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**ELDER CREEK DRILL RESULTS, CORTEZ TREND, NEVADA**

**JANUARY 19, 2006 – CALGARY, ALBERTA – MILL CITY GOLD CORP. (the "Company")** is pleased to provide an update on the drill results at the Company's 100% owned Elder Creek Property in the Cortez Trend, about 5 miles northwest of the producing Pipeline/Pipeline South gold deposits owned by the Cortez Joint Venture (Placer Dome/Kennecott Exploration, a subsidiary of Rio Tinto).

The Company commenced an initial five hole drill program at the Elder Creek Prospect, in the Cortez Trend, Nevada, in mid 2005. The first reverse circulation drill hole was abandoned as a result of technical difficulties. Drill hole EC-2 was pre-collared utilizing a reverse circulation drill rig to a depth of 1860 feet in June 2005 and subsequently completed to a total depth of 2305.5 feet to test for lower plate carbonate rocks that potentially host significant gold mineralization below the historic Elder Creek open pit. A limestone unit, believed to be the lower plate carbonate rocks, was intersected at a depth of approximately 2176 feet. Core has now been logged by the Company's geologist in Nevada. Assays have been received and samples are being submitted for age dating of the limestone unit, to confirm that the unit is the lower plate carbonate unit of interest.

Review of the drill core indicates very strong carbon flooding and fine-grained ("sooty") sulfide content which increases in the mudstones and on fractures closer to the (lower plate) carbonate rocks. Dikes intersected in the drilling also show very strong argillization and quartz veining with carbon and sulfides on fractures cutting the dikes. Dike margins have very strong carbon and are extremely argillized.

A schematic of the EC-2 drill section shows the various rock units (lithology) encountered, a histogram of gold grades down the hole, as well as histograms of indicator elements (arsenic, antimony and mercury) that are representative of Carlin-type gold bearing systems. Assay results in the lower portion of the drill hole were anomalous for gold, varying from less than 10 ppb to a high of 0.180 ppm, indicating the potential presence of a gold bearing system nearby.

The depth determination to lower plate rocks will be used as a reference point to assist in the interpretation of geophysical data on the balance of the property (and surrounding land) and to assist in the location of additional drill holes. In addition, the Company now has more detailed information from previous work by the operator of the original Elder Creek Open pit gold mine that should be of significant benefit in the location of further drill holes. Initial review of grade contour maps from the original open pit mine indicates that hole EC-2 was approximately 600 feet east of the originally mined area.

A National Instrument 43-101 report (the "Russell Report") dated October 1, 2004, on the Elder Creek property (as well as the North Mill Creek and NAD exploration properties), prepared by Rick H. Russell, M.Sc., Licensed Geologist, is available for review under the Company's profile at [www.sedar.com](http://www.sedar.com). As noted in the Russell Report, the Elder Creek property was placed into production in 1989 on a modest near surface gold resource. The deposit was partially mined in 1989 and 1990 and produced 13,000 ounces of gold from leach pads. Mining was terminated because the uncrushed ore responded poorly to being stacked on heap leach pads. The mining has better exposed dikes, sills and structures which were feeders for the deposit.

The Russell Report concludes that “the near surface resource at Elder Creek is a guide to and possibly indicative of a high-grade gold deposit in lower plate carbonate rocks. The Elder Creek property has potential for high-grade gold along exposed structures where they intersect lower plate rocks at depth.”

A further four drill sites are currently permitted at locations which can test favorable structures where they intersect the lower plate rocks.

The Elder Creek property is one of nine properties Mill City optioned to Minterra Resource Corp. (“Minterra”) in September, 2004. Minterra has an option to earn a 60% interest in these properties by incurring US\$5,000,000 of exploration and development expenditures over five years, completing a minimum of 100,000 feet of drilling, and the obligation to pay all BLM and County fees and all underlying advance royalty payments. In addition, Minterra has issued Mill City a total of 1,000,000 shares.

Minterra may 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.

Rick H. Russell, M.Sc., a Qualified Person, has reviewed the technical disclosure contained herein and accepts responsibility for such disclosure.

Mill City is a gold exploration company focused on creating value for shareholders by exploring and developing high-grade gold properties in Nevada. Mill City has 11 properties in the Cortez and Carlin Trends, as well as the Western Nevada Rift. Initial drilling has commenced on 3 properties (Pony Creek, Elder Creek and Eden) and permitting is proceeding on Toy for preliminary drilling. Details of Mill City’s projects are available on the Company’s website at [www.millcitygold.com](http://www.millcitygold.com)

**FOR FURTHER INFORMATION PLEASE CONTACT:**

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