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Young-Shannon Options 50% of La Cucharas, Mexico Gold and Silver Property from MacMillan Gold

September 7, 2005, Toronto, Ontario-**Young-Shannon Gold Mines, Limited (GYS-TSX.V)** (“Young-Shannon”) is pleased to announce that the Company has signed a Letter of Intent with MacMillan Gold Corp. (TSX Venture “MMG”) (“MacMillan”). MacMillan has granted Young-Shannon the right to earn a 50% interest in the La Cucharas Gold and Silver Property in the state of Nayarit in Mexico. The La Cucharas Property is a land package comprised of numerous mineral claims covering over 3,500 hectares. Some claims have been granted while others are filed pending government review and approval. All claims are within a well defined area of influence which is 12 km. east-west by 12 km. north-south. The parties are now working on formalizing the terms contained in the Letter of Intent in a definitive option and joint venture agreement.

The property hosts numerous old workings and mines which produced gold, silver and copper ore. Recent prospecting by MacMillan staff has revealed that a large portion of the property exhibits a classic epithermal environment with extensive associated breccia zones. Geochemical sampling of both old workings and surrounding geology by MacMillan confirmed extensive gold and silver mineralization throughout the property with chip samples returning values of 2.93 grams / tonne gold from one 10 metre by 10 metre sample zone, 2.79 grams / tonne gold from a composite of outcrop sampling across 100 metres, 2.19 grams / tonne from a composite of grab samples from one old working, and 1.17 grams / tonne gold over 50 metres of chip sampling. Silver values were likewise highly anomalous with values ranging from 6.00 grams / tonne to 47.40 grams / tonne silver from the sample locations noted above.

Property due diligence was carried out by Greg Lipton, P.Geo., Young-Shannon’s Qualified Person. Geochemical sampling confirmed the highly anomalous gold and silver values obtained by MacMillan. Young-Shannon’s chip and composite grab sampling program showed sixteen samples with grades in excess of 0.79 grams / tonne gold, of which eight samples had values ranging from 1 to 2 grams / tonne gold and seven samples were in excess of 2 grams / tonne gold, with a high value of 7.16 grams / tonne gold. Silver values were also extremely impressive with values ranging from 8.9 grams / tonne to 191.0 grams / tonne from the same sample locations. A total of twenty-six samples were in excess of 10 grams / tonne silver and three of these were in excess of 100 grams / tonne.

MacMillan is entitled to 2,500,000 shares of Young-Shannon subject to regulatory approval, of which 500,000 shares are due within 10 days of regulatory approvals and

500,000 shares are due on each of the end dates of phase 1, phase 2, phase 3 and phase 4. Young-Shannon is the operator and MacMillan is the exploration manager until completion of the 50% earn in. Young-Shannon is required to spend a total of US\$2,000,000 to earn their 50% interest including; US\$125,000 by August 31, 2006, US\$400,000 by August 31, 2007, US\$900,000 by August 31, 2008, US\$1,400,000 by August 31, 2009 and US\$2,000,000 by August 31, 2010. MacMillan is entitled to a 10% management fee on exploration expenditures. The effective exploration expenditure date for the agreement was set as January 1, 2005. Young-Shannon has paid a US\$10,000 non-refundable advance to be applied retro-actively against exploration expenditures incurred. Young-Shannon may terminate the option at any time at their sole discretion as long as the agreement is in good standing with respect to shares due to MacMillan, exploration expenditures are up to date, and the properties are returned in good standing with a minimum of six months of assessment work credits and taxes paid.

The transactions contemplated in the Letter of Intent are subject to the execution of a definitive option and joint venture agreement and the receipt of regulatory and Board approvals.

Exploration programs for the La Cucharas property will be mutually approved by both Young-Shannon and MacMillan Gold Corp.

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).

Rock samples were assayed by ALS Chemex of Vancouver, British Columbia using 34 element ICP-AES and aqua regia / AA for ore grade silver values.

Young-Shannon Gold Mines, Limited is a precious metals exploration company which holds a group of 11 patented and 19 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. The Company has 21,088,825 common shares outstanding and 27,774,324 shares on a fully diluted basis and is listed on the TSX Venture Exchange under the symbol GYS.

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

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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.*