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## MAJESTIC GOLD CORP. REPORTS SECOND QUARTER 2016 RESULTS

**Vancouver, British Columbia – May 30, 2016 - Majestic Gold Corp.** (“Majestic” or the “Company”) (TSX.V: MJS, FSE: A0BK1D) reports its financial and operational results for the second quarter ended March 31, 2016. This release should be read in conjunction with the Company’s unaudited condensed consolidated interim financial statements and associated management discussion and analysis for the same period that are available on SEDAR ([www.sedar.com](http://www.sedar.com)) and [www.majesticgold.com](http://www.majesticgold.com). The following financial results are expressed in US dollars unless otherwise stated.

### 2016 Second Quarter Overview

- Gold production from the Songjiagou Gold Mine was 5,498 ounces for the second quarter of 2016, compared to 4,807 ounces produced in the second quarter of 2015;
- Tonnes milled for the quarter ended March 31, 2016, were 442,331 tonnes with an average head grade of 0.44 g/t, compared to 364,232 tonnes milled, with an average head grade of 0.42 g/t, for the comparative quarter of 2015;
- Gold sales revenue was \$10.3 million for quarter ended March 31, 2016, from the sale of 9,259 ounces, at an average realized gold price of \$1,115 per ounce, compared to gold sales revenue of \$5.9 million from the sale of 4,501 ounces, at an average realized gold price of \$1,309 per ounce, for the comparative quarter of 2015;
- For the second quarter ended March 31, 2016, cash costs were \$1,004 per ounce, production costs were \$1,076 per ounce and all-in sustaining costs were \$1,188 per ounce compared to cash costs of \$1,135 per ounce, production costs of \$1,256 per ounce and all-in sustaining costs of \$1,304 per ounce for the comparative quarter of 2015;
- General and administrative (“G&A”) expenses were \$630,546 for second quarter of 2016 (2015 Q2 - 694,763);
- On January 21, 2016 the Company announced it had filed an amended technical report titled "Independent Technical Report of Songjiagou Project, Shandong Province, The People's Republic of China" dated January 19, 2016 as prepared by SRK Consulting (China) Ltd.; and
- On January 28, 2016, the Company granted 27,700,000 stock options at an exercise price of CAD\$0.12 exercisable for a term of five years under normal vesting terms.

### PRODUCTION RESULTS

	Three months ended March 31,		Six months ended March 31,	
	2016	2015	2016	2015
<b>Production data</b>				
Tonnes mined	377,867	384,945	918,472	819,037
Tonnes milled	442,331	364,232	860,881	795,918
Head grade (g/t)	0.44	0.42	0.51	0.42
Mill recovery	89%	88%	90%	88%
Gold produced (ozs)	5,498	4,807	12,711	9,871
Gold realized, net of smelting fees (ozs)	5,207	4,476	12,183	9,271

## **FINANCIAL INFORMATION**

	Three months ended March 31,		Six months ended March 31,	
	2016	2015	2016	2015
<b>Operating data</b>				
Gold produced (ozs)	5,498	4,807	12,711	9,871
Gold realized net of smelting fees (ozs)	5,207	4,476	12,183	9,271
Gold sold (ozs)	9,259	4,501	12,796	9,967
Average realized gold price (\$/oz sold) \$	1,115	\$ 1,309	\$ 1,148	\$ 1,269
Total cash costs (\$/oz sold) <sup>(1)</sup>	1,004	1,135	1,012	1,136
Total production costs (\$/oz sold) <sup>(1)</sup>	1,076	1,256	1,133	1,255
All-in sustaining costs (\$/oz sold) <sup>(1)</sup>	1,188	1,304	1,197	1,283
<b>Financial data</b>				
Total revenues	\$ 10,434,943	\$ 5,889,843	\$ 14,879,403	\$ 12,652,735
Gross profit <sup>(2)</sup>	475,669	235,283	379,491	142,912
Net loss attributable to shareholders	(1,454,033)	(544,256)	(2,003,032)	(1,468,444)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)
			March 31,	September 30,
			2016	2016
Cash and cash equivalents	9,899,586	9,899,586	9,899,586	9,899,586
Total assets	96,367,547	96,367,547	96,367,547	96,367,547
Total debt	23,884,663	23,884,663	23,884,663	23,884,663

(1) See “Additional Non-IFRS Financial Measures” in the Company’s MD&A.

(2) “Gross profit” represents total revenues, net of cost of goods sold.

### **About Majestic Gold**

Currently focused solely in China, Majestic Gold Corp. is a British Columbia based company engaged in commercial gold production at the Songjiagou Gold Mine in eastern Shandong Province, China. Additional information on the Company and its projects is available at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.majesticgold.com](http://www.majesticgold.com).

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### **Cautionary Notes**

*Certain statements contained herein may constitute forward-looking statements and are made pursuant to the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995 and Canadian securities laws. Forward-looking statements are statements which relate to future events. Such statements include estimates, forecasts and statements as to management’s expectations with respect to, among other things, business and financial prospects, financial multiples and accretion estimates, future trends, plans, strategies, objectives and expectations, including with respect to production, exploration drilling, reserves and resources, exploitation activities and events or future operations. Information inferred from the interpretation of drilling results and information concerning mineral resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when, and if, a project is actually developed.*

*In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, level of activity, performance or achievements to be materially different from any future results, levels of activity, performance, or achievements expressed or implied by these forward-looking statements.*

*While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggestions herein. Except as required by applicable law, Majestic Gold does not intend to update any forward-looking statements to conform these statements to actual results.*