



## **NEW INDEPENDENT ESTIMATE DOUBLES MEASURED AND INDICATED RESOURCES AT 217 GOLD PROJECT TO 2.2 MILLION OUNCES**

### **INFERRED RESOURCES ALSO INCREASED TO 1.0 MILLION OUNCES**

VANCOUVER, CANADA – Jinshan Gold Mines is pleased to announce that a new, independent resource estimate on the company's 217 Gold Project (Chang Shan Hao Project) in Inner Mongolia, China, has more than doubled the project's measured and indicated resources to approximately 2.2 million ounces and also has increased the project's inferred resource to approximately 1.0 million ounces.

The measured and indicated resources at the 217 Project have been increased to 83 million tonnes grading 0.82 grams per tonne (g/t) gold, for contained gold content of approximately 2.2 million ounces. In addition, the project contains an estimated 37 million tonnes of inferred resources grading 0.89 g/t gold, for an additional contained gold content of approximately 1.0 million ounces. The estimates were calculated using a cut-off of 0.5 g/t gold and a gold price of US\$400 per ounce. The new resource estimate was calculated by Mario E. Rossi, of GeoSystems International Inc., Florida, USA, a qualified person as defined by National Instrument 43-101, based on the results from a drilling program that was undertaken in 2004. To date, 20,488 metres of drilling has been completed at the project.

The new resource estimate was constrained using a mineralized envelope defined at 0.20 g/t gold, and interpreted on 50-metre sections. Gold grades were interpolated within the mineralized envelope using a combination of indicator and ordinary kriging methods (Indicator-modified Ordinary Kriging). The in-situ dry density values used were 2.65 tonnes per cubic metre (t/m<sup>3</sup>) for the oxide mineralization and 2.75 t/m<sup>3</sup> for the sulphide mineralization. A grade capping of 5.0 g/t gold was applied, which removes about 3% of the in-situ contained gold in the database. The resources have been diluted to accommodate a bulk-mining production plan.

The resources have been classified using an index of drill-hole data configuration, which is based on multiple kriging passes. Measured resources are those within an ellipsoid 40x16x28 metres and a minimum of five composites and three octants informed; indicated resources are defined as estimated within 120x48x84 metres with a minimum of three composites and two octants informed; and inferred resources are defined as estimated within an ellipsoid 200x80x140 metres, and with two composites minimum informed. In all cases, the search ellipsoids were orientated along the strike of the mineralization.

Additional details of the new resource estimate are contained in a Technical Report that will be filed on SEDAR within 30 days. The new Technical Report will address the requested clarification of, and justification for, certain assumptions made in the February 18, 2004, Technical Report that formed the basis for an earlier resource estimate in respect of the 217 Project (see Jinshan's January 14, 2005, news release).

The 217 gold deposits still remain open in some areas. Although the gold generally appears mostly as freely disseminated throughout the deposits, further upside to the project economics lies in determining a potential milling flow sheet to maximize recoveries of sulphide-bearing material. Ongoing metallurgical studies indicate that the entire deposit should be amenable to heap leaching

at a ¼-inch to ½-inch crush size. Optimization studies have commenced and will continue concurrently with proposed start-up of heap-leach mining operations. Bulk-tonnage and column-test metallurgical studies have commenced to provide a better understanding of run-of-mine (ROM) operating parameters.

Open-pit pilot mining was completed at the project in late 2004. The operation produced approximately 100,000 tonnes of oxidized mineralization for heap-leach/ bulk-tonnage trials that are set to commence by May, 2005. The pilot project was undertaken to advance scoping/feasibility studies and permitting toward full-scale mining. The pilot program was designed to test a targeted, commercial production rate of 100,000 ounces per year.

Jinshan holds the right to acquire a 96.5% interest in the 217 Project. Ivanhoe Mines has the right to participate in the project on a 50/50 basis.

### **Estimated Measured, Indicated and Inferred Resources for the 217 Gold Project at various cut-off grades.**

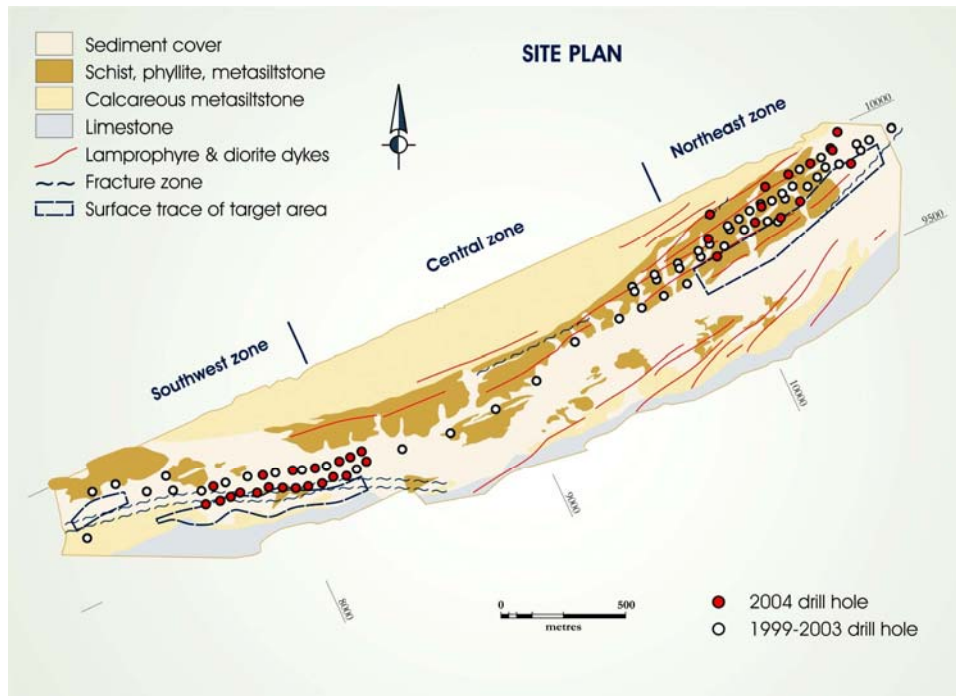
	<i>Measured</i>		<i>Indicated</i>		<i>Measured + Indicated</i>		<i>Contained Gold</i>		<i>Inferred</i>		<i>Contained Gold</i>	
<b>Cutoff (g/t)</b>	Million Tonnes	Gold Grade (g/t)	Million Tonnes	Gold Grade (g/t)	Million Tonnes	Gold Grade (g/t)	Million Ounces Gold	Million Tonnes	Gold Grade (g/t)	Million Ounces Gold		
<b>0.3</b>	22.4	0.75	82.3	0.74	104.7	0.73	2.46	52.4	0.74	1.25		
<b>0.4</b>	20.7	0.78	76.5	0.76	97.2	0.76	2.38	42.9	0.83	1.14		
<b>0.5</b>	<b>17.6</b>	<b>0.84</b>	<b>65.0</b>	<b>0.81</b>	<b>82.7</b>	<b>0.82</b>	<b>2.18</b>	<b>36.5</b>	<b>0.89</b>	<b>1.04</b>		
<b>0.6</b>	13.7	0.92	50.4	0.88	64.1	0.89	1.83	31.4	0.95	0.96		
<b>0.7</b>	10.3	1.01	37.3	0.97	47.7	0.98	1.50	24.6	1.03	0.81		
<b>0.8</b>	7.7	1.10	26.9	1.05	34.6	1.06	1.18	19.8	1.10	0.70		
<b>0.9</b>	5.7	1.19	18.6	1.14	24.3	1.16	0.91	14.7	1.19	0.56		
<b>1.0</b>	4.1	1.28	12.6	1.24	16.8	1.25	0.68	10.0	1.30	0.42		

***The footnotes below apply to the resource table.***

- 1) The resources reported above for the 217 Deposit were estimated by Mario E. Rossi, GeoSystems International, Inc., in February, 2005.
- 2) The contained gold represents estimated contained metal in the ground and has not been adjusted for mining or metallurgical recoveries.
- 3) Resource classifications conform to CIM Standards on Mineral Resources and Reserves referred to in National Instrument 43-101. Mineral resources that are not reserves do not have demonstrated economic viability. Measured and indicated mineral resources are that part of a mineral resource for which quantity and grade can be estimated with a level of confidence sufficient to allow the application of technical and economic parameters to support mine planning and evaluation of the economic viability of the deposit. An inferred mineral resource is that part of a mineral resource for which quantity and grade can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified.

#### **About Jinshan**

Jinshan Gold Mines is a Canadian company focused on the exploration and development of precious and base metals (gold, copper and platinum group metals) in China. The company also is conducting exploration work on prospective properties in Xinjiang, Yunnan, Shandong, Liaoning, Guizhou and Inner Mongolia, in China.



Drill plan map showing mineralized gold zones at 217 Project



1000 tonnes per day pilot crusher built in 2004 at 217 Project

Mario Rossi, a qualified person as defined by National Instrument 43-101, supervised the preparation of the information in this release.

Jinshan shares are listed on the TSX Venture Exchange under the symbol JIN.

Investors: Bill Trenaman/ Media: Bob Williamson: +1.604. 609.0598  
 Email: [info@jinshanmines.com](mailto:info@jinshanmines.com) Website: [www.jinshanmines.com](http://www.jinshanmines.com)

**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 the ongoing and planned exploration and development work, and optimization and metallurgical studies at the 217 Gold Project 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.