



## Jinshan Gold Mines Inc.

May 13, 2008

### CHINA NATIONAL GOLD CORPORATION CLOSSES CDN\$218 Million PURCHASE OF JINSHAN SECURITIES

**VANCOUVER, CANADA** – Jinshan Gold Mines Inc. (“Jinshan”) (TSX: JIN) is pleased to announce that a wholly-owned subsidiary of China National Gold Group Corporation (“China Gold”), China’s largest state-owned gold producing enterprise, has completed the purchase of 42% of Jinshan’s issued and outstanding common shares from Ivanhoe Mines Ltd. (“Ivanhoe Mines”). The transaction, worth CDN\$217.7 million, will see China Gold become Jinshan’s largest shareholder.

“The investment by China National Gold gives Jinshan a unique and strong foundation to further its corporate growth strategy in China through exploration and the consolidation of the Chinese gold industry” said Jinshan’s president, Jay Chmelauskas. “In addition, China National Gold will support Jinshan in its strategy to also acquire gold assets internationally with a vision to become a leading gold producer”.

Under terms of the agreement, the purchaser has acquired from Ivanhoe Mines:

- Ivanhoe’s entire holding of 67,520,060 common shares of Jinshan, 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.

Ivanhoe Mines 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.

Concurrent with the completion of the transaction, the board of directors of Jinshan was increased by two members, from six to eight, with Mr. Sun Zhaoxue and Mr. Wu Zhanming appointed to the Board of Directors to fill those two board seats. Mr. Pierre Lebel has resigned as Chairman of Jinshan but will remain as a director, and Mr. Sun Zhaoxue, President of China National Gold Group, was appointed as the new Chairman. Mr. Jay Chmelauskas will continue as Jinshan’s President, CEO and director. Mr. Ian He will also remain a director. Mr. Peter Meredith and Mr. R. Edward Flood resigned from the Board of Directors, and Mr. Chen Yunfei and Mr. Liu Bing were appointed to fill those vacancies.

#### **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.