

## Regulatory Announcement

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<b>Company</b>	<a href="#">China Goldmines PLC</a>
<b>TIDM</b>	CGM
<b>Headline</b>	First Gold Production
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**28 January 2008**

### **China Goldmines plc ("China Goldmines" or the "Company")**

#### **Gold Production Commences and Annual General Meeting Statement**

China Goldmines plc (AIM: CGM) announces that it has commenced production at its Guanzhuang Gold Project at the Shenjiaya Prospect in the Hunan Province, China, by pouring 4kgs of gold from concentrate.

The Company plans to make a further production run of 19kg from the concentrate after the Chinese New Year on 16 February 2008. Full production from the Company's Baomuyuan Plant at the Shenjiaya Prospect is anticipated to start from early April 2008.

Frank Vanspeybroeck, CEO of China Goldmines, commented: "We are very proud of the achievement made by our management team and staff to transform the Company from explorer to producer in the nation which is now the largest gold producer in the world."

#### **Statement for Annual General Meeting**

The Company's AGM will be held today in London, and Alex Worrall, Director, will chair the meeting. Mr Worrall will review the achievements since the last AGM and make the following statement:

"China Goldmines plc has made substantial progress during the year with the exploration, evaluation and purchase of 8 gold mines from the successful capital raising done in October of last year.

"With the production of its first gold, the Company has achieved a major milestone by transitioning from an explorer to a producer. In the coming year, the Company will focus on:

Consolidation and refurbishment process with the aim of achieving its target of 25,000 oz;

Implementation of a rigorous training programme aimed at improving health and safety procedures of the approximately 500 employees recruited following the transfer of the mining licences. The Group has stated its intention to establish more modern mining practices in its eight goldmines;

Undertaking a vigorous exploration campaign to better define low grade surface soil anomalies and higher grade depth extensions by further infill drilling and exploratory development.

"The Company expects 2008 to be a transformational year. With the price of gold hitting record highs and China Goldmines being based in the world's largest gold producing nation, it looks forward to the future with confidence."

## Ends

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## Notes to Editors

China Goldmines plc is a UK mining company focussed on gold mining projects in the China Region. The Company listed on AIM on 7 February 2006 as a gold resources company focussed on the discovery and development of gold projects in the Hunan Province of China.

The Company's Guanzhuang Gold Project, based on an Independent Geological Report, has an estimated inferred resource of 1.8 million ounces within the top 325m from surface and over a strike distance of 1.5km has been identified from its 100% owned/controlled Shenjiaya Prospect. The Company's target is to further increase this resource by a factor of 4 to 6 times with a continuing exploration program.

The Shenjiaya Prospect consists of eight gold mines which the Company plans to consolidate with the aim of having a long life mining production of 150,000 oz Au/pa in the near future. At the same time as mining the existing eight mines, China Goldmines will continue to investigate the potential of the project area that remains under explored.

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