



## JINSHAN CLOSES C\$30 MILLION NOTE OFFERING

**VANCOUVER, CANADA** – Jinshan Gold Mines Inc. (TSX: JIN) announced today that it has closed its C\$30 million private placement offering of notes and warrants. The proceeds will be used to fund Jinshan's corporate needs, including capital expenditures and working capital.

Haywood Securities Inc. acted as selling agent for the offering, which consisted of 30,000 Units, each Unit consisting of one promissory note and 200 transferable share purchase warrants. Each promissory note has a par value of C\$1,000 and will pay a 12% coupon per annum, payable quarterly for a period of three years. The notes mature and are re-payable after three years. Jinshan can elect to prepay the notes after 18 months with no penalty.

Each warrant is exercisable into one common share for a period of twenty-four months at an exercise price of C\$1.60 per share. Jinshan has the right to accelerate the expiry date of the warrants after eighteen months if the company's common shares trade at or above a volume weighted average share price of C\$2.75 for 20 consecutive trading days.

A cash fee of 4% of the gross proceeds raised in the offering was paid to the selling agent.

### **About Jinshan**

Jinshan is a Canadian mining company focused on the development of the CSH 217 gold mine where commercial production is expected to begin in the second quarter of 2007. In addition, the company is actively exploring its portfolio of high-quality gold exploration properties and continues to evaluate additional gold opportunities in China.

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**Forward-Looking Statements:** Statements in this release that are forward-looking statements, including those relating to expected date of commercial production at the CSH 217 gold mine are subject to various risks and uncertainties concerning the specific factors disclosed under the heading "Risk Factors" and elsewhere in the company's MD&A, financial statements and other periodic filings with Canadian securities regulators. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The company does not assume the obligation to update any forward-looking statement.