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MAJESTIC GOLD CORP. – SHAREHOLDER’S UPDATE

Vancouver, British Columbia – June 8, 2018 - Majestic Gold Corp. (“Majestic” or the “Company”) (TSX.V: MJS, FSE: A0BK1D) is pleased to provide a shareholder’s update on its operations at Songjiagou in conjunction with the Company’s Annual General Meeting held on June 7, 2018.

Open Pit Operations

The overall operation at Songjiagou has seen steady improvement since an optimization plan was implemented in early 2015. Since that time the operation has benefitted from better grade control, increased technical staff with a better understanding of the deposit and able to generate short term mine plans. These changes and others have resulted in increased productivity and significant increases in gold production in 2016 and 2017, increasing steadily from just below 20,000 ounces in 2015 to over 25,000 ounces in 2017. Continued increases in productivity for the first six months of 2018 indicates that production in 2018 could be over 30,000 ounces, with production in Q2 2018 at a record of 8,297 ounces of gold.

An amendment to its mining agreement in early 2017, lowering mining and processing fees, played a significant role in allowing the Company to achieve lower total cash costs and all-in sustaining costs that were down to \$631 and \$738 per ounce respectively for the six months ending March 31, 2018.

The operation continues to work on improved access into and out of the pit, which was hampered by the slope failure in the northwest corner of the pit in July of 2016. With access in and out of the pit moving solely to the east side of the pit, a small piece of land to the east of the pit was acquired and was then leveled down to +81 metres elevation. From there, the new pit ramp is being developed down to the +69 metre bench. With the northwest slide debris cleaned up and new access roads nearing completion, the expansion of pit production will proceed this year. To that end, new equipment has been purchased by the contractor, including new excavators that will allow for increased daily production.

SRK Consulting (China) Ltd. (“SRK”) has been contracted to provide an updated NI 43-101 report on the property that will include an updated mineral resource estimate. SRK has worked with onsite technical personnel to evaluate the geological model of the deposit at Songjiagou and has performed independent sampling in the pit that will be used in calculating the revised mineral resource estimate. The dataset available to SRK includes over 60,000 blasthole samples that have been taken regularly since the program began in late 2014.

North Songjiagou Underground Development

Development of the underground operation at Songjiagou, immediately north of the open pit, is ongoing and is over six months ahead of schedule; production from the underground operation could begin as early as the end of calendar year 2018. Mining will be done using a ramp, collared at +80 metres elevation, to access six production levels down to -160 metres elevation.

The ramp has advanced more than 1,110 metres down to the production level at -40 metre elevation, and will ultimately be developed to a length of 2,075 metres, with six production levels to be developed off the ramp at elevations +49m, +9m, -40m, -80m, -120m, and -160m. Ramp development has been halted in favor of development of levels at +49m, +9m, and -40m elevations. Level +49 metre has seen 1,869 metres of development, level +9 has seen 3,073 metres of development and the -40 level has seen 1,981 metres of

development. Production will commence once level development and the construction of a 3.5 metre diameter auxiliary shaft and a smaller air shaft are completed.

The underground is designed to produce about 90,000 tonnes of material annually or about 250-275 tonnes per day which should add about 7,000 ounces of gold to yearly production. This part of the operation is designed to mine four or five separate precious metal veins that are a continuation of mineralization that is being developed in the open pit. Historical exploration by the No. 3 Brigade outlined five mineralized vein structures that comprise a non 43-101 compliant resource in a report that was filed with the Bureau of Land and Resources of Shandong Province in 2013.

The report contained overall mineral resources in the northern area at Songjiagou of 1,415,736 tonnes with an average grade 2.4 g/t gold, containing 120,000 ounces of gold. Of that, 9,000 ounces of the resource were classified as 332 (Indicated), with the remainder being classified as 333 (Inferred). The current plan is to mine 4 of the 5 mineralized veins, which reduces the overall tonnage to 1,409,394 tonnes with an overall average grade of 2.38 g/t gold, containing 118,000 ounces of gold.

The Company advises that this mineral resource estimate, as disclosed, is not supported by a compliant NI 43-101 technical report, contrary to NI 43-101. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves and the Company is not treating the historical estimate as current mineral resources or mineral reserves. This being the case, the historical estimate should not be relied upon.

SRK worked with Songjiagou personnel in May to perform underground sampling of mineralized vein material from all three levels. A total of 257 samples have been sent to two independent labs for analysis, results from which will be incorporated in a revised resource calculation of the underground vein mineralization.

Village Relocation

Construction of housing for villagers that currently live in close proximity to operations at Songjiagou is almost complete and it is anticipated that people will be moving into the complex later on this year. Approximately 180 families are affected by this and will be moved into the complex but will retain their farmland in return for a 75 year condominium lease.

Corporate Development

The Company continues to monitor progress at Yantai Baiheng Gold Mining Co. Ltd.'s ("Baiheng") Shuang Shan Tun and Xia Yu Cun properties. At Shuang Shan Tun, Baiheng has completed a new 700 metre deep shaft that will allow for development of high grade vein structures on several different levels.

Stephen Kenwood, P. Geo., is the Qualified Person responsible for the preparation of this news release.

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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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.