



JINSHAN AND IVANHOE ENTER INTO A DEFINITIVE AGREEMENT TO RESTRUCTURE THEIR PROJECT PARTICIPATION ARRANGEMENTS TO POSITION JINSHAN AS AN INTERMEDIATE GOLD PRODUCER IN CHINA

VANCOUVER, CANADA – Jinshan Gold Mines Inc. (JIN:TSX-V) announced today that it has entered into a definitive agreement with Ivanhoe Mines Ltd. (IVN: TSX, NYSE) to acquire all of Ivanhoe's participating interest in the CSH 217 Gold Project in China, Ivanhoe's interests in all other joint venture arrangements between the parties, Ivanhoe's existing contractual rights to participate with Jinshan in mineral exploration and development opportunities in China and cash proceeds of approximately US\$4.0 million from Ivanhoe in exchange for the issuance to Ivanhoe of 48,552,948 Jinshan common shares.

On September 8, 2005, Jinshan announced an agreement-in-principle with Ivanhoe Mines under the same terms and conditions (see Jinshan's September 8, 2005, news release for details).

The key benefits and improvements of the transaction consist of the following:

- Financing alternatives and lower fees through one corporate entity.
- Overhead, operational and decision-making efficiencies.
- Upside case for new project acquisitions.
- Corporate structure for future mergers, acquisitions and other growth strategies.
- Valuation and financial transparency for analysts and new investors.

Ivanhoe is Jinshan's largest shareholder, currently owning approximately 38.5% of Jinshan's outstanding shares. If the transaction is completed, Ivanhoe would increase its ownership to approximately 69.3%. As such, the proposed transaction is a "related party transaction" for the purposes of TSX Venture Exchange Policy 5.9 and is subject to approval by a majority of the votes cast at a shareholders' meeting by Jinshan's minority shareholders and receipt of all required regulatory approvals and other customary conditions. Neither Ivanhoe nor certain Jinshan shareholders who are related parties of Ivanhoe will be entitled to vote on the transaction.

An information circular detailing the transaction is expected to be mailed to Jinshan shareholders at the beginning of November 2005, with a shareholders' meeting to be held on November 30, 2005.

Jinshan established a special committee of its board of directors to consider the merits of the transaction and the special committee retained Stephen W. Semeniuk, CFA to prepare a fairness opinion with respect to the transaction. Mr. Semeniuk, who is experienced in valuation matters including providing fairness opinions for transactions involving listed and unlisted companies in various sectors, has concluded that the transaction is fair, from a financial point of view, to all Jinshan shareholders as a whole including the minority shareholders. The transaction remains subject to requisite regulatory and shareholder approvals.

Based in part on the conclusions reached in the Semeniuk fairness opinion and the recommendations of the special committee, the Board of Directors of Jinshan has approved the transaction and recommends that it be approved by the shareholders.

About Jinshan

Jinshan is a Canadian mining company focused on the exploration and development of gold and copper projects in Asia. The company is advancing one of the largest gold development projects in China — the CSH 217 Gold Project — and conducting exploration work on other prospective properties in China.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements: Statements in this release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed under the heading “Risk Factors” and elsewhere in the company’s 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.