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MAJESTIC GOLD CORP. REPORTS 2015 THIRD QUARTER RESULTS

Vancouver, British Columbia – August 27, 2015 - Majestic Gold Corp. (“Majestic” or the “Company”) (TSX.V: MJS, FSE: A0BK1D) reports its financial and operational results for the third quarter ended June 30, 2015. 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) and www.majesticgold.com. The following financial results are expressed in US dollars unless otherwise stated.

2015 Third Quarter Overview

- Gold production from the Songjiagou Gold Mine (“Songjiagou”) in the third quarter of 2015 was 4,605 ounces, an 8% increase over 4,269 ounces produced in the comparative quarter of 2014;
- Average ore head grade was 0.43 g/t for the third quarter of 2015, compared to 0.42 g/t in the comparative quarter of 2014;
- Revenue was \$2.8 million for the third quarter of 2015 from the sale of 2,251 ounces at an average price of \$1,239/oz, compared to \$8.6 million from 6,590 ounces sold at an average price of \$1,311/oz. The 68% decrease in revenue over the 2014 comparative quarter is attributed primarily to the decrease gold ounces sold;
- Total cash costs per ounce were \$1,290/oz for the third quarter of 2015 (2014 Q3 - \$1,189/oz), an 8% increase over the 2014 comparative quarter;
- Net loss was \$1,137,335 for the third quarter of 2015 (2014 Q3 – (\$932,047));
- General and administrative (G&A) expenses were \$637,416 for the third quarter of 2015 (2014 Q3 - \$763,705). The 17% decrease over the 2014 comparative quarter indicates the Company’s continued control of its G&A expenditures;
- The Company received final government approval to expand its Mining License at its Songjiagou Gold Mine from 0.342 km² to 0.594 km²; and
- During the third quarter of 2015, Majestic entered into a Letter of Intent (“LOI”) with Yantai Baiheng Gold Mining Co. Ltd. (“Baiheng”) on the Shuang Shan Tun and Xia Yu Cun properties, located in the Muping-Rushan Gold Belt in Shandong Province, China.

FINANCIAL INFORMATION

	Three months ended June 30,		Nine months ended June 30,	
	2015	2014	2015	2014
Operating data				
Gold produced (ozs)	4,605	4,269	14,476	14,824
Gold realized net of smelting fees (ozs)	4,246	4,080	13,517	13,896
Gold sold (ozs)	2,251	6,590	12,217	14,950
Average realized gold price (\$/oz sold) \$	1,239 \$	1,311 \$	1,264 \$	1,322 \$
Total cash costs (\$/oz sold) ^(1,2)	1,290	1,189	1,165	1,060
All-in sustaining costs (\$/oz sold) ^(1,2)	1,552	1,302	1,333	1,368
Financial data				
Total revenues	\$ 2,787,430	\$ 8,641,683	\$ 15,440,165	\$ 20,127,407
Gross profit ⁽³⁾	(436,386)	456,620	(293,474)	3,118,460
Net loss attributable to shareholders	(903,034)	(979,226)	(2,371,478)	(3,253,046)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Cash and cash equivalents	7,090,595	12,444,592	7,090,595	12,444,592
Total assets	99,160,178	99,279,878	99,160,178	99,279,878
Total debt	27,494,464	20,445,677	27,494,464	20,445,677

(1) Per ounce sold.

(2) See "Additional Financial Measures" in the Company's MD&A.

(3) "Gross profit" represents total revenues, net of cost of goods sold.

PRODUCTION RESULTS

	Three months ended June 30,		Nine months ended June 30,	
	2015	2014	2015	2014
Production data				
Tonnes mined	386,408	361,361	1,205,445	1,231,838
Tonnes milled	374,457	380,744	1,170,375	1,225,076
Head grade (g/t)	0.43	0.42	0.42	0.41
Mill recovery	89%	88%	88%	88%
Gold produced (ozs)	4,605	4,269	14,476	14,824
Gold realized, net of smelting fees (ozs)	4,246	4,080	13,517	13,896

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 and on the Company's website at 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.