

MACMILLAN GOLD CORP.

NEWS RELEASE 2004-16

MacMillan Gold options 50% of the Bautiste Mine Property to Au Martinique

TORONTO, CANADA December 20, 2004 – George A. Brown, President & CEO of MacMillan Gold Corp. (TSX Venture “MMG”) is pleased to announce that MacMillan has signed a Letter of Intent with Au Martinique Inc. The agreement sets out the terms under which Au Martinique may earn a 50% Joint Venture interest in the Bautiste Mine Property, which is under option to MacMillan Gold. The Bautiste is a 100 hectares exploration concession in southwestern Jalisco State. MacMillan Gold has the right to earn a 100% interest for US\$85,000 of option payments over 4 years. The property is subject to a 2% Net Smelter Royalty, which may be purchased for a fixed price of US\$200,000.

Au Martinique has been granted operator status. MacMillan has been selected as manager of exploration programs until completion of the 50% earn in. MacMillan is entitled to a 10% management fee on the exploration work program expenditures. Au Martinique may earn a 50% interest in the Bautiste for 500,000 shares of Au Martinique subject to regulatory approvals. 200,000 shares due within 10 days of regulatory approval and 100,000 shares due on each of the first, second, and third anniversaries. Option payments of US\$50,000 are due in lieu of shares if regulatory approvals are not received within 90 days. US\$20,000 due on failure to receive regulatory approval within 90 days and US\$10,000 due on each of first, second, and third anniversaries. Au Martinique is also required to fund US\$500,000 of exploration within 48 months. Au Martinique may terminate the option at their discretion if they complete the initial option payment in cash or shares and return the property in good standing with a minimum of 6 months of assessment work credits and taxes paid. Expenditures incurred on or after October 1, 2004 including option payments made to the underlying property owner are recoverable by MacMillan under the option agreement.

The initial surface work program as proposed by David Bending P.Geo., Vice President of Exploration and a Qualified Person, will be managed in the field by William (Bill) Hamilton P.Geo., our Manager of Exploration in Mexico and also a Qualified Person.

MacMillan considers that our property acquisitions are being recognized by peers within the industry as being of high technical merit worthy of the spending of their hard dollars to earn a 50% interest. Shares of Au Martinique will provide MacMillan exposure to additional upside and can also provide future exploration funding without additional MacMillan dilution. MacMillan is pleased to announce this second joint venture option agreement with Au Martinique as a partner.

***MacMillan Gold Corp. is a Canadian resource company
listed on the TSX Venture Exchanges: Symbol “MMG”
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The TSX Venture Exchange has not reviewed and accepts no responsibility for the adequacy or accuracy of this news release