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TSX VENTURE SYMBOL "MC"

**EXPLORATION TO COMMENCE ON MILL CITY'S NEVADA PROPERTIES**

**JANUARY 10, 2005 – CALGARY, ALBERTA – MILL CITY GOLD CORP. ("Mill City" or the "Company")** is pleased to announce that exploration programs will be underway shortly on the Company's properties in North Central Nevada.

In late July 2004 Mill City optioned the 20+ square mile Pony Creek/Elliott Dome property located in the prolific Carlin Trend to Grandview Gold Inc. ("Grandview") of Toronto. Under the terms of the agreement, Grandview can earn a 60% interest in the property by issuing 400,000 common shares to Mill City, spending or causing to be spent a minimum of US\$3.5 million, completing a minimum of 30,000 feet of drilling, assumption of all BLM/County fees, and underlying advance royalty payments with respect to the property. Grandview has issued the 400,000 common shares and has advised Mill City that exploration will begin shortly.

The property extends along 6+ miles of the Pinyon Graben and related structures. Extensive shallow gold mineralization has been demonstrated by drilling 175 holes along 2 miles of the structural zone. Values up to 0.45 opt Au over 25 feet occur in conglomerates and source intrusions within the half mile wide structural trend. An inferred gold resource of 1,426,000 ounces contained in 32,410,000 tons with an average grade of 0.044 opt Au was announced previously in a Company news release dated April 12, 2004. This resource 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 these lower plate carbonate rocks.

In early September 2004, Mill City also optioned its remaining 9 North Central Nevada properties encompassing approximately 19 square miles to Minterra Resource Corp. ("Minterra") of Vancouver. Five of the properties, namely the North Mill Creek, Elder Creek, NAD, Toy and Tusk, are located in the Cortez 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 featured in separate news releases in the near future.

Under the terms of this agreement, Minterra can earn a 60% interest in the properties by incurring US\$5 million of exploration and development expenditures, completing a minimum of 100,000 feet of drilling and reimbursing Mill City US\$203,000 for out-of-pocket costs in regard to the payment of the 2004-2005 BLM/County fees and all underlying advance royalty payments. Minterra shall be responsible for 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 common shares to Mill City – 500,000 to be issued with 5 days of TSX Venture Exchange Approval and 500,000 within 5 days of the first anniversary. To date, Minterra has reimbursed Mill City US\$203,000, issued the 500,000 shares and advised Mill City that exploration is underway.

Once Minterra has incurred expenditures of US\$5 million and issued Mill City 1,000,000 shares, Minterra may then elect to earn a further 10% 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 contemplated herein, it shall have earned a 60% interest in such properties.

Grandview and Minterra have recently completed financings to provide each company with sufficient funds to complete their respective exploration commitments for the 2005 field season.

Further details of the exploration programs will be announced in the near future.

**FOR FURTHER INFORMATION PLEASE CONTACT:  
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