

TSX Venture Exchange
Symbol **MLM**

Frankfurt Exchange
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78,741,701 SHARES ISSUED



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FOR IMMEDIATE RELEASE

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MILLSTREAM EXECUTES MOU ON TAMARACK GOLD PROPERTY

Toronto, Ontario – Robert Chase, President, is pleased to report that Millstream Mines Ltd. (TSX-V: MLM, Frankfurt: NJD) has finalized the negotiating and signing of a memorandum of understanding (“MOU”) with an unlisted public company (hereinafter called “the UPC”) for the formation of a joint venture partnership on its Tamarack Gold Property located in southwestern Montana, U.S.A.

The essential terms contained in the agreement are:

It is agreed and understood by the parties that the plan is to up-grade the Tamarack Gold Property’s existing 60 tpd plant facilities, infrastructure, underground workings and resource definition drilling so that the project has the capacity to process mill throughput of up to 300 tons per day (300 tpd). Also, as part of this agreement, the UPC has issued three (3) million treasury shares to Millstream. Further:

- Millstream has assigned a 49% undivided working interest in the Tamarack to the UPC. Millstream is to be the operator/manager;
- The UPC to maintain its 49% interest must supply US\$4.1 million for the agreed planned upgrade to Millstream (or as directed by Millstream);
- The UPC is to deliver the US\$4.1 million in a timely manner through progress tranches not to exceed 12 months from the execution date of this agreement,
- Any shortfall of the total US\$4.1 million is subject to an interest dilution at 1% per each US\$100,000 (or any part thereof);
- Any dilution of the UPC working interest to 10% or less will be automatically converted to a 10% net profit interest in the Tamarack Gold Property forfeiting to Millstream a 100% undivided working interest;
- The UPC must deliver US\$200,000 of the US\$4.1 million on or before the end of the second completed month of being listed on the Frankfurt Exchange or another recognized exchange. Subject to the failure to obtain exchange listing within two (2) months after executing this MOU, or failure to deliver the US\$200,000 as stipulated, Millstream can terminate this agreement rendering it as annulled. The result being the UPC forfeits any and all monies paid and shares issued to Millstream prior to the date of termination.

The Tamarack Gold Property is a former high grade gold producer located near the town of Sheridan of the Alder Gulch region in the Tobacco Root Mountains of southwestern Montana. The Property is at an advanced stage of underground exploration, development and bulk sampling with a 60 ton per day milling capability, and operates under the Small Mines Exclusion Act of the State of Montana.

About Millstream Mines Ltd.:

Millstream Mines Ltd. is a Canadian-based mineral exploration company whose principle objective is to enhance and develop known mineral properties to production potential. The

Company has projects in the Province of Ontario, Canada and in the State of Montana, USA.

The Potter Mine Property is a past producing mine and host to copper-zinc-cobalt “stacked” mineralized zones. Only seven (7) zones out of a total of eleven were used to calculate the resources at Potter. These seven zones occur within the mine area along a strike length of 250 meters, lie within a horizontal across strike (stratigraphic) thickness of 225 meters, and occur within a vertical distance of 725 meters from +50 meters above sea level down to -675 meters below sea level. The Property is located in the Abitibi Greenstone Belt, and more specifically in the Kidd-Munro Assemblage which are highly prolific in gold, silver, and base metal mineralization. The property may be accessed by a mining road off of highway 101, near the town of Matheson in north eastern Ontario and a 390 meter deep shaft resides on the property in tight proximity to the above NI 43-101 defined resource.

Potter Property NI 43-101 Resource Outline

Indicated Resource					
Tonnes	Copper (%)	Zinc (%)	Cobalt (ppm)	Silver (ppm)	Gold (ppb)
3,028,767	1.45	1.19	389.7	11.1	127.5
			.039 %	11.1 g/t	.128 g/t
Inferred Resource					
2,071,101	1.08	1.05	301.4	8.7	81.7
			.0301 %	8.7 g/t	.082 g/t

Exploration properties in the company’s portfolio also include the Uncle Sam gold project property in Montana and the Airport property (Sudbury basin precious metals project) in Ontario.

Further information about these properties and the company is available on our website: millstreammines.com.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. Millstream seeks safe harbour with regard to forward looking statements.

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