary feasibility study in 2019.

**Mining the Future 2030**

*Mining the Future 2030: A Plan for Growth in the Newfoundland and Labrador Mining Industry* was released on November 2, 2018. The plan was developed in collaboration with Mining Industry NL and strategically positions Newfoundland and Labrador to avail of opportunities under the developing Canadian Minerals Metals Plan.
By 2030, the Provincial Government envisions:

- Five new mines;
- Sustainable direct employment of more than 6,200 people in operations;
- Doubling annual exploration expenditures to $100 million (or at least 5 per cent of Canadian total);
- $4 billion in annual mineral shipments (or at least 10 per cent of the Canadian total);
- A workforce that is more diverse and includes a minimum of 30% women—double the current level;
- Ensuring the province is consistently ranked as a top three Canadian jurisdiction in permitting times; and
- Ensuring the province is consistently ranked overall as a top three Canadian jurisdiction by industry.
MEETING NOTE  
Department of Natural Resources  
Marathon Gold Corporation  
Monday, March 4, 2019, 4:00 PM  
Fairmont Royal York Hotel, PEI Room, Main Mezzanine Level

Attendees:  
Phillip Walford, President and CEO, Marathon Gold Corporation  
Sherry Dunsworth, Senior Vice President of Exploration, Marathon Gold Corporation  
Minister Siobhan Coady  
Perry Canning, ADM, Mines

Purpose of Meeting:
- Marathon Gold Corporation (Marathon) requested a meeting with the Minister at PDAC to provide an update on its gold exploration project at Valentine Lake, central Newfoundland.

Background:
- Marathon is a Toronto-based gold exploration and development company with three ongoing exploration projects: two in Newfoundland and Labrador (Baie Verte and Valentine Lake) and one in Oregon, USA.

- Marathon’s Flagship Project, Valentine Lake in central NL covers an area of 24,000 hectares. The Valentine Lake Gold Camp hosts four near-surface, mainly pit-constrained, deposits with measured and indicated resources totaling 2,691,400 ounces of gold at 1.85 grams per tonne and inferred resources totaling 1,531,600 ounces of gold at 1.77 grams per tonne.

- Marathon released an updated Preliminary Economic Assessment (PEA) on October 30, 2018 to incorporate drill results into an updated resource estimate for the Valentine Lake Gold Camp. The mine life has increased by two years to 12.2 years with an annual average production increase of 68,000 ounces to 225,100 ounces per year.

- The updated PEA included reduced preproduction capital to $US355 million, a savings of $US25 million from the previous PEA. After tax net present value has increased by $US126 million to $US493 million at five per cent discount rate. The after tax internal rate of return for the project is 30%.

- As part of its mineral licence assessment reporting requirements, Marathon has reported expending $46.7 million to date on mineral exploration work at Valentine Lake.

- Marathon has received significant support for its exploration work through the Junior Exploration Assistance Program for a total of $898,328.06 since 2010. Marathon acknowledges this support in each of its news releases.

- NR has been engaged with Marathon on the maintenance of the mineral licences and also has supported the company in addressing issues related to gating public roads, licence expiry, and recently, the matter of cabins/cottages located within the licenced area.

Agenda item #1: Project Update
- Marathon will provide a brief update on the Valentine Lake project; discuss the project time line in relation to the Federal and Provincial permitting process; and the heap leach option.
On February 21, 2019, Marathon closed the sale of a 2% net smelter returns royalty (NSR) to Franco-Nevada Corporation linked to the Valentine Lake Gold Camp for gross proceeds of $18 million. The proceeds will be used to carrying a program of engineering, drilling and environmental programs for the remainder of 2019, targeting completion of prefeasibility study by the end of 2019, advancing ongoing metallurgical test work, and advancing toward the critical path environmental assessment registration.

The sale of a 2% net smelter returns royalty to Franco-Nevada Corporation applies to the entire Valentine Lake Gold Camp property and covers the sale of precious and base metals and minerals. Marathon has the option to buy back 0.5% of the NSR for US$7 million until December 2022.

In November, 2017 Marathon bought back a 3% precious metals NSR royalty and the 2% base metals NSR royalty on its Valentine Lake gold property in central Newfoundland from a third party for US$8.7 million.

Analysis

- SGS Canada was awarded a metallurgical contract in August 2018 to conduct a comprehensive metallurgical evaluation of the deposit, building on previous positive metallurgical studies at the Valentine Lake Gold Project.

- The results from test work are expected in the second quarter of 2019 and will be used in support of the compilation of a Prefeasibility Study that is also expected by Q2 2019.

- Requests for proposals for the development of an Environmental Assessment registration description were sent to qualified consultants in early January 2019. The EA document is anticipated to be submitted to both provincial and federal agencies in March 2019.

Potential Speaking Points

- The Minister may wish to congratulate Marathon on the recent news of $18 million endorsement from Franco-Nevada for its net smelter royalty.

- The Minister may wish to congratulate Marathon on its exceptional level of exploration success and plans for mine development.

- The Minister may wish to indicate that the department will continue to support Marathon where possible and looks forward to the release of the Prefeasibility Study.

- The Minister may wish to indicate that the province is engaged with the Federal Government with respect to proposed changes to the Federal EA process.

- The Minister may wish to enquire how the Franco-Nevada gross proceeds of $18 million will impact their 2019 exploration activities.

Proposed Actions

- NR will continue to monitor the developments at Valentine Lake and work with Marathon whenever possible.

Agenda item #2: Cabin / Cottage lease issues

- Though not on the agenda, Marathon may raise the issue of cabin/cottage Crown land tenure applications within Marathon’s mineral licences.
Analysis

- Mineral licenses in the Valentine Lake area have been held since 2004 by various companies. Marathon has held these licences, at least in part, since 2011.

- Cabin/cottage occupation in the area previously was approved by Abitibi when the surface and timber rights were held by that company. According to the applicant, the cabin in the vicinity of the Marathon deposit pit has existed since 1990. Also, records indicate that Abitibi granted a permit for the cabin no later than 2006.

- NR has provided comments through a FLR referral process on applications within Marathon’s licences (with the exception of two applications that were not sent to NR for review, dating from approximately 2012 and located in the far northeast of the licence area).

- FLR has a Cabinet-approved process that allows for the issuance of surface rights to cabins previously under Abitibi’s jurisdiction. NR has appropriately provided feedback through a referral process on the cabin applications by advising on the presence of mineral resources, ongoing mineral exploration activities, and the possibility of a future mining operation corresponding to the Valentine Lake gold project.

- NR originally proposed an area within Marathon’s licences where NR would reject applications for surface rights (other than those related to mineral resource uses) based on the anticipated mine development area by Marathon.

- Based on Marathon’s recently updated project information, one cabin is located along the margin of a 500 metre blast zone that Marathon has outlined around the planned Marathon deposit pit; and another cabin (no application known) is on/adjacent to an area proposed for infrastructure development (including mineral processing facilities).

Potential Speaking Points

- The Minister may wish to communicate that NR consistently relays the interests of the mineral industry when providing referral responses to other government agencies concerning land tenure applications or other land use proposals.

Proposed Actions

- To be determined based on FLR’s decision(s) on the issuance of surface rights to cabin owners located within Marathon’s Valentine Lake mineral licences.

- Marathon will present the proposed scope of operations of the Valentine Lake Project to FLR prior to FLR rendering a decision on the seven outstanding applications.

Prepared/Approved by:          B. Lawlor / K. Sheppard / A. Smith / P. Canning
Ministerial Approval:

February 22, 2019

Attachments: Biographies
Biographies

Phillip C. Walford, President and CEO, Director

Phillip C. Walford is the President and Chief Executive Officer of the Corporation since December 3, 2009. From March 2005 to November 2010 Mr. Walford served as the President and Chief Executive Officer of Marathon PGM Corporation. Mr. Walford was a founder of Marathon PGM Corporation and served as a director from October 2003 to November 2006 and from May 2007 to November 2010.

Mr. Walford has held senior management positions at Pamour Porcupine Mines Ltd., LacMinerals Ltd. Geomaque Explorations Ltd., and Hudson Bay Exploration and Development and has extensive international experience in gold and base metal deposits. As a result of his rich global experience, Mr. Walford places high value and importance on lessening risk and has modeled Marathon Gold on this premise.

Sherry M. Dunsworth, Senior VP of Exploration

Ms. Dunsworth is a M.Sc. graduate in Earth Sciences from Memorial University in St. John's, Newfoundland. She also received a B.Sc. Honours degree in Geology from St. Mary's University in Halifax, Nova Scotia.

Ms. Dunsworth is a professional geologist with over 30 years exploration experience, working throughout Canada as well as parts of Europe and South America. She was a member of the Mineral Rights Adjudication Board of Newfoundland and Labrador, served as Geoscience Councillor for the Association of Professional Engineers and Geoscientists of Newfoundland and Labrador, and is currently a Director with Mining Industry Newfoundland and Labrador.