



## Jinshan Gold Mines Inc.

April 10, 2008

### **CHINA NATIONAL GOLD CORPORATION PURCHASES CDN\$218 MILLION OF JINSHAN SECURITIES WITH A MANDATE TO CREATE A LEADING GLOBAL GOLD PRODUCER**

**VANCOUVER, CANADA** – Jinshan Gold Mines Inc. (“Jinshan”) (TSX: JIN) is pleased to announce that China National Gold Group Corporation (“China Gold”), China’s largest state-owned gold producing enterprise and its financial partners, have agreed to purchase the entire holding of Ivanhoe Mines Ltd (“Ivanhoe Mines”) in Jinshan. The transaction, worth CDN\$217.7 million, will see China Gold acquire Ivanhoe Mines’:

- Ivanhoe’s entire holding of 67,520,060 common shares of Jinshan Gold Mines, at a price of \$3.1115 per share; and
- A Jinshan promissory note of \$7.5 million issued to Ivanhoe Mines, due June 26, 2010, together with accrued interest at 12% from March 31, 2008.

Upon closing of the transaction, the purchaser will replace Ivanhoe Mines as Jinshan’s largest shareholder with 42% of Jinshan’s issued and outstanding common shares. Ivanhoe will retain warrants to purchase up to 1.5 million common shares of Jinshan, each exercisable to purchase one Jinshan common share at \$2.50 at any time up to June 26, 2009.

Jinshan believes the presence of China’s largest gold producer will create new opportunities for strategic associations in support of Jinshan’s ambitions to expand its asset base through global acquisition, and the ongoing consolidation and optimization of the Chinese gold industry.

Jinshan will continue to access global financial markets to fund growth; however, the company will now have access to potentially significant debt facilities from Chinese institutions to fund acquisitions.

China Gold has a mandate to optimize and develop more than 65 operating mines and advance their significant exploration and development portfolio in China to international standards. Jinshan believes that it can support this mandate through partnership with China Gold. Jinshan also believes that with support from China Gold and with new access to financial resources, that there is great potential for significant growth within China and internationally.

The transaction, which is subject to Chinese Government regulatory approvals and Canadian regulatory filings, is scheduled to close on May 10, 2008. Under the terms of the agreement, the board of directors of Jinshan will be increased to eight members and China Gold is planning to appoint four new members to the Jinshan board, one of which will be independent, replacing certain directors, including Ivanhoe Mines’ appointees. Sun Zhaoxue, President of China National Gold Group, will be nominated to serve as Chairman of Jinshan Gold Mines. Jay Chmelauskas will continue as Jinshan’s President and CEO.

“We successfully entered China five years ago with the objective of becoming a significant player in the Chinese gold mining industry. This seminal relationship with China Gold validates our progress and significantly expands our platform for growth in the global gold mining industry,” said Jinshan’s president, Jay Chmelauskas.

Mr. Sun Zhaoxue, President of China Gold, stated that “Jinshan has a highly motivated management team, a strong asset base, and a good reputation and position in the Chinese mining sector and internationally. Jinshan will continue to be based in Canada and we have plans to build it into a leading global gold producer as we pursue growth opportunities for our group. With a track record of success in mine development and exploration, and with access to new sources of Chinese capital, we believe that Jinshan in cooperation with China Gold will have a prosperous and harmonious future.”

First established in 1979, China Gold is a large-scale, state-owned Chinese enterprise and is the largest producer of gold in China. China Gold is active in all facets of the gold mining industry from engineering and fabrication of heavy mining equipment for internal use and export abroad, exploration, mining, refining, and gold and silver bullion sales. With over 65 mines, China Gold produces approximately 20% of the total gold production in China and controls over 30% of the known gold reserves in China. China Gold is a council member of Shanghai Gold Exchange, the chairman member of the China Gold Association, the only Chinese member of the World Gold Council, and the only state-owned corporation authorized to forward sell gold on the world markets. In 2007, China Gold produced 78 tonnes of gold. China Gold also controls Zhongjin Gold, which in 2003 became the first publicly listed gold miner on the Shanghai Stock Exchange.

### **About Jinshan**

Jinshan is a Canadian mining company focused on gold production in China. The company began producing gold at the CSH Mine in July 2007 and is actively advancing its portfolio of gold exploration properties in China. Jinshan’s shares are listed on the Toronto stock exchange under the symbol JIN.

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**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. The company does not assume the obligation to update any forward-looking statement.