Majestic Announces Letter of Intent on Jincheng Gold Property, China

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Vancouver, British Columbia / TNW-ACCESSWIRE / September 18, 2014 / Majestic Gold Corp. ("Majestic" or the "Company") (TSX.V: MJS, FSE: A0BK1D) is pleased to announce that the Company's subsidiary, Yantai Zhongjia Mining Co. Ltd. ("Zhongjia") has entered into a Letter of Intent ("LOI") with China Shandong No. 3 Mineral and Geological Exploration Institute ("No. 3 Brigade") to explore, and if appropriate, develop the Jincheng Gold Property ("Jincheng"), a 14.72 square kilometer concession contiguous with Majestic's Songjiagou Gold Mine ("Songjiagou"), located in east-central Shandong, China.

Terms of the joint venture provide for Zhongjia to earn an 80% interest in the Jincheng Gold Property based on an evaluation of prior work done on Jincheng that is to be determined by an independent evaluator that is mutually acceptable to Zhongjia and the No. 3 Brigade. Zhongjia may earn into 80% of Jincheng by paying an amount equal to 80% of the evaluation amount. Once the joint venture is established, the companies agree to fund exploration and development of Jincheng on an 80/20 basis. Should the No. 3 Brigade choose not to fund their portion, their interest in the joint venture will dilute to a level no less than 8%.

The Jincheng Gold Property is contiguous with Majestic's Songjiagou property to the north and east. Jincheng mirrors the Songjiagou Gold Mine area geologically as both are situated in close proximity to major regional fault systems, the northeast trending Yazi fault zone and the northwest trending Tanjia fault zone. Both properties are predominantly underlain by Cretaceous aged conglomerate and related clastic sediments of the Laiyang Group near the basin margin.

Previous work by the No. 3 Brigade includes regional and property scale mapping, soil geochemical sampling, geophysics, trenching, 24 diamond holes totaling 7,152 meters, and 2 underground adits. A total of seven northeast trending gold bearing mineralized structures were discovered and tested from surface down to a depth of 300 meters. Thicknesses of discrete veins that were sampled ranged from 1.0 to 1.8 meters with gold assays ranging from 1.06 g/t to 15.68 g/t.

In advance of getting the evaluation completed, the No. 3 Brigade and Zhongjia have produced a geological report summarizing previous work completed at Jincheng. Once the joint venture is established, ongoing exploration will be carried out by the No. 3 Brigade under Zhongjia's direction and supervision.

Stephen Kenwood, President and CEO of Majestic Gold Corp. is the Company's Qualified Person as defined by National Instrument 43-101 and is the non-independent Qualified Person that has reviewed and approved the geological and technical information contained in this press release.

About Majestic Gold

Currently focused solely in China, Majestic Gold Corp. is a Vancouver, BC based company engaged in commercial gold production at the Songjiagou Gold Mine in Yantai, China. The mine is an open pit and underground operation. 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