



## Jinshan Gold Mines Inc.

August 25, 2006

### **JINSHAN ANNOUNCES FINANCING OF UP TO C\$9.6 MILLION**

#### **NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES**

**VANCOUVER, CANADA** – Jinshan Gold Mines Inc. (TSX-V:JIN) today announced that the company has commenced a non-brokered private placement of up to 8,000,000 units at a price of C\$1.20 per unit, for total gross proceeds of up to C\$9.6 million. Each unit consists of one common share and one-half of a share purchase warrant. Each full warrant entitles the holder to purchase one common share at the exercise price of C\$1.45 for a period of eighteen months. The private placement is subject to approval by the TSX Venture Exchange.

The proceeds of the private placement will be used to fund the company's development and construction of its ChangShanHao (CSH 217) open-pit gold mine project in China, and for general corporate purposes.

This does not constitute an offer of securities for sale in the United States. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state and may not be offered or sold in the United States or to U.S. Persons (as defined in Regulation S of the U.S. Securities Act) unless an exemption from registration is available.

#### **About Jinshan**

Jinshan is a Canadian mining company focused on the exploration and development of gold projects in Asia. The company is developing the ChangShanHao (CSH 217) open-pit gold mine 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, including those relating to the development work at the CSH 217 project 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.