

# Jinshan Gold Mines Inc.

# JINSHAN INCREASES GOLD RESOURCES TO 3.9 MILLION OUNCES MEASURED AND INDICATED AND 1.3 MILLION OUNCES INFERRED AT ITS CSH GOLD MINE, CHINA

**VANCOUVER, CANADA** – Jinshan Gold Mines Inc. (TSX: JIN) is pleased to announce results of a new National Instrument 43-101 compliant resource estimate at its CSH 217 gold mine in Inner Mongolia, China. Measured and Indicated Resources, at a 0.35 grams per tonne (g/t) cut-off grade, now total 171.3 million tonnes at 0.71 g/t gold for 3.92 million ounces of contained gold. In addition, Inferred Resources are now estimated at 1.33 million ounces of gold contained within 64.2 million tonnes grading 0.65 g/t gold at a 0.35 g/t cut-off. With the addition of the recently announced Inferred Resources at Dadiangou (see January 31, 2008 release), total gold resources at Jinshan's China projects are now 3.9 million ounces in the Measured and Indicated categories and 2.1 million ounces of gold in the Inferred category.

#### Measured and Indicated Resources:

Project	Project Cut-Off (g/t gold)		Grade (g/t gold)	Contained gold (Million Ozs)	
CSH 217	0.35	171.3	0.71	3.92	
			Total	3.92	
Inferred Resourc	es:				
CSH 217	0.35	64.2	0.65	1.33	
Dadiangou <sup>1</sup>	0.40	26.3	0.92	0.78	
			Total	2.11	

"Jinshan has nearly doubled its total gold resource base in China with the recent exploration results from our CSH 217 gold mine and our Dadiangou gold property," said Jay Chmelauskas, Jinshan's President and CEO. "We are uniquely positioned in what is expected to be the world's largest gold producing country, with a new producing gold mine, a new significant resource base and an expanding exploration growth profile."

Exploration and drilling will continue at the CSH 217 gold mine during the 2008 field season. The first priority for exploration is to convert Inferred Resources to the Measured and Indicated category with additional infill drilling at the Northeast and Southwest zones. The second priority will be to drill several gold anomalies and carry out trenching along the nine-kilometre surface strike extension of prospective stratigraphy that was defined by grid rock sampling during the 2007 field season. Finally, additional drilling is planned for the Dadiangou property and potentially other prospects in China during 2008.

# **Resource Estimate**

The new CSH 217 resource estimate was prepared by Mario Rossi, M.Sc., Min.Eng., of Geosystems International Inc. and relies on all previous data and the 11,432 metres of drilling completed in 2007. In total, 35,510 metres of drilling in 162 drill holes have been completed at CSH 217 and 18,687 individual assays were used to build the block model.

Table 1: CSH 217 Resources by category, Northeast and Southwest Zones	Table 1:	CSH 217	Resources i	by category,	Northeast of	and Southwest Z	Zones.
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	Measured		Indicated		Measured+Indicated			Inferred		
Cutoff (g/t)	Million Tonnes	Gold Grade (g/t)	Million Tonnes	Gold Grade (g/t)	Million Tonnes	Gold Grade (g/t)	Million Ounces Gold <sup>2</sup>	Million Tonnes	Gold Grade (g/t)	Million Ounces Gold <sup>2</sup>
0.25	47.3	0.71	143.9	0.66	191.3	0.67	4.116	81.2	0.58	1.501
0.30	45.7	0.72	137.4	0.68	183.0	0.69	4.043	73.9	0.60	1.436
0.35	43.4	0.74	127.9	0.70	171.3	0.71	3.919	64.2	0.65	1.334
0.40	40.5	0.77	116.4	0.73	156.9	0.74	3.747	54.7	0.69	1.220
0.45	37.1	0.80	104.3	0.77	141.4	0.78	3.534	46.2	0.74	1.104
0.50	33.7	0.83	92.3	0.81	126.0	0.82	3.299	38.6	0.80	0.989

#### Notes:

- 1. Please see January 31, 2008 press release for details of the Dadiangou Inferred Resource.
- 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 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 project. An Inferred 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, geological and grade continuity.

## **Production Update**

Gold production at the CSH 217 mine has totaled 26,945 gold ounces since start up on July 31, 2007 to the end of January 2008. Gold sales have totaled US\$16.7 million, at an average unhedged price of US\$762 per ounce over this period. The mine is currently performing at about 50% of its design capacity with leaching slowed during startup and through the first winter of operation. In future years, the volume of ore on the leach pad will be substantially increased and it is expected that solution temperature, volume and preg grade, will be easier to maintain, resulting in improved performance.

The mine continues to work through startup toward commercial production, expected later this year, by optimizing the leach circuit. Improvements are currently underway to:

- Better insulate header piping for solution flow in cold weather.
- Increase volume of solution flow by increasing the area under leach.
- Improve the quality of carbon, and optimize carbon handling technique.
- Identify and potentially eliminate any sources of preg robbing material.
- Stabilize Ph of solutions.

Mining activities at CSH 217 are currently confined to the Northeast Zone where approximately 20,000 tonnes of ore are mined per day. An expansion study is underway that will evaluate the

potential to increase the mining rate to 30,000 tonnes per day and update the Proven and Probable Reserves to include the Southwest Zone and the expanded resource at the Northeast Zone.

# **Quality Assurance and Quality Control Program**

Industry standard core handling, sample chain of custody, and laboratory quality assurance/quality control (QAQC) procedures have been developed and followed during all work at the CSH 217 project. Individual core boxes are transported from the drill site to a secure core logging facility by Jinshan personnel. At the core shack, core is logged for geological and geotechnical purposes, then photographed prior to being cut by diamond saw for sampling. Blank, duplicate, and standard samples are inserted into the sample stream and comprise approximately 20% of the samples. A strict chain of custody protocol is enforced at all times during sample transport from the project to Baogang Laboratory for preparation and to SGS Laboratory in Tianjin, China (ISO 9001-2000 accredited) for assaying. Once results are received, they are compiled with the drill hole data then reviewed and approved by the chief geologist and the qualified person.

# **Qualified Persons**

Mario Rossi, M.Sc., Min.Eng., of Geosystems International Inc. is an Independent Qualified Person as defined by National Instrument 43-101 and is responsible for the CSH 217 and Dadiangou resource estimates. Mr. Rossi has visited both the CSH 217 and Dadiangou sites and has reviewed the results within this release. Calvin McKee, Jinshan's Chief Operating Officer, a Qualified Person as defined by National Instrument 43-101, has supervised the preparation of the technical and scientific information relating to operations at the CSH 217 gold mine.

## **About Jinshan**

Jinshan is a Canadian mining company focused on gold production in China. The company is actively advancing its portfolio of gold exploration properties and evaluating new gold opportunities in China.

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Forward-Looking Statements: Statements in this release that are forward-looking statements, including China becoming the world's largest gold producer, the ongoing and planned exploration programs, the planned expansion study, the upgrade of a portion of the reported inferred resources to the measured and indicated categories, and the optimization and ultimate performance of the CSH gold mine 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.