

MACMILLAN GOLD CORP.

NEWS RELEASE 2004-07

MacMillan Gold Hits Ore Grade Gold and Silver Mineralization at the Cerro de Oro

TORONTO, CANADA – July 26, 2004 – MacMillan Gold Corp. (TSX Venture “MMG”) is pleased to announce additional positive results from the Phase IV drilling program completed at the Cerro de Oro Gold and Silver Property in Zacatecas, Mexico. Thus far in 2004, the Company has completed twenty-seven reverse circulation (“RC”) drill holes totaling 4,389 metres (“m.”). Results for nine holes were released May 13, 2004 with an additional twelve holes released July 08, 2004. The remaining six holes as shown in the attached table include what are the most exciting results since we began drilling on this property in July of 2003. The highlight is **Hole 54 which intersected from surface 41.1 m. of 1.44 g Au/t, 119.9 g Ag/t, 1.73% lead and 1.55% zinc.**

All drill holes were vertical 5-inch diameter RC and were completed by Layne de Mexico, S.A. de C.V. under the supervision of Mr. David Bending, P.Geo., Vice President of Exploration for MacMillan, and a Qualified Person. Samples collected from each 1.524 m. interval were assayed by BSI Inspectorate Laboratories of Sparks, Nevada with sample preparation completed at their Mexican facilities. Reported intercepts are approximate true widths.

Hole 23 was drilled in the South Contact Target and intersected mineralization including **3.6 m. of 0.31 g Au/t and 9.2 g Ag/t.** MacMillan plans to follow up on the South Contact Target with diamond drilling at greater depth.

Holes 50 and 51 were drilled in the San Leonides Target in the central portion of the Cerro de Oro valley, which extends over 3 km east to west and over 2 km north to south. Drill locations were selected from targets identified in the Induced Polarization (“IP”) surveys conducted in January 2004 by Zonge Engineering and Research Organization (“Zonge”). Visual results of the IP are disclosed at www.macmillangold.com. Hole 50 intersected **9.1 m. of 0.40 g Au/t and 10.9 g Ag/t including 1.5 m. of 1.40 g Au/t and 33.7 g Ag/t.** Hole 51 intersected **41.1 m. of 28.9 g Ag/t including 4.6 m. of 103.3 g Ag/t and separately 4.6 m. of 52.6 g Ag/t with 0.26% zinc.** These holes continue to indicate the potential for a large size disseminated gold and silver deposit within the San Leonides Target.

Holes 52 and 53 were drilled to further explore the Maderito Target discovered in Hole 29 reported May 13, 2004. Hole 29 intersected **30.5 m. of 0.81 g Au/t and 13.6 g Ag/t including 13.7 m. of 1.41 g Au/t, 14.0 g Ag/t and 0.17% zinc.** Hole 52 intersected **9.1 m. of 0.39 g Au/t including 3.0 m. of 0.58 g Au/t.** Hole 53 was weakly mineralized with no intersects to report.

Hole 54 was also drilled to test Maderito and intersected **41.1 m. starting at surface of 1.44 g Au/t, 119.9 g Ag/t, 1.73% lead and 1.55% zinc.** This intersect included **10.7 m. starting at surface of 2.0 g Au/t, 275.7 g Ag/t, 3.8% lead and 1.5% zinc.**

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NEWS RELEASE 2004-06 (Continued)

Mr. George A. Brown, President, CEO and Director reports that the strong values and proximity to surface of the Hole 54 intersects combined with the excellent logistics at the Cerro de Oro provide MacMillan with strong indications that Cerro has excellent exploration growth potential. Logistics include road access, abundant water, an existing power line onto the property, and a nearby functional mining community at Concepcion del Oro. A follow up drilling program is now being planned with the aim of determining whether a significant resource exists at Maderito.

Additional drilling will also be included at the numerous other target areas at Cerro including the San Leonides. The aim at San Leonides will be to attempt to expand upon existing results from the IP targeted drilling to develop a resource of large volume lower grade disseminated gold and silver.

Management feels there are many geological similarities at Cerro to the poly-metallic deposit reported by Western Silver at their Penesquito nearby in Zacatecas.

The next phase of drilling at Cerro will include diamond drilling so that we can obtain more precise structural and grade information particularly in the contact zone targets such as the Maderito and the previously productive Santa Rosa Zones. Diamond drill core will also provide samples of mineralized intervals, which can be utilized for preliminary metallurgical testing. Diamond drilling will also enable us to test some targets at greater depth and test areas where ground water made RC drilling less reliable. Targets for diamond drilling will be selected after we complete our geological interpretation of all 56 drill holes to date.

MacMillan is adequately funded to complete all of the exploration programs budgeted for this year on its eight Mexican gold and/or silver projects. Management feels that proceeding diligently with good methodical exploration programs is the means to provide increased asset value over time to our shareholders.

The TSX Venture Exchange has not reviewed nor accepted responsibility for the adequacy or accuracy of the contents of this news release, which has been prepared by management. Statements contained in this news release that are not historical facts are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from estimated results. These risks, uncertainties and other factors include but are not limited to the risks involved in the exploration, development and mining business.

*MacMillan Gold Corp. is a Canadian resource company
listed on the TSX Venture Exchanges: Symbol "MMG"*
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Phase IV Drilling Results from the Cerro de Oro Gold and Silver Project in Zacatecas, Mexico

Highlighted: 0.50+ g Au/t / 40.0+ g Ag/t / 45.0+ g Ag Equiv./t / 0.5%+ lead or zinc

Hole	Hole	From	To	Width	Au to Ag		Total g Ag Equiv./t
<u>Number</u>	<u>Depth</u>	<u>Metre</u>	<u>Metre</u>	<u>in Metres</u>	<u>g Au/t</u>	<u>70:01(note 1)</u>	<u>g Ag/t</u>
SR-23	61.0	16.8	21.4	4.6	0.31	21.4	9.2
SR-50	150.9	42.7	51.8	9.1	0.40	28.4	10.9
including		42.7	44.2	1.5	1.40	100.4	33.7
SR-51	152.4	65.5	106.7	41.1	0.02	1.1	27.8
including		65.5	70.1	4.6	nil	nil	52.6
and also including		71.6	76.2	4.6	0.02	1.1	102.2
SR-52	152.4	135.7	144.8	9.1	0.39	27.0	0.7
including		140.2	143.3	3.1	0.58	40.8	1.1
SR-53	121.9		NO	VALUES	TO	REPORT	
SR-54	91.4	0.0	41.1	41.1	1.44	100.6	119.9
including		0.0	33.5	33.5	1.71	120.0	143.7
which includes		0.0	10.7	10.7	1.96	137.1	275.7
and also includes		16.7	21.3	4.6	4.72	330.4	77.1
							407.5 (plus 1.20% lead & 1.97% zinc)

Comments:

SR-23 was drilled in the South Contact Target

SR-50 and SR-51 were drilled in the San Leonides Target based upon the IP surveys

SR- 52, SR-53 and SR-54 were drilled in the Maderito Target

Note 1: based upon gold at US\$385/oz and silver at US\$5.50/oz

The numbers shown are the gold g/t times 70 to represent the equivalent silver g/t based only upon an economic conversion model.

Note 2:

Total Ag g/t Equivalent is the sum of the silver g/t plus the gold converted to silver equivalent.

This is useful to show the relative value of the combined gold and silver grades in terms that can be compared to other silver only grades.

These Equivalents should not be interpreted as actual grades since the conversion ratio varies with the volatile prices of gold and silver and the economic recovery of gold and silver can vary significantly in actual extraction and processing.