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MAJESTIC GOLD CORP. ANNOUNCES PROPOSED DISPOSAL OF MUJIN GOLD PROJECT INTEREST

Vancouver, British Columbia – August 26, 2026 – Majestic Gold Corp. (TSX.V: MJS, FSE: A0BK1D) ("**Majestic**" or the "**Company**") announces that its 58.75%-owned Hong Kong Stock Exchange-listed subsidiary, Persistence Gold Group Ltd. ("Persistence") (HKEX: 2489), and a wholly-owned subsidiary of Persistence have entered into two equity transfer agreements for the proposed disposal of Persistence group's entire indirect 52% interest in Yantai City Mujin Mining Company Limited ("Yantai Mujin"), together with related shareholder loans, for aggregate consideration of approximately US$25.9 million (RMB174.0 million) (the "Transaction").

Yantai Mujin owns and operates the Mujin Gold Project in Yantai City, Shandong Province, China. The Mujin Gold Project comprises the Denggezhuang Underground Gold Mine ("DGZ Mine"), the Houzhuang-Heiniutai Underground Gold Mine ("HH Mine") and the Chahe Underground Gold Mine ("CH Mine").

Transaction Details

The Transaction comprises two separate equity transfer agreements:

- Persistence has agreed to sell to Mr. Fan Zhong Kong ("Mr. Kong") its entire interest in PRG RES Holding 2 Ltd., which indirectly holds a 41.051% interest in Yantai Mujin, together with a related shareholder loan, for consideration of approximately US$20.4 million (RMB137.3 million). Mr. Kong currently beneficially owns approximately 9.4% of Majestic's outstanding common shares; and
- Majestic Yantai Gold Ltd., a wholly-owned subsidiary of Persistence, has agreed to sell to Yantai Yihui Investment Company Limited ("Yihui Investment") its 10.949% interest in Yantai Mujin, together with a related shareholder loan, for consideration of approximately US$5.5 million (RMB36.6 million). Yihui Investment currently owns a 40% interest in Yantai Mujin.

The aggregate consideration payable under the agreements is approximately US$25.9 million (RMB174.0 million) in cash, of which approximately US$15.9 million (RMB106.6 million) relates to the equity interests in Yantai Mujin and approximately US$10.0 million (RMB67.4 million) relates to the repayment of shareholder loans.

Under the agreement with Mr. Kong, approximately RMB84.2 million (US$12.5 million) is payable following satisfaction of the applicable conditions precedent, with the remaining approximately RMB53.2 million (US$7.9 million), representing repayment of the related shareholder loan, payable on or before December 31, 2026. The consideration under the agreement with Yihui Investment is payable following satisfaction of the applicable conditions precedent.

The two equity transfer agreements are not inter-conditional and may complete separately.

Completion of the Transaction is subject to the satisfaction or waiver, as applicable, of the conditions precedent contained in the respective agreements, including required corporate, regulatory and governmental approvals and other customary closing conditions.

Upon completion of the Transaction, Persistence will cease to hold any equity interest in Yantai Mujin and Yantai Mujin will cease to be a subsidiary of Persistence and Majestic. Accordingly, Yantai Mujin's financial results will no longer be consolidated into Majestic's consolidated financial statements.

Reasons for the Disposal
Following a review of the financial performance and operating status of the Mujin Gold Project, Majestic believes the Transaction provides an opportunity to realize value from its investment while strengthening the Company's liquidity and financial flexibility.

The Company and its subsidiaries originally acquired the 52% interest in Yantai Mujin in February 2025 for aggregate consideration of approximately US$11.4 million (RMB81.9 million), as reported in Majestic's financial statements. Subsequent to the acquisition, the Company and its subsidiaries made an additional equity contribution of approximately RMB20.9 million to Yantai Mujin, bringing the aggregate equity investment to approximately RMB102.8 million.

The proposed consideration attributable to the equity interests is approximately US$15.9 million (RMB106.6 million), representing approximately RMB3.8 million, or 3.7%, above the aggregate equity investment, before transaction costs, taxes and accounting adjustments. In addition, the Transaction provides for the repayment of approximately US$10.0 million (RMB67.4 million) of shareholder loans.

The foregoing comparison is based on the RMB transaction values and does not represent the accounting result that Majestic will ultimately recognize on the Transaction.

The Company believes the Transaction will allow financial and management resources to be reallocated toward other growth opportunities while Majestic continues to focus on the operation and development of its Songjiagou Gold Project and the evaluation of additional growth opportunities.

The Company will provide further updates regarding the Transaction as material developments occur.

About Majestic Gold Corp.
Majestic Gold Corp. is a junior gold producer engaged in commercial gold production in eastern Shandong Province, China, with mining operations at its Songjiagou Gold Mines and the Mujin Gold Project. Additional information on the Company and its projects is available at www.sedarplus.ca and on the Company's website at www.majesticgold.com.

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Forward-Looking Information
This news release contains forward-looking information within the meaning of applicable securities legislation, including statements regarding the proposed Transaction, the satisfaction or waiver of conditions precedent, receipt of required regulatory and governmental approvals, completion and timing of

the Transaction, receipt of the consideration, the anticipated effects of the Transaction, the use and reallocation of financial and management resources, and the Company's future operations and growth opportunities. Forward-looking information is based on management's current expectations and assumptions and is subject to risks and uncertainties that may cause actual results to differ materially from those expressed or implied, including the risk that the conditions to the Transaction may not be satisfied or waived, required approvals may not be obtained, or the Transaction may not be completed on the terms contemplated or at all. Readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to update such information except as required by applicable securities laws.