

Form 51-102F3
Material Change Report
Under Subsection 7.1(1) of National Instrument 51-102

Item 1 **Reporting Issuer**

Majestic Gold Corp.
306 – 1688 152nd Street
Surrey, BC, V4A 4N2
(the “Company”)

Item 2 **Date of Material Change**

July 20, 2020

Item 3 **News Release**

A news release was issued on July 20, 2020

Item 4 **Summary of Material Change**

Vancouver, British Columbia – July 20, 2020 - Majestic Gold Corp. (“Majestic” or the “Company”) (TSX.V: MJS, FSE: A0BK1D) announces its financial and operational results for the year ended December 31, 2019. The following financial results are expressed in US dollars unless otherwise stated.

This release should be read in conjunction with the Company’s audited consolidated financial statements for the years ended December 31, 2019 and September 30, 2018 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.

Item 5 **Full Description of Material Change**

5.1 **Full Description of Material Change**

Vancouver, British Columbia – July 20, 2020 - Majestic Gold Corp. (“Majestic” or the “Company”) (TSX.V: MJS, FSE: A0BK1D) announces its financial and operational results for the year ended December 31, 2019. The following financial results are expressed in US dollars unless otherwise stated.

This release should be read in conjunction with the Company’s audited consolidated financial statements for the years ended December 31, 2019 and September 30, 2018 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.

OVERVIEW

- **Gold production** was 35,099 ounces for the fifteen-months ended December 31, 2019, compared to 29,160 ounces produced for the twelve-months end September 30, 2018;
- **Gold sales revenue** was \$40.4 million for the fifteen-months ended December 31, 2019, from the sale of 31,384 ounces, at an average realized gold price of \$1,286 per ounce, compared to gold sales revenue of \$33.5 million from the sale of 25,584 ounces, at an average realized gold price of \$1,308 per ounce, for the twelve-months end September 30, 2018;
- **Total cash costs and all-in sustaining costs (“AISC”)** for the fifteen-months ended December 31, 2019, were \$641 per ounce and \$786 per ounce, compared to \$628 per ounce and \$746 per ounce for the twelve-months end September 30, 2018; Refer to pages 17-19 of the MD&A for the computation of this Non-IFRS financial measure;
- **Adjusted EBITDA** for the fifteen-months ended December 31, 2019, was \$15.8 million, compared to \$14.5 million for the twelve-months end September 30, 2018. Refer to pages 17-19 of the MD&A for the computation of this Non-IFRS financial measure;

- **Net income** for the fifteen-months ended December 31, 2019 was \$4.3 million, compared to \$11.9 million for the twelve-months end September 30, 2018; and
- The Company's **balance sheet** benefitted from fiscal 2019's operating and financial performance, increasing its cash to \$23.9 million at December 31, 2019 from \$18.8 million at September 30, 2018. As of December 31, 2019, the Company had working capital of \$5.5 million compared to a working capital deficit of \$3.9 million at September 30, 2018.

FINANCIAL INFORMATION

	Fifteen months ended December 31, 2019	Twelve months ended September 30, 2018 (restated)
Operating data		
Gold produced (ozs)	35,099	29,160
Gold realized net of smelting fees (ozs)	32,179	26,645
Gold sold (ozs)	31,384	25,584
Average realized gold price (\$/oz sold)	\$ 1,286	\$ 1,308
Total cash costs (\$/oz sold) ⁽¹⁾	641	628
Total production costs (\$/oz sold) ⁽¹⁾	891	769
All-in sustaining costs (\$/oz sold) ⁽¹⁾	786	746
Financial data		
Total revenues	\$ 40,373,301	\$ 33,462,929
Gross profit (loss) ⁽²⁾	12,406,586	13,780,541
Adjusted EBITDA ⁽¹⁾	15,816,519	14,491,665
Net income (loss)	4,265,482	11,921,694
Net income (loss) attributable to shareholders	2,365,181	7,954,447
Basic and diluted income (loss) per share	0.00	0.01
	December 31, 2019	September 30, 2018 (restated)
Balance Sheet		
Cash and cash equivalents	\$ 23,918,724	\$ 18,842,863
Total assets	98,682,737	102,824,308
Total current liabilities	24,395,468	30,625,503

(1) See "Additional Financial Measures" in the Company's MD&A on page 17-19.

(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 and on the Company's website at www.majesticgold.com.

5.2 Disclosure for Restructuring Transactions

Not Applicable

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

This report is not being filed on a confidential basis

Item 7 Omitted Information

No information has been intentionally omitted from this form.

Item 8 Senior Officers

For further information, contact James Mackie, Chief Financial Officer & Corporate Secretary of the Company at 604-560-9060.

Item 9 Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia, on July 20, 2020.

Majestic Gold Corp.

By: "James Mackie"
James Mackie,
CFO and Corporate Secretary