



GOLD PRODUCTION COMMENCES AT JINSHAN'S 120,000 OUNCE PER YEAR CSH 217 GOLD MINE, INNER MONGOLIA, CHINA

BEIJING, CHINA – Jinshan Gold Mines Inc. (TSX: JIN) and partner, Brigade 217 of the Northwest Geological Bureau are pleased to announce that the joint venture has poured its first 500-ounce gold doré bar at the CSH 217 Gold Mine in Inner Mongolia, China. This marks the start of production at the mine, which is expected to produce an average of approximately 120,000 ounces of gold per year once full production is achieved over the next few months. The gold bar was produced from heap leaching operations which commenced two weeks ago at the open-pit mine.

“The commencement of production at our first gold mine in one of the world’s largest gold producing nations is a major milestone for Jinshan,” said the company’s President, Jay Chmelauskas. “We now have a proven development track record with an exceptional team of mine builders to support our growth strategy in Asia. With cash flow beginning from the CSH 217 Mine, we are well positioned for expansion and to advance our other exploration and development opportunities.”

Capital expenditures to date for the CSH 217 Mine are approximately US\$31.2 million, which is in line with the April 2006 Final Feasibility Study’s initial capital estimate of US\$32.4 million. Jinshan currently has a treasury in excess of US\$25 million.

In addition to the commencement of gold production, a drilling program at the CSH 217 Gold Mine commenced in late spring. The program is designed to potentially delineate additional mineralization along strike, to infill zones with Inferred resources and bring them up to the Indicated category, and to expand other mineralized zones that remain open or untested. The drilling program has recently been increased to approximately 8,000 metres, up from the originally planned 5,000 metres.

Once this drilling is complete, an updated resource estimate will be commissioned and is expected by the end of 2007. The current resource at the mine, using a 0.5 g/t cut-off, stands at Measured and Indicated resources of approximately 110 million tonnes, grading 0.83 g/t gold and containing 2.9 million ounces of gold. The project also contains Inferred resources of 18 million tonnes grading 0.78 g/t gold and containing an additional 460,000 ounces of gold. (See Jinshan’s April 24, 2006, news release for details of the current resource).

An expansion study, expected to be completed by the end of 2007, is underway to determine the potential to scale up the mine to approximately 180,000 ounces per year.

The CSH 217 Gold Mine is owned and operated by Ningxia Pacific Mining Co. Ltd., a Sino-foreign joint venture company, in which Jinshan holds a 96.5% interest and the Brigade 217 of the Northwest Geological Bureau holds the remaining 3.5%. Ivanhoe Mines (TSX, NYSE, NASDAQ: IVN) is Jinshan’s largest shareholder holding an approximate 43% interest in Jinshan.

Qualified Person

Calvin McKee, Jinshan's Chief Operating Officer and CSH 217 General Manager, a Qualified Person as defined by National Instrument 43-101, has supervised the preparation of the technical and scientific information relating to the drilling campaign at CSH 217 Gold Mine.

About Jinshan

Jinshan is a Canadian mining company focused on the exploration and development of gold projects in Asia. The company operates the CSH 217 open-pit gold mine and is conducting exploration work on other prospective properties in China.

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Forward-Looking Statements: Statements in this release that are forward-looking statements including the expected yearly production from the CSH 217 Gold Mine, the results of the drilling program at the CSH 217 Gold Mine, the timing for an updated resource estimate and the timing for an expansion study are all 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.