

## **MILL CITY GOLD CORP.**

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FOR IMMEDIATE RELEASE

TSX VENTURE SYMBOL "MC"

### **NINE NEVADA PROPERTIES OPTIONED**

**SEPTEMBER 7, 2004 – CALGARY, ALBERTA – MILL CITY GOLD CORP.** (“Mill City”) is pleased to announce that it has entered into an option agreement with Minterra Resource Corp. (“Minterra”) of Vancouver, B.C involving nine of its Nevada properties encompassing approximately 19 square miles (4953 hectares).

Five of the properties, namely the North Mill Creek, Elder Creek, NAD, Toy and Tusk, are located in the Cortez Trend (formerly the Central Battle Mountain/Eureka Trend). The Switch and Six Mile properties are located in the Northern Nevada Rift. The North Carlin property is located in the Central Carlin Trend and the Eden property is located in the Western Nevada Rift. Details of each property will be released in the near future.

Minterra shall have the right to earn a 60% interest in the above properties by incurring an aggregate of US\$5 million of exploration and development expenditures on the properties, completing a minimum of 100,000 feet of drilling, and re-imbursing Mill City approximately US\$203,000 within 60 days of acceptance of the respective 43-101 Geological Reports by the TSX Venture Exchange for its out-of-pocket costs in regard to the payment of the 2004-2005 BLM Assessment payments, County Fees and all underlying advance royalty payments. In addition, Minterra shall be responsible for the BLM and County fees due September 1, 2005 with respect to the properties together with all underlying advance royalty payments. Minterra shall also issue 1,000,000 shares in the capital stock of Minterra – 500,000 to be issued within 5 days of TSX Venture Exchange Approval and 500,000 within 5 days of the first anniversary.

Once Minterra has incurred expenditures of US\$5 million and issued Mill City 1,000,000 shares, Minterra shall be deemed to have earned a 60% interest in the properties. Minterra may then elect to earn a further 10% interest, for an aggregate 70% interest, in any property by completing a Bankable Feasibility Study in regard to such property.

Notwithstanding the foregoing and provided Minterra has incurred expenditures of US\$3 million on the Toy and Elder properties and has made the other share and cash payments provided for herein, it shall have earned a 60% interest in such properties.

Mill City can elect at any time after Minterra earns a 60% interest to convert to a 20% net profits interest.

The Company has agreed to pay a finders fee in accordance with TSX Venture Exchange policy in regard to this agreement with Minterra.

### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this Release.*

