MACMILLAN GOLD CORP.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED

DECEMBER 31, 2005

In accordance with National Instrument 51-102 release by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited financial statements for the three-month period ended December 31, 2005.

MACMILLAN GOLD CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE MONTHS ENDED DECEMBER 31, 2005

(Unaudited-Prepared by Management)

MACMILLAN GOLD CORP.
INTERIM CONSOLIDATED BALANCE SHEETS

	December 31, 2005 $	September 30, 2005 $
		(Audited)
ASSETS		
CURRENT		
Cash	**73,201**	123,545
Marketable securities (Note 5(a))	**8,000**	164,501
Prepaid expenses	**10,068**	21,155
Amounts receivable	**170,538**	4,834
	261,807	314,035
INVESTMENTS (Note 5(b))	**2**	2
EXPLORATION PROPERTIES (Note 3)	**2,781,560**	2,813,965
	3,043,369	3,128,002
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**203,112**	183,473
Advances from exploration partners	**107,767**	148,294
	310,879	331,767
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 4(b))	**17,163,271**	17,154,331
WARRANTS (Note 4(d))	**172,900**	172,900
CONTRIBUTED SURPLUS	**495,092**	496,532
DEFICIT	**(15,098,773)**	(15,027,528)
	2,732,490	2,796,235
	3,043,369	3,128,002

CONTINUATION OF BUSINESS (Note 1)

On behalf of the Board

Signed "Greg Van Staveren", Director Signed "Ross D. Lawrence", Director

MACMILLAN GOLD CORP.
FOR THE THREE MONTHS ENDED DECEMBER 31, 2005
(Unaudited-Prepared by Management)

	Quarter ended December 31, 2005	Quarter ended December 31, 2004
	$	$
EXPENSES		
Administrative and general	**77,946**	118,960
NET LOSS BEFORE THE FOLLOWING	**77,946**	118,960
Gain on sale of securities	**(6,701)**	-
NET LOSS FOR THE PERIOD	**71,245**	118,960
Deficit at beginning of period	**15,027,528**	14,139,291
Deficit at end of period	**15,098,773**	14,258,251
LOSS PER SHARE – basic and diluted	0.001	0.001

Comparative figures for the Quarter ended December 31, 2004 were re-stated (Note 2).

MACMILLAN GOLD CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
FOR THE THREE MONTHS ENDED DECEMBER 31, 2005
(Unaudited-Prepared by Management)

	Quarter ended December 31, 2005	Quarter ended December 31, 2004
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) for the period	**(71,245)**	(118,960)
Gain on sale of investments	**(6,701)**	-
	(77,946)	(118,960)
Changes in non-cash working capital balances:		
Decrease in prepaid expenses	**11,087**	21,042
Decrease (increase) in amounts receivable	**(165,704)**	44,355
Increase in accounts payable and accrued liabilities	**34,242**	277,155
Increase in investments	**-**	(116,000)
Cash flows from operating activities	**(198,321)**	223,632
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration property expenditures	**(171,194)**	(402,286)
Recoveries from exploration partners	**180,996**	116,040
Proceeds on sales of marketable securities	**171,202**	-
Cash flows from investing activities	**181,004**	(286,246)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of capital stock/increase in share subscriptions	**-**	536,800
Exercise of stock options	**7,500**	-
(Decrease) in advances from exploration partners	**(40,527)**	-
Cash flows from financing activities	**(33,027)**	536,800
(Decrease) Increase in cash	**(50,344)**	358,146
Cash at beginning of period	**123,545**	294,309
Cash at end of period	**73,201**	652,455
SUPPLEMENTAL CASH FLOW INFORMATION		
Change in exploration expenditures payable	**14,603**	-
Exercise of options	**1,440**	-
Shares received for interest in exploration properties	**8,000**	-

Comparative figures for the Quarter ended December 31, 2004 were re-stated (Note 2).

MACMILLAN GOLD CORP.
FOR THE THREE MONTHS ENDED DECEMBER 31, 2005
(Unaudited-Prepared by Management)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION AND ONGOING OPERATIONS

MacMillan Gold Corp. (the "Company") is a publicly listed company continued under the Canada Business Corporations Act. The Company's common shares are listed on the TSX Venture Exchange. The Company, directly and through exploration partners, is engaged in the exploration of mineral properties primarily in North and South America and considers itself to be an exploration stage company. The Company's head office is located in Canada and substantially all of the Company's operating expenses are incurred in Canada.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values. The Company's mineral assets are located outside of Canada and are subject to the risk of foreign investment, including increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and political uncertainty.

These interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. If the going concern assumption was not appropriate for these interim consolidated financial statements, then adjustments would be necessary to the carrying values of assets and liabilities, the reported expenses and the balance sheet classifications used.

2. SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated financial statements of the Company have been prepared by management in accordance with accounting principles generally accepted in Canada. The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the interim consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The interim consolidated financial have, in management's opinion, been properly prepared using careful judgement with the reasonable limits of materiality. These interim consolidated financial statements should be read in conjunction with the most recent annual consolidated financial statements. The significant accounting polices follow those of the September 30, 2005 audited consolidated financial statements. Comparative figures for the quarter ended December 31, 2004 were re-stated to reflect the presentation adopted in the September 30, 2005 audited financial statements. The value of shares received as a result of property option agreements and the 10% administration fees earned from property option agreements reported as revenue items in the December 2004, March 2005 and June 2005 quarterly reports were changed to a recovery of exploration expenditures and used to reduce the carrying value of Exploration Properties on the balance sheet.

MACMILLAN GOLD CORP.
FOR THE THREE MONTHS ENDED DECEMBER 31, 2005
(Unaudited-Prepared by Management)

3. EXPLORATION PROPERTIES

	Balance at September 30, 2005 $	Additions (Recoveries) $	Balance at December 31, 2005 $
Mexican Exploration Projects			
Acquisition costs	105,811	14,081	119,892
Deferred exploration costs	3,082,339	142,510	3,224,849
Shares received from exploration partners	(164,500)	(8,000)	(172,500)
Expenditure recoveries	(281,660)	(174,022)	(455,682)
Management fees earned	(26,950)	(6,974)	(33,924)
	2,715,040	(32,405)	2,682,635
Peruvian Exploration Projects			
Acquisition costs	64,000	-	64,000
Deferred exploration costs	44,295	-	44,295
Expenditure recoveries	(10,000)	-	(10,000)
	98,925	-	98,925
	2,813,965	(32,405)	2,781,560

The details of the companies various exploration projects are described more fully in the September 30, 2005 audited consolidated financial statements**.**

Property Option Agreements

In October 2005, Young-Shannon Gold Mines Ltd. terminated the Las Cucharas property option described in Note 4(k) to the September 30, 2005 audited financial statements. These financial statements to December 31, 2005 reflect in receivables the subsequent settlement for US$5,000 of exploration expenditure reimbursement and 300,000 shares of Young-Shannon received subsequent to the period at a value of $30,000. The Las Cucharas Property has reverted 100% to the Company.

In October 2005, the Company and Strikezone Minerals (Canada) Ltd. agreed to combine the Fiebre de Oro and Yerbabuena property options described in Note 4(f) to the September 30, 2005 audited financial statements and added an area of influence. Strikezone may earn a 50% interest in both properties for 1,000,000 shares (600,000 received of which 200,000 received in this period valued at $8,000) and US$750,000 of exploration expenditures over 5 years. The Company is manager and is entitled to a 10% management fee.

In November 2005, Consolidated Spire Ventures Ltd. terminated the Tetasiari Property Option described in Note 4(a) to the September 30, 2005 audited financial statements. These financial statements to December 31, 2005 reflect in receivables the subsequent settlement for US$65,529 of exploration expenditure reimbursement and 100,000 shares of Consolidated Spire received subsequent to the period at a value of $34,000.The Tetasiari Project properties have reverted 100% to the Company

4. CAPITAL STOCK, COMMON SHARE OPTIONS AND WARRANTS

a) Authorized

The Company's authorized capital consists of an unlimited number of common shares without par value.

b) Common shares issued

	Shares	Amount
	#	$
Balance, September 30, 2005	35,738,912	17,154,331
Issued on exercise of stock options	30,000	8,940
Balance, December 31, 2005	35,768,912	17,163,271

c) Common share options and stock-based compensation

Under the Company's stock option plan (the "Plan"), the directors of the Company can grant options to acquire common shares of the Company to qualified directors, officers, employees and persons providing ongoing services to the Company. The stock options are non-transferable and may be granted for a term not exceeding five years. The exercise price of the stock options cannot be less than the closing price of the Company's shares on the trading day preceding the date of grant.

The aggregate number of common shares reserved for issuance under this plan is limited to 20% of the aggregate number of common shares of the Company that are issued and outstanding to a maximum of 6,700,000 common shares.

The options granted in December 2003 vested over nine months and 50% of the options granted in March 2004 vested immediately on the date of grant with the remaining 50% of the options vesting on the first anniversary. The options granted in October 2004 and in 2005 vest over two years.

A summary of changes in stock options as at December 31, 2005 is as follows:

	Number	Weighted average exercise price
	#	$
Balance, September 30, 2005	2,110,000	0.39
Exercised	(30,000)	(0.25)
Balance, December 31, 2005	2,080,000	0.39

As at December 31, 2005, the following options granted to directors, officers, employees, and key consultants of the Company remain outstanding:

Date of Grant	Options Granted	Exercise Price	Expiry Date
	#	$	
March 2003	770,000	0.25	March 2006
July 2003	125,000	0.29	July 2006
December 2003	15,000	0.50	December 2006
March 2004	1,070,000	0.50	March 2007
October 2004	100,000	0.50	October 2007
	2,080,000		

MACMILLAN GOLD CORP.
FOR THE THREE MONTHS ENDED DECEMBER 31, 2005
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4. CAPITAL STOCK, COMMON SHARE OPTIONS AND WARRANTS (Continued)

d) Warrants

As at December 31, 2005, the following warrants remain outstanding:

Date of Issue	Warrants Issued	Exercise Price	Expiry Date
	#	$	
February 5, 2004 *	2,000,000	1.00	February 5, 2006
December 23, 2004	1,080,000	1.00	December 23, 2006
July 6, 2005	929,000	0.50	July 11, 2007
August 9, 2005	80,000	0.35	August 9, 2007
August 9, 2005	1,164,286	0.50	August 9, 2007
	5,253,286		

***** 2,000,000 warrants at $1.00 expired unexercised subsequent to the end of the quarter

5. MARKETABLE SECURITIES AND LONG-TERM INVESTMENTS

a) Marketable securities consist of the following:

	Number of common shares	Book Value December 31, 2005
	#	$
Strikezone Minerals (Canada) Ltd.	200,000	8,000

b) Long-term investments consist of the following:

	Number of common shares	Book Value December 31, 2005
	#	$
Virtual Resources Inc. (i)	2,207,344	1.00
Ravenshead Recovery Corporation (ii)	153,166	1.00
		2.00

(i) In settlement of an old receivable which had previously been written down for accounting purposes, the Company accepted in 2003 and continues to hold 2,207,344 common shares representing 18.9% of the outstanding common shares of Virtual Resources Inc., a public company that is currently not listed or trading. The shares are carried at a nominal $1 value.

(ii) The Company has 153,166 shares of Ravenshead Recovery Corporation, formerly International Damascus Resources Inc., purchased in 1988 and 1989. The shares were suspended from trading and were written down in 2001 to a nominal $1 value.

6. RELATED PARTY INFORMATION

During the quarter ended December 31, 2005, the Company was charged $6,000 (2004 -$6,000) for rent and administrative services by a Company controlled by a director and officer. Geological consulting fees in the amount of $44,955 (2004 - $34,935) charged to exploration properties, were paid or accrued to an officer of the Company. Included in accounts payable and accrued liabilities at December 31, 2005 is $60,738 (2004 - $53,907) owing to related parties.

These transactions were in the normal course of operations and were measured at an exchange amount established and agreed to by the Company and the related parties.

7. SUBSEQUENT EVENTS

Financing

Subsequent to December 31, 2005, the Company received final approval from the TSX Venture Exchange for a non-brokered private placement financing of $2,500,000. The financing consisted of 10,000,000 shares at a price of $0.25 with a warrant expiring February 7, 2008. Each warrant entitles the purchaser to obtain a share at a price of $0.35 until February 7, 2007 or at $0.50 until February 7, 2008. The shares and warrants are restricted until June 8, 2006. Finder's fees of $158,750 in cash and 319,000 in shares as allowed by the TSX Venture Exchange were paid pertaining to this private placement.

Warrants

2,000,000 warrants at $1.00 expired unexercised on February 5, 2006.

Property Option Agreements

In February 2006, the Company and Young-Shannon Gold Mines, Limited resolved all issues regarding the La Quicharas Property option in Mexico. The settlement received in February of US$5,000 and 300,000 shares valued at $30,000 is reflected as a receivable at December 31, 2005.

In February 2006, the Company and Consolidated Spire Ventures Ltd. resolved all issues regarding the Tetasiari Project option in Mexico. The settlement received in February of US$65,529 and 100,000 shares valued at $34,000 is reflected as a receivable at December 31, 2005.