

NEW JERSEY MINING COMPANY

June 28, 2006

PRESS RELEASE

New Jersey Mining Company Provides Update

Kellogg, Idaho. New Jersey Mining Company (OTCBB:NJMC) is making significant progress with its plans since raising funds in April. Major projects underway include startup of the Silver Strand mine, drilling the Idaho vein at the Golden Chest mine, continuing production from the Katie-Dora vein at the Golden Chest, and building a concentrate leach circuit at the centrally-located New Jersey mill facility.

Work has commenced to build the infrastructure necessary to operate the Silver Strand mine. The work includes driving a new adit to access existing underground workings, gating roads, road maintenance, office/dry facilities, water collection and land application system, and other organizational tasks. The Silver Strand mine contains reserves of silver-gold ore that will be mined and shipped to the Company's mill near Kellogg, Idaho. Currently, ore reserves and resources stand at 17,500 tonnes with a grade of 5.87 grams per tonne (0.171 ounces per ton) gold and 337 gpt (9.8 opt) silver. The primary focus of the mining operation will be to expand the silver-gold resource by exploring the orebody at depth by driving a ramp downward, and at the same time recover gold and silver from the ore to help finance the exploration. A mining rate of 1,000 tonnes per month is planned for the Silver Strand in a seasonal operation typically operating from April through November.

Seven core holes totaling 1,100 m have been completed with the purpose to expand the resource on the Idaho vein at the Golden Chest mine. Currently, core is being logged and assayed. Results will be released when available. Management's goal is to define enough resources to support investment in an underground mine which would be operated in conjunction with a seasonal open pit mine. An updated gold resource calculation for the Idaho vein will be completed with the data from this year's drilling.

At the high grade Katie-Dora operation of the Golden Chest mine the access ramp has been extended about 80 m to access the 955 sublevel. The vein has recently been intercepted by the ramp. Raising on the vein will be commenced shortly. Ore from the high grade Katie-Dora shoot averages about 12 grams/tonne gold.

At the New Jersey mill, construction of the concentrate leach building has commenced. Most equipment has been ordered. Leaching tanks, agitators, and oxygen production equipment

have been received. The purpose of the concentrate leach circuit is to produce a more marketable gold-silver dore' on site which will increase sales revenue and reduce reliance on one customer for buying the concentrate as is currently the case.

The Annual Meeting for the Company will be held in Wallace, Idaho on August 11, 2006 at the Wallace Inn at 10:00 AM PST. In addition to electing Directors, management will make a presentation summarizing work completed in the past year and exploration plans for the upcoming year.

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, and several other exploration prospects.

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, 2005.

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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