

Young-Shannon Gold Mines, Limited

330 Bay Street, Suite 1100
Toronto, Ontario, M5H 2S8
Tel: (416) 861-8351 Fax: (416) 867-2298
www.youngshannon.com

Young-Shannon Completes Private Placement to Fund Chester and McMillan Exploration Programs

December 22, 2004, Toronto, Ontario

Young-Shannon Gold Mines, Limited (GYS-TSX-V) (“Young-Shannon” or the “Company”) announces today that it has completed the brokered private placement of 3,000,000 “flow-through” units and 1,500,000 “hard dollar” units to raise \$540,000 in gross proceeds. Of the total proceeds raised, \$390,000 was attributable to the flow-through subscriptions and \$150,000 was attributable to the hard dollar subscriptions. The flow-through units were issued at a price of \$0.13 per flow-through unit and the hard dollar units were issued at a price of \$0.10 per hard dollar unit. Each flow-through unit consisted of one “flow-through” common share and one-half of a common share purchase warrant (a “Warrant”). Each hard dollar unit consisted of one common share and one-half of a warrant. Each whole warrant is exercisable into one non flow-through common share at any time for a period of 18 months from the date of closing of the Offering at a price of \$0.25.

Octagon Capital Corporation (“Octagon”) acted as the agent in this financing. In addition to an 8% cash commission received by Octagon, Octagon was issued broker’s warrants to acquire 360,000 common shares of the Corporation at \$0.10 per common share at any time for a period of 18 months from the date of closing of the Offering.

In conjunction with this offering the Company carried out a non-brokered private placement of 350,000 flow-through units (“flow-through units”) of Young Shannon at a price of \$0.13 per flow-through unit and 1,775,000 “hard dollar” units at a price of \$0.10 per hard dollar unit for gross proceeds of \$223,000. Each flow-through unit will comprise one flow-through common share of the Company plus one-half a common share purchase warrant. Each hard dollar unit will comprise one common share of the Company plus one-half a common share purchase warrant. Each whole warrant is exercisable into one non flow-through common share at any time for a period of 18 months from the date of closing of the Offering at a price of \$0.25.

Gross proceeds from the above noted private placements amount to \$763,000. Net proceeds will be used for funding a diamond drilling program on Young-Shannon’s Chester property and the recently optioned McMillan Mine property, both in the region of Sudbury, Ontario, and for working capital purposes. Drilling is expected to commence shortly and continue through the first quarter of 2005.

Young-Shannon Gold Mines, Limited

330 Bay Street, Suite 1100
Toronto, Ontario, M5H 2S8
Tel: (416) 861-8351 Fax: (416) 867-2298
www.youngshannon.com

All the securities issued in connection with the private placement today bear a resale restriction preventing such securities from being resold on or prior to April 23, 2005.

Young-Shannon Gold Mines, Limited is a precious metals exploration company which holds a group of patented and unpatented claims within Chester Township located west of Highway 144 midway between Sudbury and Timmins, Ontario. It also has an option to earn a 60 % interest in the McMillan gold mine property, located 75 kilometres southwest of the Greater City of Sudbury. Upon the completion of these private placements Young-Shannon Gold Mines, Limited will have 21,088,825 common shares outstanding and 27,774,324 shares fully diluted and is listed on the TSX Venture Exchange under the symbol GYS.

Further details may be obtained from our website: www.youngshannon.com

For more information, please contact: Greg Lipton, President,
Telephone (416) 861-8351,
Fax (416) 867-2298.

This press release contains certain forward-looking statements. While these forward-looking statements represent our best current judgment, they are subject to a variety of risks and uncertainties that are beyond the company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements.

*No stock exchange, securities commission or other regulatory authority
has approved or disapproved the information contained herein.*

NOT FOR DISTRIBUTION TO U.S. NEWSWIRES OR FOR DISSEMINATION IN THE UNITED STATES