

Young-Shannon Gold Mines, Limited

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Young-Shannon Commences Diamond Drill Program on McMillan Gold Mine Property

January 5, 2005, Toronto, Ontario

Young-Shannon Gold Mines, Limited (GYS-TSX.V) announces that a drill has been mobilized this week and has begun a minimum 1,525 metre (6,500 foot) drilling program on the Company's recently optioned McMillan Gold Mine ("McMillan") claims located in northern Ontario, Canada. The drilling program will consist of at least 12 diamond drill holes targeted to test, at depth, a new area of gold mineralization discovered during an April 2004 drilling campaign by MBMI Resources Inc., as well as to continue defining the strike and dip extensions to gold mineralization previously mined in the mid-1930's.

Upon completion of this phase of the McMillan property diamond drilling program, the diamond drill will be immediately mobilized to the Company's Chester Township property. A drilling campaign will commence immediately on the "C Prime" gold deposit, one of a series of gold-bearing structures located in Chester Township, west of Highway 144 midway between Sudbury and Timmins, Ontario.

The McMillan claims comprise 26 unpatented mining claim units in Mongowin and McKinnon townships, located approximately 14 kilometres south of the town of Espanola, Ontario on the north shore of House Lake.

Gold was first discovered on the McMillan property in the early 1920's. Shaft sinking and underground exploration were carried out in the late 1920's, with the shaft reaching 900 feet in depth. A 125 ton per day mill was subsequently built and operated until 1937. The mine produced 60,000 tons of ore at a recovered grade of 0.18 ounces per ton. Historical records indicate that mineralization continued below the 900 foot level, but a grade of 0.20 ounces per ton was considered uneconomic at that time. In 1985/86 the mine was dewatered and sampled underground. Sampling from different underground stopes ranged from 0.07 ounces per ton to 0.48 ounces per ton. Based on these results, a work program consisting of underground diamond drilling to determine vein continuity, and to locate areas of undeveloped gold bearing zones was recommended at that time, however, due to lack of funding, the program was not carried out. The April 2004 program of diamond drilling was based on results of the 1985/86 sampling program, and on testing geophysical targets from a 1997 survey that may indicate extensions to the mine area.

Seven holes totaling 1,077 metres were completed and resulted in extending the known gold mineralization 130 metres on strike to the east and 20 metres to the west for a total strike length of over 400 metres. The zone remains open on strike and at depth below the old workings (265 metres).

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Results of the April, 2004 drilling are described below:

Hole No.	Interval (meters)	Intersection (meters)	Au (g/ton)	Oz/ton
MM-1-04	3.13-3.33	0.2	15.46	0.45
	9.15-9.67	0.52	13.92	0.40
	16.58-16.77	0.19	1.58	0.04
	17.09-17.39	0.3	3.74	0.10
MM-1A-04	9.63-9.83	0.2	3.57	0.10
	17.84-18.26	0.42	4.66	0.13
MM-1B-04 Including	7.90-8.40	0.50	2.66	0.07
	9.90-14.55	4.65	11.21	0.33
	13.75-14.05	0.30	94.77	2.76
MM-2-04	113.30-118.30	5.00	9.89	0.28
	137.20-139.30	2.10	5.79	0.17
MM-3-04 Including Including Including	170.60-171.25	0.65	6.03	0.18
	179.30-179.65	0.35	8.81	0.25
	182.75-193.60	10.85	7.91	0.23
	182.75-184.25	1.50	26.97	0.77
	189.00-190.00	1.00	17.11	0.49
	192.50-193.60	1.10	23.89	0.69
MM-4-04	No significant	assays		
MM-5-04	144.90-148.40	3.50	0.30	0.10

Assays by Swastika Laboratories Ltd., Swastika, Ontario

Young-Shannon's option agreement with MBMI was entered into in November, 2004 and enables the Company to earn a 50% interest in the McMillan property over a three year period for staged payments of \$75,000 in cash and 650,000 common shares plus a three year work commitment of \$900,000. Young-Shannon has the option to increase its interest to 60% by issuing an additional 250,000 common shares and spending \$400,000 more on the property.

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).

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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. Young-Shannon Gold Mines, Limited 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.***