

EMGOLD MINING CORPORATION

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Emgold Moves Ceramext™ Process Towards Full Commercialization

Emgold Mining Corporation (“Emgold”) is pleased to announce that Dr. Carl Frahme and Dr. Robert Villwock have joined the company’s project team to advance the technology development of the Ceramext™ process to full commercialization. The Company has also entered into a lease and option to purchase agreement (the “Agreement”) for a 44,000 square foot building located in Grass Valley, California. The building supports the further development of the Ceramext™ technology and provides office, laboratory, geological and storage facilities for the Idaho-Maryland and Golden Bear Ceramics project teams.

Emgold, through its indirect wholly owned subsidiary, Golden Bear Ceramics (“Golden Bear”), is constructing and operating a pilot and demonstration plant using the Ceramext™ process to produce high quality ceramic building materials such as brick and tile from a wide variety of materials including mine development rock and tailings from the Idaho-Maryland Mine as well as coal, lignite, and biomass fly ash, bottom ash, slag, clays, volcanic ash and other mine tailings. Specifically, the Ceramext™ process has been tested on a laboratory scale using tailings from the Idaho-Maryland Mine and has successfully produced very high quality ceramic blanks suitable for forming into ceramic products using standard and proprietary finishing technologies. The demonstration plant will investigate the feasibility of using the Ceramext™ process to consume all development rock from underground workings and tailings from gold recovery operations produced from the Idaho-Maryland Mine. Marketing surveys reviewed by Dr. Frahme indicate that floor tiles are worth approximately US\$1.25 to US\$1.50 per square foot on a wholesale basis in California, which translates into approximately US\$400 to US\$500 per ton of feedstock to the process.

Dr. Frahme is a recognized expert in ceramics technology and will be responsible for all aspects of the research and product development effort for Golden Bear. He has over thirty-five years in ceramics research, product development, manufacturing, marketing and sales, and technology management. In addition to his business accomplishments, he has also been an educator, co-founding the Ceramic Correspondence Institute (now operated by the American Ceramics Society) and lecturing in ceramics at the University of California at Los Angeles. Dr. Frahme holds a number of patents in refractory fiber and other ceramic technologies. He is a Fellow of The American Ceramic Society and the Institute for the Advancement of Engineering and is a member of the National Institute of Ceramic Engineers. He holds a B.S. in Metallurgical Engineering from Case Western Reserve University and a Ph.D. in Ceramics from Rutgers State University.

Dr. Villwock has extensive experience in new technology development in the materials industry. He has expertise in materials extrusion, which is a key process in the commercialization of the Ceramext™ process. Dr. Villwock will be responsible for the overall Ceramext™ process development and commercial equipment design. He was formerly the Director of Polymer Engineering at Mobius Technologies Inc., responsible for all research and development, engineering, pilot plant work and intellectual property management. Dr. Villwock holds a B.S. in Polymer Science Engineering from Case Western Reserve University and a Ph.D. in Chemical Engineering from the University of California, Berkeley.

Emgold, through its wholly owned subsidiary, Emgold (U.S.) Corp. (“Emgold US”) has entered into an Agreement with an independent and non-related private owner for a 44,000 square foot industrial building located in Grass Valley. The building is one of the largest industrial buildings in the Grass Valley area and is fully serviced to meet power and natural gas requirements for development and commercialization

of the Ceramext™ process. The building has sufficient space for all pilot and demonstration programs including multiple production lines to process a wide range of feedstock materials to produce high quality ceramic products for marketing and feasibility purposes. Since July 2003, Emgold has been leasing approximately 2,500 square feet of the above facility for logging and secure storage of diamond drill core. The term of the Agreement is for 3 years commencing April 1, 2004, and includes an option to purchase the building at any time during the term for an indexed value between US\$2.5 and US\$2.6 million plus closing costs, depending on the time of exercise. The purchase price shall be adjusted on each anniversary date of the Agreement, increasing the purchase price by the greater of (a) the percentage increase in the consumer price index (All Urban Consumers, base year 1982-84 = 100) for San Francisco - Oakland - San Jose CMSA published by the United States Department of Labor, Bureau of Labor Statistics during the most recent 12-month period, but not greater than 5%, and (b) 3% above the previous purchase price in effect.

The design of the first phase of the Ceramext™ Pilot/Demonstration Plant has been completed and currently the equipment is being fabricated for delivery in late May 2004. The original bench-scale equipment has been relocated to Grass Valley and reassembled for testing. Test work using the bench-scale equipment is now underway to produce ceramic blanks and bricks. Samples for analyses, mechanical testing and display are being produced while awaiting the pilot and demonstration plant equipment. It is anticipated that testing of the Pilot/Demonstration Plant will commence in late June 2004. Design of the second phase of the Demonstration plant will be started in late summer based on the initial test work. Construction of the second phase of the Demonstration Plant is anticipated to be complete by late fall of this year. The initial feedstock for the Pilot and Demonstration Plants will consist of development rock samples and tailings from the Idaho-Maryland Mine. The results of the Pilot and Demonstration Plants will be used to complete a feasibility study to evaluate the construction and operation of a full-scale Ceramext™ facility that could consume all development rock from underground workings and tailings from the Idaho-Maryland Mine. It is anticipated that the feasibility study using the Ceramext™ process on the Idaho-Maryland feedstock could be completed in the first quarter of 2005. Other feedstock materials will be tested during the demonstration and feasibility work to examine additional business opportunities. Emgold, through its subsidiary Golden Bear, holds the global license to the Ceramext™ process.

For more information about Emgold, the Idaho-Maryland Project and the Ceramext™ process please visit <http://www.emgold.com/> or <http://www.sedar.com/>.

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No regulatory authority has approved or disapproved the information contained in this news release.

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company's filings that are available at www.sedar.com or the Company's website at www.emgold.com.