

# **NEW JERSEY MINING COMPANY**

January 17, 2007

## **PRESS RELEASE**

### **New Jersey Mining Company Increases Silver Resources**

Kellogg, Idaho. New Jersey Mining Company (OTCBB:NJMC) announces it has increased its silver resources to approximately nine million ounces with the recent addition of the Niagara copper-silver deposit located near Murray, Idaho. Recently completed resource calculations indicate the Niagara deposit has 14.2 million tonnes grading 20 grams per tonne (gpt) silver and 0.46% copper.

The company signed the finalized agreement on the Niagara deposit on December 2, 2006, and subsequently calculated an updated mineral resource based on past exploration data generated by Earth Resources Company in the 1970's. The resource calculation is based on eight diamond drillholes and seven outcrop trenches with an average spacing of about 120 meters. A polygonal estimation method was completed by John Etienne (M.S. Geology) and Fred W. Brackebusch, P.E.

“The company’s resource base increased very significantly with the addition of the Niagara deposit in 2006. Using the current prices for gold, silver, and copper, the total value of the company’s mineral resources is equal to just over one million ounces of gold,” said company President Fred Brackebusch.

NJMC plans to conduct a diamond drilling program on the Niagara deposit which is located in the upper Revett formation. The primary goal of this program will be to perform in-fill drilling to upgrade the quality of the resource estimate to the level sufficient for a feasibility study. The feasibility study would evaluate the economics of an open pit and/or underground mining operation with a mill processing in the range of 2,500 to 5,000 tonnes per day.

A secondary goal of the drilling program will be to drill deeper holes that will probe into the lower Revett formation to explore for a deeper copper-silver deposit. These types of deposits can be stacked in the Revett formation and the larger tonnage orebodies are typically found in the lower Revett. A Plan of Operations for the drilling program was submitted to the USFS in September of 2006 by the previous operators and was assumed by NJMC. Approval of the drilling plan is expected in the summer of 2007.

Cautionary Note to Investors - The U.S. Securities and Exchange Commission permits mining companies, in their filings with the SEC, to disclose only those mineral deposits that the company can economically and legally extract. We use certain terms in this news release, such as “resource” and “reserve”, that the SEC guidelines strictly prohibit us from including in our filings with the SEC. Investors are urged to consider the disclosure in our Form 10-KSB and Form 10-QSB. Copies of these filings can be viewed at the SEC’s website [www.sec.gov](http://www.sec.gov).

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 Niagara copper-silver deposit, the Golden Chest mine, the New Jersey mine, the Silver Strand mine, and several other exciting 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](http://www.sec.gov) or on the company's website at [www.newjerseymining.com](http://www.newjerseymining.com)

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