



## **FOR IMMEDIATE RELEASE**

Date: July 5, 2006  
July 4, 2006 Close: \$0.12

### **KOVAL RETURNS FURTHER POSITIVE GOLD ASSAYS**

Toronto, Ontario, Millstream Mines Ltd. (MLM-TSX-V) wishes to announce it has received the assay results of all samples taken under the supervision of Phil Brown, P. Geo. (Q.P. per NI 43-101) on the Koval gold Property. The reported assays include the Geochem Multi-Element soil samples and rock samples taken from between May 15 to June 10, 2006 (PR June 1, 2006). Phil Brown states a representative sample of quartz vein material on Vein #2 with tourmaline and fuchsite assayed at 0.189 oz/T (ounces per tonne) gold; a selected sample of quartz vein material on Vein #1 with tourmaline, fuchsite and chalcopyrite (containing visible gold) assayed at 27.905 oz/T gold, and at 50 feet north a previous representative sample on Vein #1 taken by Edward Bettiol, P. Eng. (Q.P. per NI 43-101) assayed at 0.178 oz/T gold.

Management, in consultation with Phil Brown, are assessing the most cost effective means of advancing the property. Considering the current exploration investigation results and the historic work reports, planning of the next exploration phase contemplates surface stripping to expose the veins on strike and then closely spaced diamond drilling to follow the ore shoots to depth.

The location of the Koval Property is approximately ten (10) miles east of Savant Lake, Ontario, a rail centre on the CN line, and about five (5) miles south of that point, at the northeast arm of Sturgeon Lake. The Koval Property consists of a total of 27 contiguous mining claim units comprised of 3 optioned leased mining claim units and 24 staked claim units. The staked claims are held by Millstream Mines Ltd. The leased claim units are optioned by Millstream Mines Ltd. and bear a 1.5% net smelter return (NSR) royalty.

#### **Past Highlights From The Property**

The Koval Property, aside from Millstream's recent programs, has essentially remained idle since September 1935. Prior to 1934, shallow surface trenching, pit excavating, sampling and geological investigating occurred. During 1934 to September 1935 extensive exploration was carried out on the known main surface vein over a strike length of 1100 ft., including the sinking of a shaft and the construction of lateral exploration drifts on a 125 foot level and a 250 foot level confirming its downward continuity.

According to historical reports, from the surface main vein, a bulk sample was taken over 159 feet at an average width of 2.11 ft. The sample consisted of 12 tons and was sent to the Department of Mines, Ottawa, for a mill test. The sample returned an assay of 0.455 ozs of gold per ton. In sinking the shaft, the vein was intersected at a depth of 205 feet, where it dipped into the shaft. A bulk sample in the shaft, over a vertical depth of 8 feet and a width of 33 inches, returned 0.83 ozs per ton gold. The ore continued in the shaft until the 250 ft. level was reached. Drifting to the south from the shaft shows that the shearing is a great deal more pronounced on this level (the 250 ft.) than on the level above, with commercial values having been found over a width of 44 inches. A drift was driven to the north which picked up the vein north of the shaft. The vein averaged 3 feet in width and free gold was found along it for a distance of 60 feet.

The principle objective of Millstream Mines Ltd. is to enhance and develop known mineral properties to production potential.

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