



306 - 1688 152nd Street
Surrey, British Columbia
Canada, V4A 4N2
Telephone: 604-560-9060
Facsimile: 604-560-9062
Email: info@majesticgold.com

MAJESTIC GOLD CORP. REPORTS 2021 Q2 RESULTS

Vancouver, British Columbia – August 24, 2021 - Majestic Gold Corp. (“Majestic” or the “Company”) (TSX.V: MJS, FSE: MJT) reports its financial and operational results for the first six months ended June 30, 2021. The following financial results are expressed in US dollars unless otherwise stated.

This release should be read in conjunction with the Company’s unaudited condensed consolidated interim financial statements for the quarter end June 30, 2021 and associated Management Discussion and Analysis (“MD&A”) which are available on SEDAR www.sedar.com and on the Company’s website www.majesticgold.com.

OPERATIONAL HIGHLIGHTS

Six months ended June 30, 2021

- On August 12, 2021, the Company received approval to resume mining operations at the Songjiagou Open Pit Mine following successful completion of its safety inspection. The mining operations have been suspended since January 27, 2021, pending a province wide governmental cautionary safety inspections of all non-coal operating mines;
- Net income was \$6.0 million for the six months ended June 30, 2021, a decline from \$6.5 million for the FY2020 comparative period. Net income for 2021 includes a one-time income tax recovery of \$2.8 million from a retrospective change of the Company’s subsidiary corporate tax rate from 25% to 15%;
- Gold production decreased by 54% to 7,287 ounces, from 15,912 ounces produced for the FY2020 comparative period. The decrease in production is due to mining operations being curtailed since January 27, 2021 pending completion of the governmental safety inspections;
- Gold revenue was \$14.7 million, a decrease of 37% from \$23.5 million for the FY2020 comparative period. The decline in revenue is primarily due to the decrease in gold available for sale as result of the curtailment of the mining operations since January 27, 2021;
- Gross profit from mining operations decreased by 39% to \$6.9 million, from \$11.2 million for the FY2020 comparative period due to the curtailment of the mining operations since January 27, 2021;
- Total cash costs and all-in sustaining costs (“AISC”) for the first six months ended June 30, 2021, were \$732 per ounce and \$965 per ounce, compared to \$607 per ounce and \$737 per ounce for the FY2020 comparative period; For AISC computation details, refer to pages 17-18 of the MD&A for this Non-IFRS financial measure;
- Adjusted EBITDA for the first six months ended June 30, 2021, was \$7.2 million, compared to \$12.5 million for the FY2020 comparative period. For EBITDA computation details, refer to pages 17-18 of the MD&A for this Non-IFRS financial measure; and
- On July 2, 2021, the Company entered into a letter of intent (“LOI”) with Western Explorers PTY Ltd. (“Western Explorers”), a private Australian corporation, to acquire a 65% interest in four separate tenements located in Western Australia, an area with demonstrated potential for the discovery of lithium oxide mineralization.

FINANCIAL INFORMATION

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Operating data				
Gold produced (ozs)	2,084	9,034	7,287	15,912
Gold realized net of smelting fees (ozs)	1,948	8,356	6,750	14,716
Gold sold (ozs)	4,900	8,298	7,930	15,053
Average realized gold price (\$/oz sold)	\$ 1,832	\$ 1,587	\$ 1,859	\$ 1,560
Total cash costs (\$/oz sold) ⁽¹⁾	907	537	732	607
Total production costs (\$/oz sold) ⁽¹⁾	1,080	716	995	814
All-in sustaining costs (\$/oz sold) ⁽¹⁾	1,092	670	965	737
Financial data				
Total revenues	\$ 8,975,339	\$ 13,169,364	\$ 14,745,825	\$ 23,481,272
Gross profit ⁽²⁾	3,682,594	7,231,897	6,857,461	11,222,591
Adjusted EBITDA ⁽¹⁾	3,622,838	7,739,341	7,158,491	12,524,068
Net income	1,315,785	4,392,775	6,022,428	6,546,337
Net income attributable to shareholders	806,339	2,932,040	4,078,797	4,352,136
Basic and diluted gain per share	0.00	0.00	0.01	0.01
			June 30, 2021	December 31, 2020
Cash			\$ 35,277,188	\$ 33,774,231
Total assets			132,067,467	126,715,193
Total current liabilities			33,465,025	31,920,104

(1) See “Additional Financial Measures” in the Company’s MD&A on pages 17-18.

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

About Majestic Gold

Currently focused 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, with exploration properties located in Australia, China and Canada. Additional information on the Company and its projects is available at www.sedar.com and on the Company’s website at www.majesticgold.com.

For further information, please contact:

Stephen Kenwood, P.Geo., President and CEO

Telephone: (604) 560-9060

Email: info@majesticgold.com

Website: www.majesticgold.com

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