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## **NEWS RELEASE**

### **MAJESTIC SUBSIDIARY ARRANGES \$1,600,000 LOAN FINANCING IN CHINA / APPOINTS NEW DIRECTOR, NEW CHIEF OPERATING OFFICER**

**Vancouver, B.C. – February 6, 2012 – Majestic Gold Corp.** (the “Company”) (TSX.V: MJS.V) is pleased to announce that its subsidiary, Yantai Zhongia Mining Enterprise has arranged a ¥10,000,000 (~C\$1,600,000) loan with Agricultural Credit Union of Shandong Province to advance its Song Jiagou project in China.

The loan will be unsecured, will have a one-year term and will bear interest at the rate of 9.184% per annum. Interest will be payable monthly. Loan interest and, at the end of the term, loan principal, are expected to be paid with net sales proceeds from gold production from the Song Jiagou project. Through arrangements made by Yantai Dahedong Processing Co. Ltd., the company which handles Zhongia’s mining operations at Song Jiagou and participates in profits from production, repayment of the loan will be guaranteed by Yantai Ji’an Fruit and Vegetable Co. Ltd (Ji’an). It is anticipated that the initial term of the loan will be routinely extended as long as the borrower and its guarantor(s) remain creditworthy. If for any reason the loan cannot be repaid in full by the end of the initial term and the Credit Union does not extend the term, Ji’an will be obligated to pay the loan and will become Zhongia’s replacement lender. There is no fee payable for the guarantee.

Zhongia is being represented in connection with the loan arrangements by King and Wood, PRC Lawyers. The lender and guarantor are both at arm’s length from the Company and do not, to the knowledge of the Company, own any securities of the Company.

The Company is also pleased to announce that Mr. Terrence E. King has been appointed to the Company’s board of directors and Mr. Paul S. Reynolds has been appointed as Chief Operating Officer.

Mr. King has more than 20 years experience in corporate finance and securities matters. He is former Chairman of the Securities and Natural Resources Subsection (mining, oil and gas) of the B.C. Branch of the Canadian Bar Association.

Terry is also principal of Holmes and King, an association of law corporations and has extensive experience with public companies. He is currently a director and officer of two other companies listed on the TSX Venture Exchange.

Mr. Reynolds is a registered member of the Association of Professional Engineers and Geoscientists of British Columbia. He received a Bachelor of Science (Geology) degree from the University of British Columbia in 1987 and has over 24 years experience working in Canada, USA, Bolivia, Argentina and Guyana. He specializes in the conception and management of mineral exploration ventures.

Paul has extensive experience in public company management and was a director and senior officer of Athlone Energy Ltd. (TSX-V: ATH) from 1994 until its sale to Daylight Resources Trust in 2008. He is currently President, CEO and a director of Central Resources Corp., and a director of several other companies listed on the TSX Venture Exchange.

**On Behalf of the Board of Directors**

**MAJESTIC GOLD CORP.**

**Signed "Rod Husband"**

Rod Husband, P.Ge  
President

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