

MILL CITY GOLD CORP.

FOR IMMEDIATE RELEASE

TSX VENTURE SYMBOL "MC"

MILL CITY DRILLING TO LOCATE EXTENSION OF LAKE SHORE GOLD CORP. RECENT RESULTS

January 18, 2011 – CALGARY, ALBERTA – MILL CITY GOLD CORP. (“Mill City” and/or the “Company”) is pleased to announce that drilling has commenced on the Croxall Property (“Croxall” or “the Property”), a key property located in the West Timmins gold district. The 2,400 acre Property is located adjacent to and along strike of the Golden River Trend being aggressively explored by Lake Shore Gold Corp. (“Lake Shore”) where Lake Shore recently announced very encouraging gold results. To view a map of the Croxall Property please visit www.millcitygold.com.

Highlights

- Drilling is under way on a 6-hole 2,500 metre drill program.
- Initial drilling will test for extensions of gold zones on the Golden River Trend recently announced by Lake Shore along strike to the west-northwest.
- Results announced January 11, 2011 by Lake Shore indicate the presence of a number of gold zones from near surface to 750 metres deep, approximately 3000 metres to the west-northwest of the current drill location on the Croxall Property.
- Historic drilling in the 1990’s 700 metres to the northwest of the current drill area on Croxall included one hole that assayed 7.68 g/t gold over 9.6 metres.
- No previous drilling has been completed on this portion of the Croxall Property.
- The recent Lake Shore assay results, excellent logistics, large land position and excellent discovery potential on the Property put Croxall on a short list of first class exploration properties located in the newest part of the developing West Timmins gold district.

Previous Work

Previous work on the Property consists of more than 40 drill holes by several different operators over more than 25 years which provides an excellent database for certain parts of the Property while other areas remain almost completely unexplored.

The Property is nearly completely overburden covered thereby precluding prospecting success and necessitating significant long term exploration programs and significant expenditures to build a solid geological database. Most of this type of work has been completed over the years and is available for further defining the prospective locations for gold mineralization.

Work completed to date has defined the location of similar host rocks to those that host the significant gold mineralization on the adjacent Lake Shore property. Work on the Lake Shore property has resulted in the discovery of significant gold mineralization and Lake Shore recently announced it had commenced commercial production from the first gold mine in the western

portion of the prolific Timmins Gold camp which now boasts production and resources of more than 70 million ounces of gold.

Mill City has the option to earn a 75% interest in Croxall from Temex Resources Corp. by spending \$750,000 on Croxall over four years with a firm commitment of \$250,000 during the first year.

Bruce Durham, P.Geol., a qualified person under NI-43-101 reviewed this release and is the person responsible for the technical information contained in this release. All technical data in this release is of a historical nature and has not been verified by a Qualified Person.

FOR FURTHER INFORMATION PLEASE CONTACT:

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Forward Looking Statements:

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