



JINSHAN CLOSSES C\$20 MILLION NOTE OFFERING

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VANCOUVER, CANADA – Jinshan Gold Mines Inc. (TSX: JIN) announced today that it has closed its previously announced C\$20 million debt offering of a private placement consisting of notes and warrants.

The private placement consists of 20,000 Units, for gross proceeds of C\$20,000,000. Each Unit consists of one promissory note and 200 transferable share purchase warrants. Each note has a par value of C\$1,000 and will pay 12% interest per annum, paid quarterly for three years. Each warrant is exercisable into one common share for twenty-four months from the date of closing and has an exercise price of C\$2.50 per share. Jinshan has the right to accelerate the expiry date of the warrants after eighteen months if its shares trade at or above the volume weighted average share price of C\$4.30 for 20 consecutive trading days. The notes mature and are re-payable after three years.

Haywood Securities Inc. sold 12,500 of the Units for aggregate consideration of C\$12,500,000, while Ivanhoe Mines (TSX, NYSE, NASDAQ: IVN) purchased the remaining 7,500 Units (C\$7,500,000). The notes issued pursuant to the Haywood portion of the transaction can be repaid after eighteen months without penalty and will rank *pari passu* with notes issued in December 2006. Haywood Securities was paid a cash fee of 4% of the gross proceeds from their portion of the offering. The notes issued pursuant to the Ivanhoe Mines portion of the transaction can be repaid after six months and will be subordinate to the notes issued in December 2006 and the notes issued pursuant to the Haywood portion of the current transaction.

Net proceeds of the offering will principally be used on Jinshan's exploration properties in China, corporate development opportunities in China and for working capital and general corporate purposes.

This press release does not constitute an offer of securities for sale in the United States. The common shares and the warrants have not been and will not be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state and may not be offered or sold in the United States, 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 Chang Shan Hao (CSH 217) open-pit gold mine project and conducting exploration work on other prospective properties in China.

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The TSX 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 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. When used in this document, words such as “could”, “planning”, “estimate”, “expect”, “intend”, “may”, “potential”, “should”, and other similar expressions are forward looking statements. The company does not assume the obligation to update any forward-looking statement.