

***Young-Shannon Gold Mines Ltd.***  
***330 Bay St., Suite 1100***  
***Toronto, Ontario M5H 2S8***  
***tel: 416-861-8351***

## Young-Shannon Signs Option and Joint Venture Agreement for Chester Gold Property With Private Company

October 23, 2007 Toronto, Ontario-**Young-Shannon Gold Mines, Limited (GYS-TSX.V)** (“Young-Shannon”) is pleased to announce that the Company has signed a definitive Option and Joint Venture Agreement (the “Agreement”) with a private Canadian company, whereby the private company can earn a 46.25% interest in Young-Shannon’s gold property in Chester Township, Ontario. Pursuant to the signing of the Agreement, the private company has paid Young-Shannon \$CDN 10,000. A previous non-refundable cash payment of \$CDN 5,000 was paid to Young-Shannon upon signing of the Letter of Intent for this Agreement, earlier this year.

The private company will be required to spend a total of \$CDN 2,250,000 in exploration costs to earn its 46.25% interest including \$CDN 100,000 by December 31, 2007, \$CDN 150,000 by March 31, 2008, and \$CDN 500,000 in each twelve month period ending on March 31, until March 31, 2012. Also, cash payments of \$CDN 15,000 will be made by the private company to Young-Shannon on each of the first four anniversaries of the effective date of the Agreement.

The private company will undertake a strategy to go public and become listed on the TSX Venture Exchange, or other equivalent stock exchange, by Initial Public Offering, merger, or other financial transaction (“Public Transaction”) within nine months following the execution date of the Agreement. Upon completing a Public Transaction, the private company will cause the resulting issuer, subject to regulatory approval, to issue the following shares to Young-Shannon:

- (i) shares of the resulting issuer on closing of the Public Transaction having a value of \$100,000; and
- (ii) 50% of the number of shares issued under (i) above on each anniversary of the closing of the Public Transaction for each year that the Agreement is in force until exercise of the option.

Upon satisfying these obligations the private company will then have the option to acquire an additional 28.75% interest in the property by paying Young-Shannon \$CDN 300,000 cash and issuing Young-Shannon five times the number of shares in the resulting issuer which were issued per (i), above.

Both the private company and Young-Shannon agree that the transactions contemplated by the Agreement shall be subject to the approval of the TSX Venture Exchange.

The Chester gold property, situated some 120 km. south-southwest of Timmins, and 160 km. north-northwest of Sudbury, is comprised of eleven patented, contiguous mining claims, and eighteen contiguous unpatented mining claims. Considerable exploration work has occurred on the property to date, consisting of mapping, geophysics, drilling, trenching, shaft sinking and assaying, which has yielded significant gold results, but still requires further exploration efforts.

Greg Lipton, P. Geo. is the qualified person for the Company as required under National Instrument 43-101. He is a member of the Association of Professional Geoscientists of Ontario (APGO).

Young-Shannon Gold Mines, Limited is a precious metals exploration company which holds a group of 11 patented and 18 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, and it also has an option to earn a 70% interest in the M-18 gold property in Argentina. The Company has 31,460,078 common shares outstanding and is listed on the TSX Venture Exchange under the symbol GYS.

Further details may be obtained from our website: [www.youngshannon.com](http://www.youngshannon.com)

For more information, please contact: Greg Lipton, President,  
Telephone (416) 861-8351,  
Fax (416) 867-2298.  
[greg.lipton@youngshannon.com](mailto:greg.lipton@youngshannon.com)

*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.*