

MILL CITY GOLD CORP.

FOR IMMEDIATE RELEASE

TSX VENTURE SYMBOL "MC"

FUNDING FOR MILL CITY'S PONY CREEK/ELLIOT DOME PROPERTY

AUGUST 9, 2005 – CALGARY, ALBERTA – MILL CITY GOLD CORP. (“Mill City” or the “Company”) is pleased to announce that Grandview Gold Inc. has arranged a private placement on a best efforts basis that could provide up to \$4,250,000 of funding for exploration on Mill City’s 100% owned 20+ square mile Pony Creek/Elliot Dome property located in the Carlin Trend in north central Nevada.

Under the terms of an Option Agreement with Mill City, Grandview has the right to earn an undivided 60% interest in the Pony Creek/Elliot Dome property by spending US\$3,500,000 over three years, completing a minimum of 30,000 feet of drilling, assumption of all BLM fees, County fees, underlying advance royalty payments and issuing Mill City a total of 518,500 common shares of Grandview (already issued). Once Grandview has earned its 60% interest in the property, Mill City can retain a 40% participating interest in the property or has the right to convert to a 20% carried interest until such time as Grandview completes a bankable feasibility study.

The Company has previously announced an inferred gold resource at Pony Creek of 1,426,000 ounces contained in 32,410,000 tons with an average grade of 0.044 oz/ton Au. This resource was calculated after compiling and reviewing all of the historic data on the property and is based on 151 drill holes from a property wide data base of 175 holes. The holes used in the calculation are drilled along a portion of a north/south structural/intrusive trend approximately 2.4 miles long by 2000 feet wide on the south end to 4800 feet wide on the north end.

The significance of this resource is that it shows the presence of a large robust gold system along a portion of the structural trend in clastic sediments which occur stratigraphically above the carbonate rocks which host all of the ore deposits in the Carlin Trend. A phased drilling program has been designed to test the carbonate host rocks along structures beneath this shallow resource and at the same time better define the known resource. The structurally controlled carbonate hosted model is the same as that used in the discovery of the high grade 8+ million ounce Meikle deposit in the Carlin Trend and the more recent discovery of the 7+ million ounce Cortez Hills deposit. These types of deposits are formed as breccia bodies at structural intersections within the carbonate hosts and are usually very high grade.

The 2005 exploration program has begun and drilling is expected to commence the latter part of this month.

FOR FURTHER INFORMATION PLEASE CONTACT:

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