

ST GEORGE MINING LIMITED

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ASX: SGQ

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East Laverton Property:
Crusader Gold Project
Zeus Nickel Project
Empire Copper Project

Pine Creek Property:
Blue Thunder Gold Project
White Strike Uranium Project

MAJOR NEW GOLD TARGETS CONFIRMED BY INFILL SAMPLING AT EAST LAVERTON

HIGHLIGHTS

Recent regional geochemical survey outlined a large gold system (3 km x 2 km) at the new Balmoral Prospect.

Closed spaced sampling (50 m spacing) confirms three prominent new gold zones, within the larger anomalous system.

Interpretation of the finer resolution multi-element responses has identified distinct sites for drill testing.

These gold zones are priority targets for the ongoing drilling programme at East Laverton.

THE BALMORAL PROSPECT

Australian gold and nickel focused company, St George Mining Limited (**ASX:SGQ**) ('**St George Mining**' or '**the Company**') is pleased to announce that results from infill sampling of the newly discovered

Balmoral Prospect at its 100% owned East Laverton Property in the North-Eastern Goldfields region of Western Australia have confirmed three prominent gold targets within the broader gold system.

The Balmoral Prospect is a newly discovered gold system that was identified as part of the regional multi-element (MMI "mobile metal ion") soil sampling survey undertaken by the Company at the East Laverton Property in 2010.

The initial survey involved the collection of samples on a 500m staggered grid. A large and completely new gold system with a surface geochemical expression of 3km x 2km was identified and named the Balmoral Prospect. The gold system is situated within a significant structural flexure of the major Minigwal Shear.

Close spaced infill sampling (50 m spacing), to help identify drill sites, has now been completed within the broader Balmoral Prospect. A total 2,101 soil samples were collected.

The improved resolution of the gold and other metal trends provided by this new phase of sampling has defined three prominent gold targets within the broader anomalous system. Testing of these exciting new targets will be part of the ongoing drilling programme at the East Laverton Property.

The attached maps show the infill sampling results for Au, Ag and Cu respectively. The Balmoral Prospect is highlighted by the diamond shaped area.

Figure 1 shows the Gold results and indicates that there are three significant gold zones in the Balmoral Prospect.

Figures 2 and 3 show a large enigmatic Gold + Silver + Copper + Nickel anomaly in the central area of the Balmoral Prospect.

Tim Hronsky, Technical Director of St George Mining said that the infill sampling has confirmed the highly prospective nature of the newly discovered Balmoral Prospect:

“Generating new targets is an important part of our exploration strategy at East Laverton and we have been well rewarded by identifying what is a major new prospect. The intensity and continuity of these gold and polymetallic trends is excellent, and Balmoral has become a priority drill target,” Mr Hronsky said.

“These results further strengthen our confidence that the East Laverton Property represents the early stage of a large and highly prospective mineral field,” he added.

The survey results have demonstrated the effectiveness of the Company’s Predictive Exploration Model and have shown that the multi-element partial-leach MMI (mobile metal ion) geochemistry provides an expedient and cost-effective means to assess the tenement holding at the East Laverton Property.

For further information, please contact:

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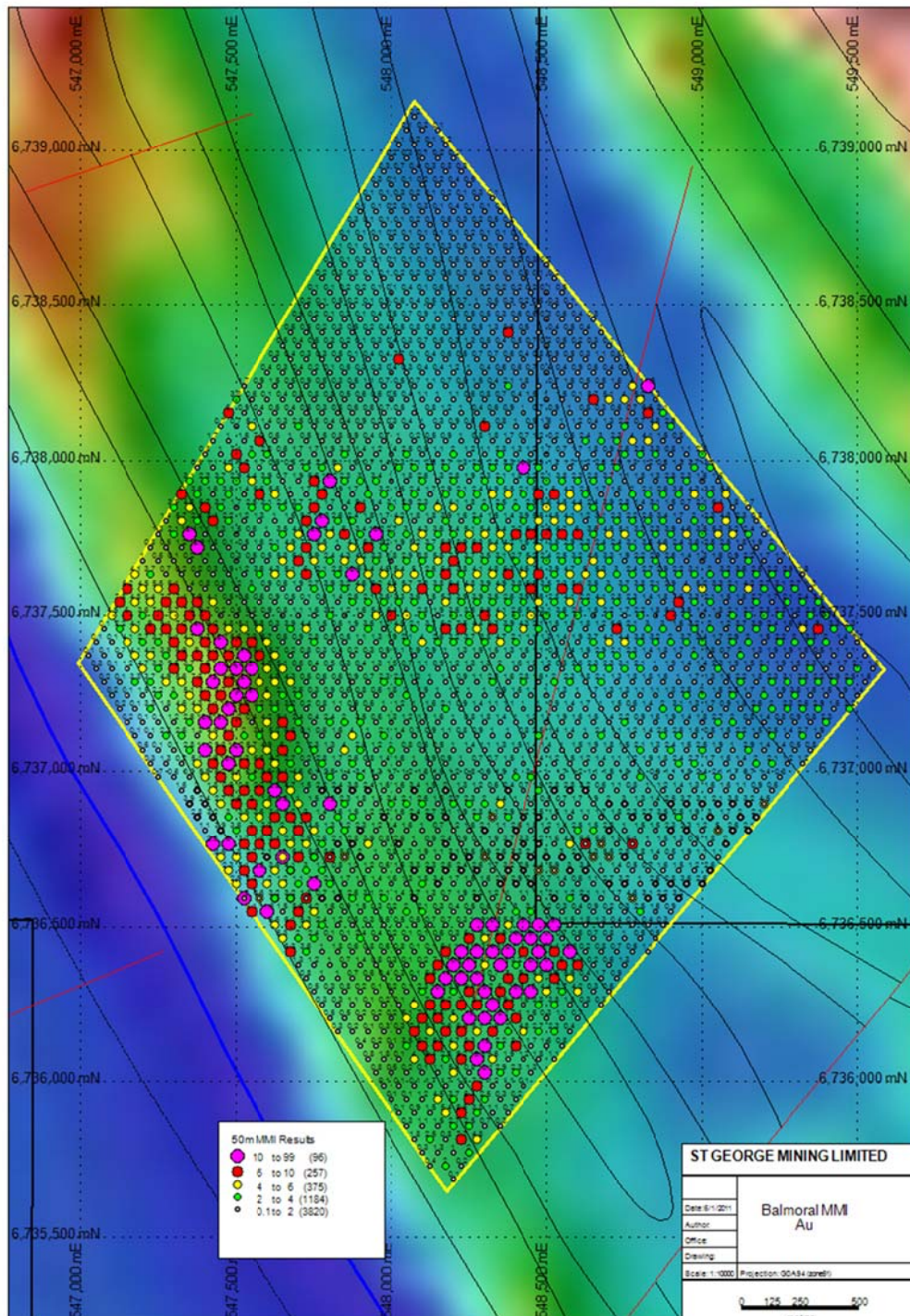


Figure 1 – Gold Infill Sampling Results at Balmoral Prospect

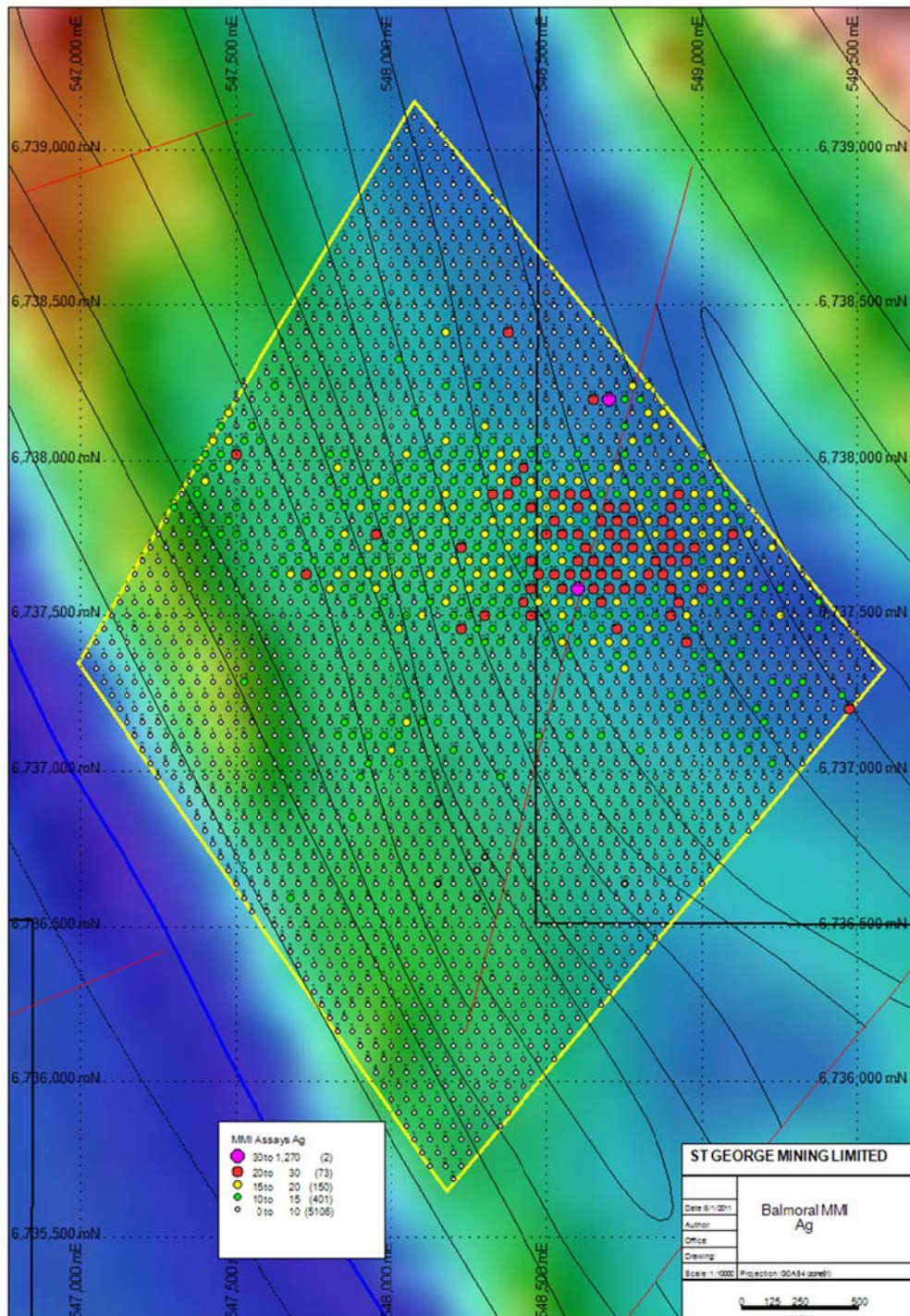


Figure 2 – Silver Infill Sampling Results at Balmoral Prospect

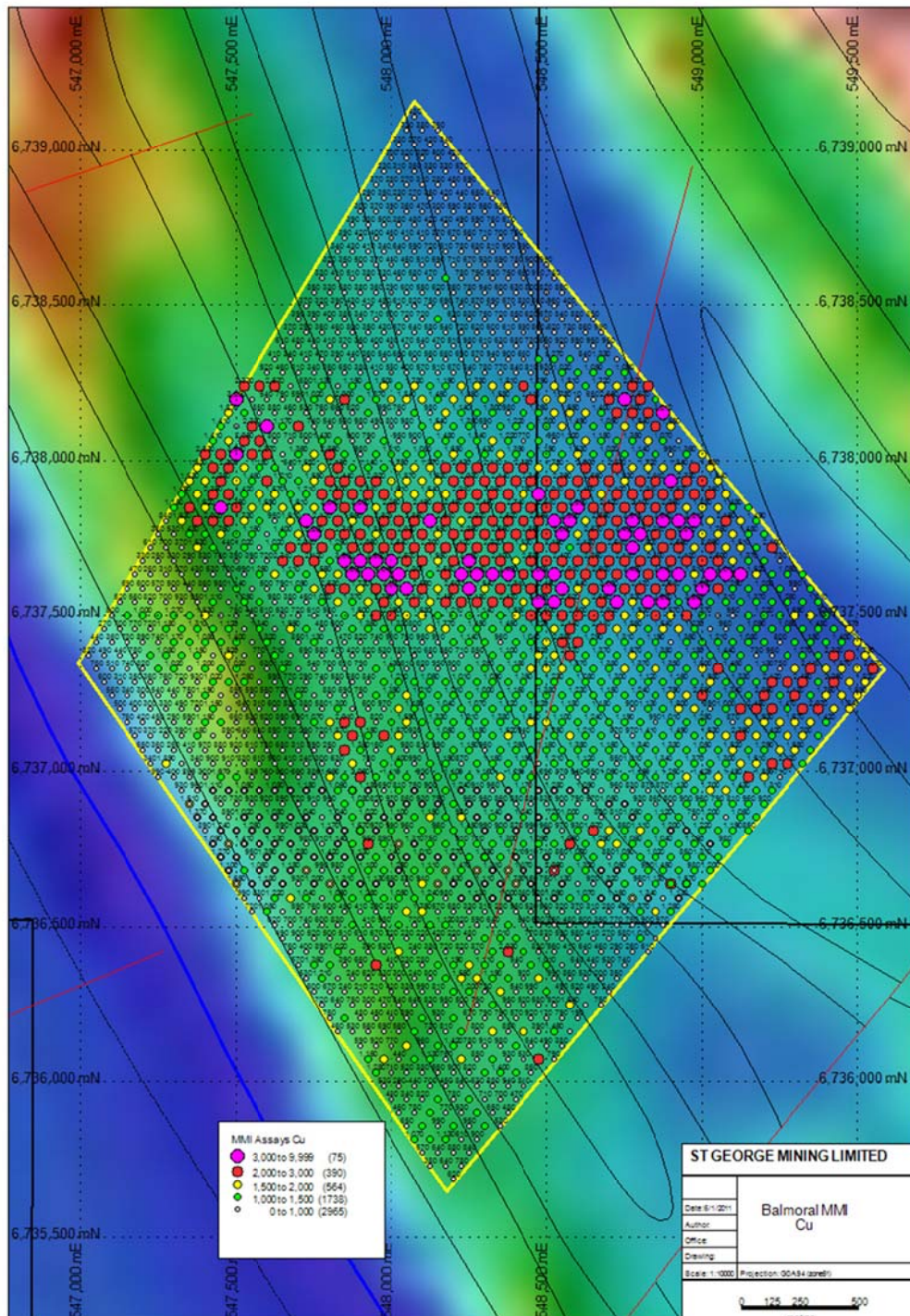


Figure 3 – Copper Infill Sampling Results at Balmoral Prospect

COMPETENT PERSON STATEMENT:

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Andrew Hawker of Hawker Geological Services Pty Ltd. Mr Hawker is a member of the Australasian Institute of Mining and Metallurgy has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking. This qualifies Mr Hawker as a “Competent Person” as defined in the 2004 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Hawker consents to the inclusion of information in this announcement in the form and context in which it appears.