



## **Jinshan Gold Mines Inc.**

September 8, 2008

### **JINSHAN TO RECEIVE US\$ 19.1 MILLION UN-HEDGED DEBT FACILITY FROM THE INDUSTRIAL AND COMMERCIAL BANK OF CHINA**

#### **NEW MANAGEMENT APPOINTMENTS**

**VANCOUVER, CANADA** – Jinshan Gold Mines Inc. (TSX: JIN) announces that its subsidiary, Ningxia Pacific Mining Co. Ltd., has obtained approval for an unsecured US\$19,116,000 (Renminbi (“RMB”) 130,000,000) bridge loan (“Bridge Loan”), with the Industrial and Commercial Bank of China (“ICBC”), the largest commercial bank in China. The Bridge Loan is designed to support operations at the CSH gold mine during the installation of crushers and Phase II construction. A larger senior facility is expected to be arranged with ICBC in the fourth quarter of 2008 that will retire the Bridge Loan facility. The Bridge Loan is denominated in Renminbi, and based on the indicative terms, interest will be payable monthly at an annual interest rate of 6.57%. The principal amount will be repayable in installments of US\$4,410,000 (RMB 30,000,000) in January 2009, US\$7,353,000 (RMB 50,000,000) in February 2009, and US\$7,353,000 (RMB 50,000,000) in March 2009. The Bridge Loan will be guaranteed by Jinshan’s controlling shareholder, China National Gold Corporation (China Gold). Since the Bridge Loan does not require any gold hedging, Jinshan will maintain its current position as an entirely un-hedged gold producer. The Bridge Loan will be subject to approval by the Toronto Stock Exchange and by Jinshan’s promissory noteholders.

#### **CSH Gold Mine Production Update**

Jinshan continues to make operational improvements at the CSH gold mine as reflected in steadily increasing production over the last three months. Gold production in June was 4,810 ounces; in July, 5,234 ounces; and in August, 6,415 ounces, a record month.

#### **New Management Appointments**

In anticipation of a significant expansion of the Company’s operations in China, management of the Company has been realigned with a greater China focus. Mr. Sun Zhaoxue, Chairman of Jinshan will be appointed CEO, and Mr. Jiang Xiangdong, Vice President, will be in charge of production and technology, Mr. Ma Boping will be appointed to be Vice President for corporate administration. The company will establish a new position of secretary to the board to coordinate between the management and the board. Mr. Ren Jian will be appointed as the secretary to the board and vice president. In addition, senior operating staff of China Gold will assume senior operating roles at the CSH gold mine. President and CEO Jay Chmelauskas and COO Cal McKee will step down following the transition. Mr. Roger Walsh, Vice President Corporate Development of Jinshan, will become Jinshan’s senior North American corporate representative. Said Jay

Chmelauskas: “these changes herald an exciting period of growth for Jinshan. Mr. McKee and I were pleased to be part of the transition of the Company from an explorer to a producer and the construction and launch of the CSH gold mine in Inner Mongolia”.

Chairman Sun Zhaoxue, who is also President of China Gold, which holds a 42% stake in Jinshan stated: “Management changes at Jinshan reflect the ongoing commitment of China Gold to establish Jinshan as a platform for the creation of new opportunities for growth through consolidation and optimization in the Chinese gold industry”.

### **About Jinshan**

Jinshan is focused on gold production and acquisitions in China. The company began producing gold at the CSH Gold 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. China National Gold Corporation, a Chinese state-owned enterprise and the largest gold producer in China owns approximately 42% of Jinshan’s shares.

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**Forward-Looking Statements:** Statements in this release that are forward-looking statements, including the replacement of the bridge loan with a larger credit facility in the fourth quarter of 2008 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.