



## **Jinshan Gold Mines Inc.**

May 17, 2007

### **JINSHAN ANNOUNCES FINANCING OF UP TO C\$22.5 MILLION**

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

**VANCOUVER, CANADA** – Jinshan Gold Mines Inc. (TSX: JIN) today announced that the company has entered into an engagement letter with Salman Partners Inc., on behalf of a syndicate of agents consisting of Salman Partners Inc., BMO Capital Markets and Dundee Securities Corporation, (collectively, the “Agents”) pursuant to which the company will offer units by a short form prospectus for total gross proceeds of up to C\$22.5 million. Each unit will consist of one common share and one-half of one warrant. The price per unit will be determined by negotiations between Jinshan and the Agents, and in any case prior to the filing of the final prospectus for the offering of the units.

Each full warrant will entitle the holder to purchase, at any time within twenty-four months from the closing date, one common share of the company at a 42.2% premium to the offering price of each unit (the “Warrant Exercise Price”). The warrants are subject to an acceleration clause, whereby if the volume weighted average closing price of Jinshan's shares on the Toronto Stock Exchange exceeds 1.172 times the Warrant Exercise Price for twenty or more consecutive trading days, Jinshan may give notice to the holders of the warrants that the warrants will expire on a date no less than thirty days after the date of delivery of the notice.

Jinshan has agreed to grant the Agents an over-allotment option entitling the Agents to purchase up to an additional 10% of the offering (or C\$2,250,000 for a total offering amount of approximately \$24.75 million), exercisable at the offering price up to two days prior to the closing date. The Agents also will be entitled to a cash commission of 4.75% of the gross proceeds of the offering. Closing is anticipated to occur on or about June 7, 2007. The transaction is subject to approval of securities regulatory authorities and of the Toronto Stock Exchange.

Net proceeds of the offering will principally be used for generative work on Jinshan’s exploration properties in China, corporate development opportunities 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 development of the CSH 217 gold mine in China. In addition, the company is actively exploring its portfolio of gold exploration properties and continues to evaluate additional gold opportunities in China.

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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.