MACMILLAN GOLD CORP.
RESTATED MANAGEMENT DISCUSSION AND ANALYSIS

Form 51-102F2

For the Period Ending
December 31, 2006

(As at March 1, 2007, but updated to reflect changes resulting from the restated financial statements dated December 24, 2007)

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FOR THE THREE MONTHS ENDED DECEMBER 31, 2006

1.1 - Overall Performance

General

As discussed below, this Management Discussion and Analysis ("MD&A") of MacMillan Gold Corp. (the "Company") has been amended to give effect to the restatement described below and in "Restatement" in Note 1 of the restated interim unaudited consolidated financial statements for the three months ended December 31, 2007. Apart from any revisions specifically from this restatement, this MD&A does not reflect events subsequent to March 1, 2007.

This MD&A provides information on the operations of MacMillan Gold for the three months ended December 31, 2006 and should be read in conjunction with the restated interim unaudited consolidated financial statements and the accompanying notes for the three months ended December 31, 2006. Those financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and all monetary amounts are expressed in Canadian dollars unless otherwise indicated in the Notes to the Consolidated Financial Statements. Additional information relevant to the Company's activities can be found in SEDAR at www.sedar.com.

Forward Looking Statements

Certain statements contained in the following Management's Discussion and Analysis constitutes forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties, and other factors which may cause the actual results or performance of achievements of the corporation to be materially different from actual future results and achievements expresses or implied by such forward-looking statements, which speak only as of the date the statements were made, and readers are also advised to consider such forward-looking statements while considering the risk set forth below.

Restatement

Following a regulatory continuous disclosure review, the Company has conducted an internal review of the interim consolidated unaudited financial statement and MD&A for the period ended December 31, 2006 and has determined that a restatement of this previously filed financial information was appropriate. The financial items being restated are as follows:

1. The stock-based compensation expense was increased by $43,748;
2. The fair market value of marketable securities was increased by $30,000; and
3. Accumulated other comprehensive income was increased by $30,000.

The interim financial statement and related notes for the first quarter ended December 31, 2006 have been restated to reflect these changes.

Description of Business

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 under the trading symbol "MMG". The Company, directly and through joint ventures, is engaged in the exploration and development of mineral properties primarily in North and South America. The Company considers itself to be a development stage company.

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Overview of Performance

The three months ended December 31, 2006 was a period of modest exploration activity. The Company concentrated exploration activity on advancing the El Zafiro and the La Cucharas properties towards drill ready status while actively pursuing a drill to commence the Phase 1 drill program at the La Mus property. The Company has working capital of $1,921,784 at December 31, 2006 which is sufficient to meet all of the planned 2007 exploration needs.

During the recent quarter, the Company incurred $97,790 of exploration expenditures in Mexico. The Company also received $10,000 in cash and 1,000,000 shares of Duran Ventures Inc. (TSX-V:DRV) valued at $250,000 during the quarter. These property option proceeds were first applied to reduce the carrying value of the Peru properties from $95,207 down to NIL with the remaining $164,793 reported as net property option revenue. This revenue offset all administrative and general expenses for the quarter and is expected to also offset most of these cots for the six months to March 31, 2007.

The Company signed a drill contract in January 2007. The drill and crew arrived at the La Mus Silver Gold Project in February 2007. The Company plans diamond drilling at La Mus, El Zafiro, La Cucharas, and Cerro de Oro in 2007.

1.2 – Selected Annual Information

The following table summarizes selected financial data for MacMillan Gold for each of the last three fiscal year-ends. The information set forth below should be read in conjunction with the audited Consolidated Financial Statements, prepared in accordance with Canadian generally accepted accounting principles, and their related notes.

	Year Ended		
	September 30,2006	***September 30,2005***	***September 30,2004***
Loss	2,523,735	527,737	449,372
Loss per share	0.06	0.02	0.01
Total Assets	3,152,293	3,128,002	2,306,538
Working capital (deficiency)	1,776,599	(17,732)	102,065
*Exploration Properties**	1,147,306	2,813,965	1,922,770

** Included in Total Assets above*

1.3 - Results of Operations

During the three-months ended December 31, 2006, the Company reported net income of $74,020 compared to a net loss of $71,245 reported during the same period last year. Pursuant to a property option agreement with Duran Ventures Inc., the Company received 1,000,000 common shares of Duran plus $10,000 in cash. The fair market value on the day of receipt was $250,000 (or $0.25 per share) and a fair market value of $280,000 (or $0.28 per share) at December 31, 2006. Of these proceeds, $95,207 was applied to reduce the carrying value of the Peru Exploration Projects to NIL. The remaining $164,793 was reported as net property option revenue. Administrative expenditures decreased overall by $16,411 from $77,946 in 2005 to $61,535 in 2006. During the quarter, the Company sold all marketable securities described in Note 5 of the annual financial statements for the year ended September 30, 2006 for net proceeds of $ 11,065. Accounts payable and accrued liabilities were reduced by $56,902 in the quarter as a result of lower exploration activities, while interest of $16,945 was earned in the quarter.

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1.4 - Summary of Quarterly Results

The following table presents consolidated financial information from each of the last eight fiscal quarter periods starting with the period ending September 30, 2005:

	Revenue **$**	***Income (loss)*** **$**	***Income (loss) per Share*** ***$***
December 31,2006	164,793	74,020	0.002
September 30,2006	Nil	(2,298,367)	(0.053)
June 30,2006	Nil	(50,414)	(0.004)
March 31,2006	Nil	(103,709)	(0.001)
December 31,2005	Nil	(71,245)	(0.001)
September 30,2005	Nil	(212,101)	(0.006)
June 30,2005	Nil	(79,991)	(0.002)
March 31,2005	Nil	(116,685)	(0.004)

1.5 and 1.6 – Liquidity and Capital Resources

The Company's liquid assets at December 31, 2006 were $2,093,268, consisting of cash of $1,789,083, marketable securities of $280,000 and prepaid expenses & amounts receivable totalling $24,185.

1.7 - Off Balance Sheet Arrangements

The Company does not utilize off-balance sheet financing arrangements.

1.8 - Transaction with Related Parties

During the quarter ended December 31, 2006, the Company was charged $6,000 (2005 - $6,000) for rent and administrative services by a Company controlled by a director and officer. Geological consulting fees in the amount of $14,391 (2005 - $44,955) were charged to exploration properties and paid or accrued to an officer of the Company. Included in accounts payable and accrued liabilities at December 31, 2006 is $15,534 (2005 - $60,738) owing to these related parties.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

1.9- Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company.

1.10 - Critical Accounting Estimates

The Company prepares it's consolidate financial statements in accordance with accounting principles generally accepted in Canada. The most significant accounting estimate is the policy of capitalizing exploration expenditures on its active properties. The Company reviews its portfolio of properties on an annual basis to determine whether a write-down of the capitalized cost of any property is required under Canadian generally accepted accounting principles.

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1.11 –Changes in Accounting Polices

Effective October 1, 2004, the Company adopted the recommendations of CICA Handbook Section 3870, Stock-Based Compensation and Other Stock-Based Payments. This Section establishes standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments made in exchange for goods and services. These new recommendations require the fair value based method of accounting to be applied to all stock-based compensation arrangements. The fair value of each option is accounted for over the vesting period of the options, and the related credit is included in the contributed surplus.

As a result of applying this change on a retroactive basis without restatement of comparative figures, a cumulative adjustment to the opening balance of deficit of $360,500 has been made. If the change had been made on retroactive basis with restatement of comparative amounts, stock-based compensation expense for the year ended September 30, 2004 would have increased by $218,000. Basic and diluted loss per share would have increased to $0.02. Contributed surplus and deficit as at September 30, 2004 would have increased by $360,500. The Company's stock-based compensation plan is described in Note 4(c). These consolidated financial statements omit the effect of stock options granted before October 1, 2002

During the quarter, the Company reduced the carrying value of warrants by $63,500 with a reciprocal increase to contributed surplus. This is to reflect the expiration of 1,080,000 warrants exercisable at $1.00 per share issued in December 2004 with a December 2006 expiry.

Effective October 1, 2006, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA") relating to marketable securities. The new standard has been adopted on a prospective basis with no restatement of prior period financial statements.

CICA Handbook Section 3855 – Financial Instruments – recognition and Measurement
This standard prescribes when a financial asset, financial liability, or non-financial derivative is to be recognized on the balance sheet and whether fair value or cost-based methods are used to measure the recorded amounts. It also specifies how financial instrument gains and losses are to be presented.

Effective October 1, 2006, the company's cash and marketable securities have been classified as available-for-sale and are recorded at fair value on the balance sheet. Fair values are determined directly by reference to published price quotations in an active market. Investments in equity instruments that do not have a quoted market price in an active market are reported at a nominal value. Changes in the fair value of these instruments are reflected in other comprehensive income and included in shareholders' equity on the balance sheet. All other financial instruments will be recorded at cost or amortized cost, subject to impairment reviews. The criteria for assessing an other than temporary impairment remain unchanged. Transaction costs incurred to acquire financial instruments are included in the underlying balance. Regular-way purchases and sales of financial assets are accounted for on the trade date.

CICA Handbook Section 1530 – Comprehensive Income
Comprehensive income is the change in shareholders' equity during a period from transactions and other events from non-owner sources. This standard requires certain gains and losses that would otherwise be recorded as part of net earnings to be presented in other "comprehensive income" until it is considered appropriate to recognize into net earnings.

CICA Handbook Section 3865 – Hedges
This section specifies the circumstances under which hedge accounting is permissible and how hedge accounting may be performed. As at and during the three month period ended December 31, 2006, the Company had no hedges.

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1.12-Financial Instruments and Other Instruments

The carrying values of cash, amounts receivable, accounts payable and accrued liabilities, as reflected in the balance sheet approximate their fair values.

1.13-Other MD&A Requirements

Authorized

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

Common shares issued	Shares #	Amount $
Balance, September 30, 2006 and December 31, 2006	46,707,912	19,225,756

Common share options

Under the Company's stock option plan, directors may grant options to acquire common shares of the Company to qualified directors, officers, employees and persons providing ongoing consulting services to the Company. Subject to the TSX Venture Exchange, the minimum exercise price of stock options must be at least $0.10 with the maximum term not to exceed five years. The options are 100% vested within 18 months of grant and are subject to a TSX Venture Exchange legend period if exercised in the first four months after grant.

Subsequent Events

Warrants

In February of 2007 the 10,000,000 warrants issued in February 2006 remained unexercised. The Company received exchange approval to extend the duration of the exercise price at $0.35 for an additional six months to August 7, 2007. The exercise price of these warrants then increases from $0.35 to $0.50 until the warrants expire on February 7, 2008.

Options

85,000 stock options expired in February 2007, as a result of a termination in November 2006. Of these stock options, 35,000 options were exercisable at $0.50 per share and 50,000 were exercisable at $0.35 per share.

Directors

In February 2007, Ross Lawrence resigned as a director of MacMillan Gold Corp.

Exploration Activity

The Phase 1 drill program at the La Mus property in Mexico commenced in February 2007.

Additional disclosure of the Company's technical reports, material changes reports, news release and other information can be obtained on SEDAR.