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TSX VENTURE SYMBOL "MC"

**MILL CITY ANNOUNCES EXERCISING OF WARRANTS
FIELDWORK COMMENCES AND AIRBORNE SURVEY UNDERWAY
ON JAMES BAY LOWLANDS CLAIMS**

JANUARY 28, 2008 – CALGARY, ALBERTA – MILL CITY GOLD CORP. (“Mill City” and/or the “Company”) is pleased to announce that a total of 5,035,000 warrants were exercised at a price of \$0.20 per share from a previous private placement completed in January 2006. All unexercised warrants expired January 21, 2008. Proceeds from the warrants will be applied to the exploration expenditure commitment with Temex Resources Corp. (“Temex”) pursuant to a binding letter of intent entered into with Temex as previously announced on December 12, 2007.

Mill City has the right to acquire a 50% interest in 64 staked mining claims (the “Claims”) totaling 1012 mining claim units (16,192 ha) in the general area of the Noront Resources Ltd. (“Noront”) recent Nickel-Copper PGE discovery. The Claims, which are located in the Sachigo Greenstone Belt in the James Bay Lowlands region of Northern Ontario, are in two areas, one which includes approximately two thirds of the Claims north of the Noront Double Eagle discovery. These northern claims are subject to a 2% NSR royalty payable as 1% NSR to each of Noront and Baltic Resources Inc. The other claim blocks were recently acquired by Temex (100%) and are located to the southwest of the Noront discovery.

The claims cover features thought to be geological environments similar to the geological environment near the Noront Ni-Cu-PGE discovery. It is believed that these recently acquired Claims have never been subjected to any previous exploration for Ni-Cu-PGE mineralization, and for the most part, the Claims have not been covered by a modern magnetic and electromagnetic geophysical survey. The initial exploration program will consist of a combination of airborne and ground geophysical surveying followed shortly thereafter by diamond drilling of priority targets.

In order to earn its 50% interest in the Claims, Mill City shall, upon execution of a definitive Option and Joint Venture Agreement, make a cash payment of \$300,000, issue to Temex 250,000 common shares of Mill City and complete an aggregate of \$2,500,000 of exploration expenditures over a 3-year period. Mill City must also issue 250,000 shares on the first anniversary of the Agreement.

Mill City and Temex are in the process of finalizing the definitive Option and Joint Venture Agreement. Fieldwork has commenced and the airborne survey is underway.

For further information please contact James R. Brown at 403-640-0110 or visit the Company’s website at www.millcitygold.com

ON BEHALF OF THE BOARD OF DIRECTORS

“James R. Brown”

James R. Brown

Chairman, President & CEO

*The TSX Venture Exchange does not accept responsibility for the
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