

NEW JERSEY MINING COMPANY

January 6, 2006

PRESS RELEASE

New Jersey Mining Company Extends High Grade at the Golden Chest Mine

Kellogg, Idaho. New Jersey Mining Company (OTCBB:NJMC) recently completed its drilling program to expand resources on the deep portion of the Idaho vein at the Golden Chest mine in Murray, Idaho. The highlight of the drilling to date is from DDH05-3 where a 2.4 meter (m) interval assayed 23.2 grams of gold per tonne (gpt) or 8 feet of 0.68 ounces of gold per ton.

Assay results are available for the Idaho vein intercepts on the first two holes drilled while assays of the third intercept are pending. Ore grade intervals were drilled in both holes being reported, and the intercepts are about 200 meters (656 feet) below the surface.

Drilling Results

Core hole 05-02 intercepted the Idaho vein about 15 m down dip and 20 m northerly on strike from the discovery intercept made in 2004. Intercept 05-02 showed a zone 4.4 m thick averaging 4.8 grams/tonne gold with a high grade core 0.55 m thick grading 14.5 gpt.

Core hole 05-03 showed the best grade intercept so far. It intercepted the vein 35 m down dip and 25 m southerly on strike from the discovery intercept. Intercept 05-03 showed a zone 7.0 m thick averaging 10.3 gpt gold with a high grade core 2.4 m thick grading 23.2 gpt gold.

The discovery intercept made in 2004 showed a vein system about 13 m thick grading 4.26 gpt gold with a high grade core about 3.7 m thick grading 10.68 gpt gold.

With the 2005 drilling, there are now four intercepts representing an area 120 m on dip by 80 m on strike. This mineralized area is open in all directions so more drilling is required to discover the areal extent. The Idaho vein is a 5 to 15 m thick mineralized zone of quartz veins with a high grade core. It is a mesothermal vein system situated near a lithologic boundary and gold occurs with sulfides as well as in free grains. The dip of the vein is about 45 degrees. Igneous dikes occur in the mineralized zone. It is planned to calculate a preliminary resource based on the four drill intercepts.

Company President Fred W. Brackebusch stated, "The 2005 drill program has increased the probability of developing enough resources for a 1,500 tonne/day underground mine, which is the

goal. Previous drilling by Newmont Exploration in the late 1980's indicated open pit resources where the Idaho vein crops out. Newmont calculated a resource of over 200,000 ounces of gold which could possibly be mined by open pit methods. The strategy is to develop a large enough resource to support the investment in a mining operation which would involve underground mining of resources from the deep Idaho vein, a seasonal open pit in the outcrop area, and continued mining of high grade ore from the Katie-Dora area about 500 meters to the north.”

Further steps are now justified to gain more information about the Idaho vein resource. A drilling plan for 2006 will be formulated to continue exploration of the Idaho vein. The timing of additional drilling will be subject to available financing.

The drilling was done by an independent contractor, Marcus & Marcus, using HQ size coring equipment. Core was logged, photographed, and sampled at a secure facility by an independent registered Professional Geologist. One half of the core was submitted to ALS Chemex in Sparks, Nevada for assaying, and the other half was retained in the secure facility for visual inspection. Quality control samples of known grade and similar ore from the mineral processing plant were inserted with the core samples.

The Golden Chest mine is operated under a mining lease with Metaline Contact Mines (OTCBB: MTLI).

New Jersey Mining Company is involved in exploring for and developing gold, silver and base metal ore resources in the Coeur d'Alene Mining District of northern Idaho. The Company has a portfolio of mineral properties in the Coeur d'Alene Mining District including the New Jersey mine, the Silver Strand mine, the Golden Chest mine, the CAMP project, the Scotch Thistle project, and the Silver Button project.

This release contains certain forward-looking statements within the meaning of the Federal Securities Laws. Such statements are based on assumptions that the Company believes are reasonable but which are subject to a wide range of uncertainties and business risks. Factors that could cause actual results to differ from those anticipated are discussed in the Company's periodic filings with the Securities and Exchange Commission, including its annual report on Form 10-KSB for the year ended December 31, 2004.

Further information about New Jersey Mining Company can be reviewed on the website of the Securities and Exchange Commission at www.sec.gov or on the company's website at www.newjerseymining.com

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