

26 May 2014

NICKEL SULPHIDE DRILLING CAMPAIGN AT EAST LAVERTON

HIGHLIGHTS:

- Drill rig has mobilised to site
- Test drilling of massive nickel sulphide targets
- Strong potential for breakthrough discovery at East Laverton

HIGH IMPACT DRILLING CAMPAIGN

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') is pleased to announce that drilling under its 2014 nickel sulphide drilling programme will commence today at its 100% owned East Laverton Property (see Figure 1).

The Company's drilling contractor, DDH1 Drilling, has mobilised to site and drilling is planned to commence later today.

John Prineas, Executive Chairman of St George Mining said:

"Reconnaissance drilling at our East Laverton Property in 2012 discovered nickel sulphides and confirmed the prospectivity of this large, regional project as an emerging nickel field.

"Our EM survey has now delivered high quality targets to test for massive nickel sulphide deposits.

"Phase 1 of the 2014 drilling programme will test this first group of EM conductors identified by Newexco on the Stella Range belt.

"We believe this drill programme offers an excellent opportunity for a major discovery.

"We look forward to reporting a strong news flow over the coming days and weeks as drilling is completed and results become available."

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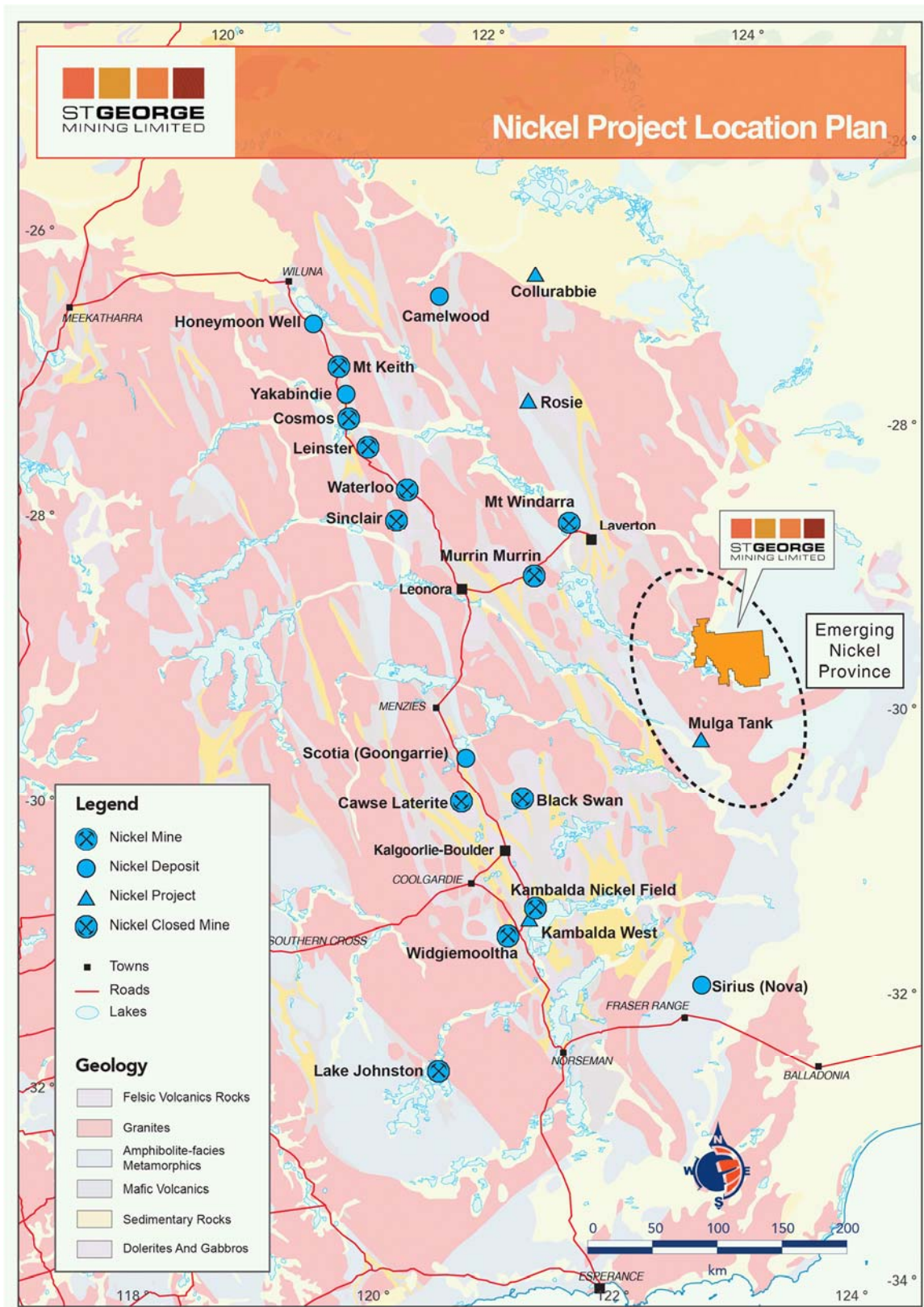


Figure 1 – St George’s ground is the dominant landholding in the emerging nickel province located to the east of the Agnew-Wiluna belt, the most significant nickel belt in Western Australia. Early exploration results at St George’s nickel project indicate the potential for a nickel sulphide belt on the scale of Agnew-Wiluna.