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NEWS RELEASE

\$10,000,000 LOAN CONVERTED TO EQUITY

Vancouver, B.C. – November 3, 2011 – Majestic Gold Corp. (the “Company”) (TSXV: MJS) is pleased to announce that the \$10,000,000 loan which was the subject of its news releases of July 26 and August 25, 2011 has been converted into common shares of the Company at the price of \$0.205 per share. In addition, loan interest in the amount of \$437,500 will also be converted into common shares of the Company at the price of \$0.205 per share, subject only to acceptance by the TSX Venture Exchange (the “TSXV”).

The original loan agreement provided for a 90 day exclusivity period to facilitate discussions with the lender regarding a possible business combination relating to the Company’s Song Jiagou gold project, and stipulated that if no agreement were reached for such a transaction within that period, then the loan and the equivalent of seven (7) months interest would automatically convert to shares in the Company at the price of \$0.205 per share. The 90 day period of exclusivity has now elapsed. The loan principal has been converted to shares and an application is being made to the TSXV for conversion of the interest.

The lender is at arm’s length from the Company and will not become an insider as a result of the debt conversions. All shares issued pursuant to the conversion of loan principal may not be traded until December 16, 2011. All shares issued pursuant to the conversion of accrued interest will be subject to a four month hold period commencing on the date of issuance of such shares.

**On Behalf of the Board of Directors
MAJESTIC GOLD CORP.**

Signed "Rod Husband"

Rod Husband, P.Ge
President

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.