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Crusader Gold Project

Zeus Nickel Project

Empire Copper Project

Pine Creek Property:

Blue Thunder Gold Project

White Strike Uranium Project

23 February 2011

EXPLORATION PROGRESS AT EAST LAVERTON

HIGHLIGHTS

- **Regional MMI geochemical survey completed with new large, gold zones identified.**
- **50m spaced infill MMI sampling completed and new high priority drill targets defined.**
- **Significant nickel sulphide potential of the East Laverton Property supported by results of MMI survey.**
- **Constructive review of new sample results during prolonged wet season.**
- **Drilling programme will incorporate new high priority targets.**

OVERVIEW OF EXPLORATION

Australian gold and nickel focused explorer, St George Mining Limited (**ASX: SGQ**) (**'St George Mining'** or **'the Company'**) is pleased to provide an update on exploration activities at its 100% owned East Laverton Property in the North-Eastern Goldfields region of Western Australia.

St George Mining has completed a regional multi-element MMI ("mobile metal ion") soil geochemical survey on tenements covering a total area of 850 sq km. The regional survey involved the collection of samples on a 500m staggered grid.

Infill sampling, on a 50m spacing, has now been completed within the immediate areas of interest. This close spaced infill sampling provides a high resolution of the gold and other metal trends provided by the regional survey and allows for more precise definition of drill targets within the broader gold zones.

Final sample results are expected to be received over the coming weeks and will continue to be analysed by the Company's technical team.

Tim Hronsky, Technical Director of St George Mining said:

“The regional and infill multi-element partial-leach MMI geochemistry has proved to be an effective means to assess the large tenement holding at the East Laverton Property.

“Most of the area at East Laverton is undercover and we need to use the best and most cost-effective exploration technology to identify new gold systems in this setting, and then move to establish drill targets. Being able to map the alteration footprint and the related structures surrounding the central gold anomalies allows us to determine the higher priority targets such as the recently discovered Balmoral prospect.”

SIGNIFICANT NEW GOLD TARGETS

To date, two significant new prospects have been identified by this regional geochemical survey:

- **Balmoral**, a large new gold system with a surface expression of approximately 3km x 2km. The prospect was identified through the regional MMI survey and then mapped using 50m spaced sampling in the core area to define three distinct gold zones within this broader zone. Subsequent analysis of the regional multi-element sample data shows a large geochemical footprint surrounding the gold zones with a proximal molybdenum (Mo), silver (Ag), copper (Cu) response and a distal, north trending tungsten (W), arsenic (As) and antimony (Sb) response.
- **Desert Dragon**, which lies to the west of the Desert King Prospect, is another gold system that has been identified with approximately 3km of strike within the southern part of the tenement. Infill sampling has defined three drill target areas for testing in 2011.

Figure 1 shows the new drill target areas (broken black lines) at Desert Dragon generated following the review of the 50m spaced MMI samples. The background shows the 50 MMI samples, where the red and pink samples are strongly anomalous samples in comparison with background values. Yellow samples are anomalous in comparison with background values. The green line shows the 2010 drilling which is slightly offset from the new target zones to the north and south.

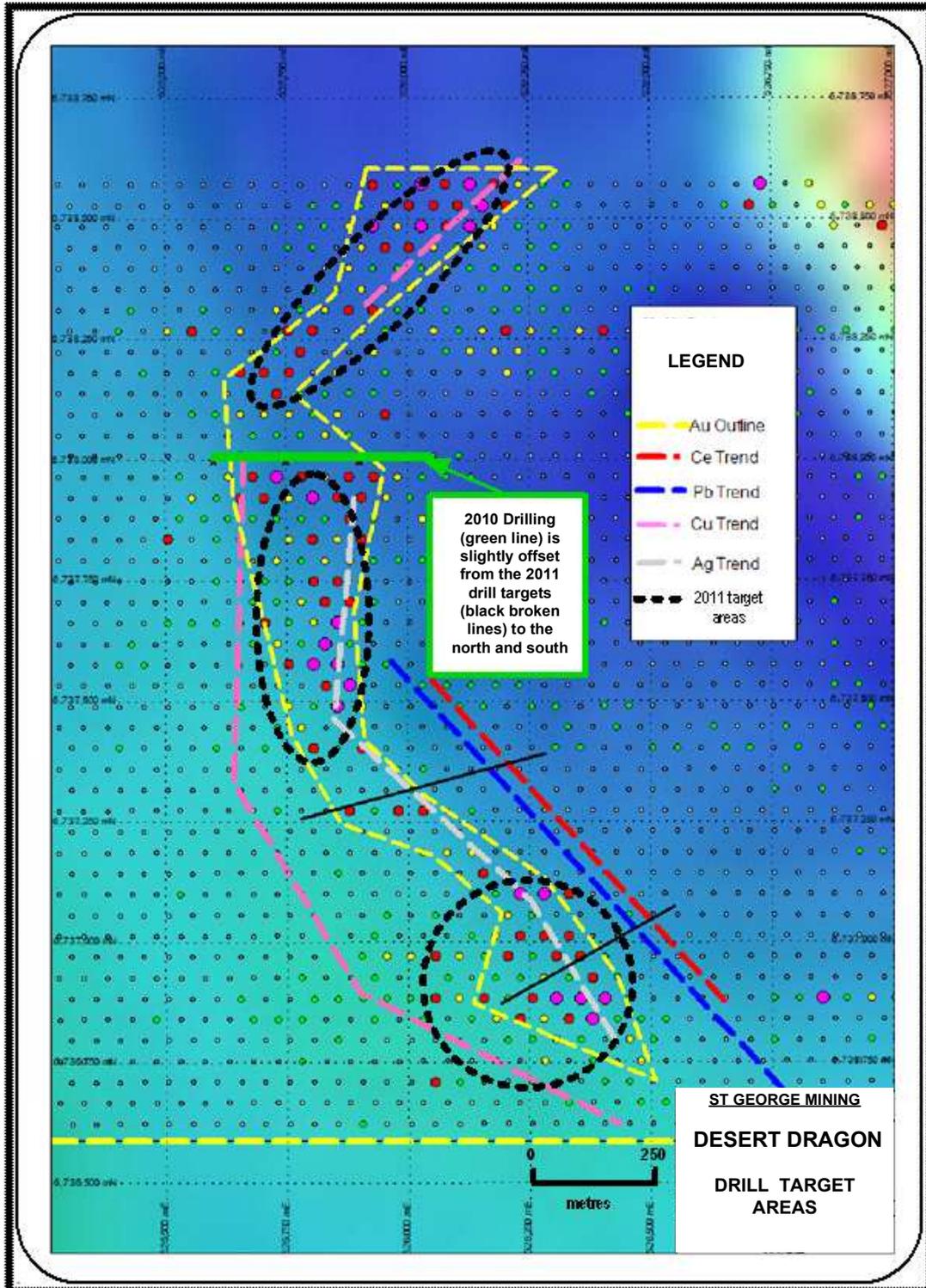


Figure 1 – Desert Dragon Target Gold Zones

Figure 2 shows the new drill target areas (broken black lines) generated at the Balmoral Prospect following the review of the 50m spaced MMI samples. The background shows the 50 MMI samples, where the red and pink samples are strongly anomalous samples in comparison with background values. Yellow samples are anomalous in comparison with background values.

The Balmoral prospect has a large geochemical footprint that is consistent with a large zoned hydrothermal system. The central zone within which these drill target areas are located is geochemically anomalous in gold, silver, copper and molybdenum. The presence of molybdenum (Mo) is indicative of alkaline magmatic fluid involvement. The central zone is surrounded by a broader area of tungsten, antimony and arsenic over a strike length of 12km.

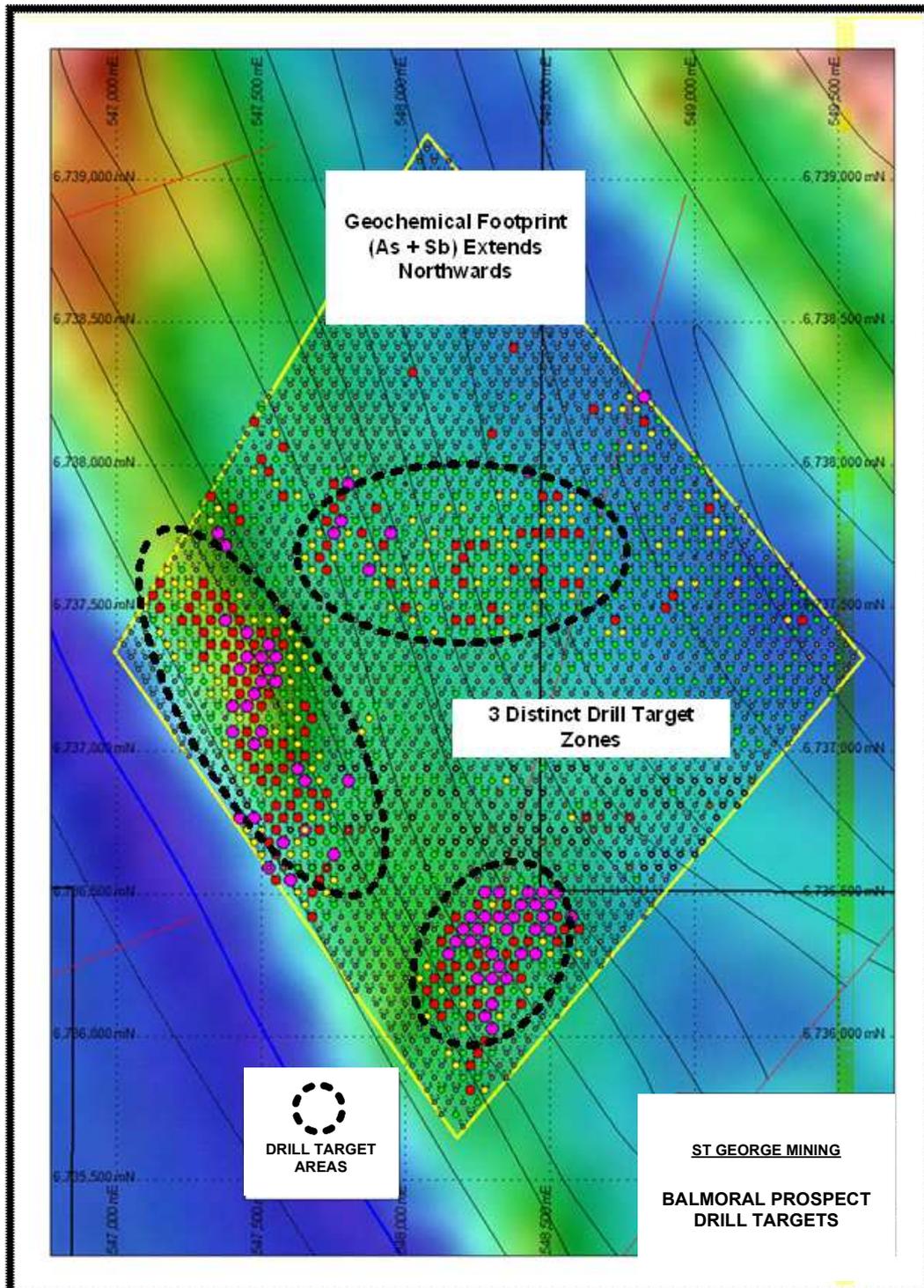


Figure 2- Balmoral Target Gold Zones

Figure 3 shows the new drill target areas (broken black lines) at Desert King generated following the review of the 50m spaced MMI samples. The background shows the 50 MMI samples, where the red and pink samples are strongly anomalous samples in comparison with background values. Yellow samples are anomalous in comparison with background values. The pink line shows the 2010 drilling which is slightly offset from the new target zones to the west.

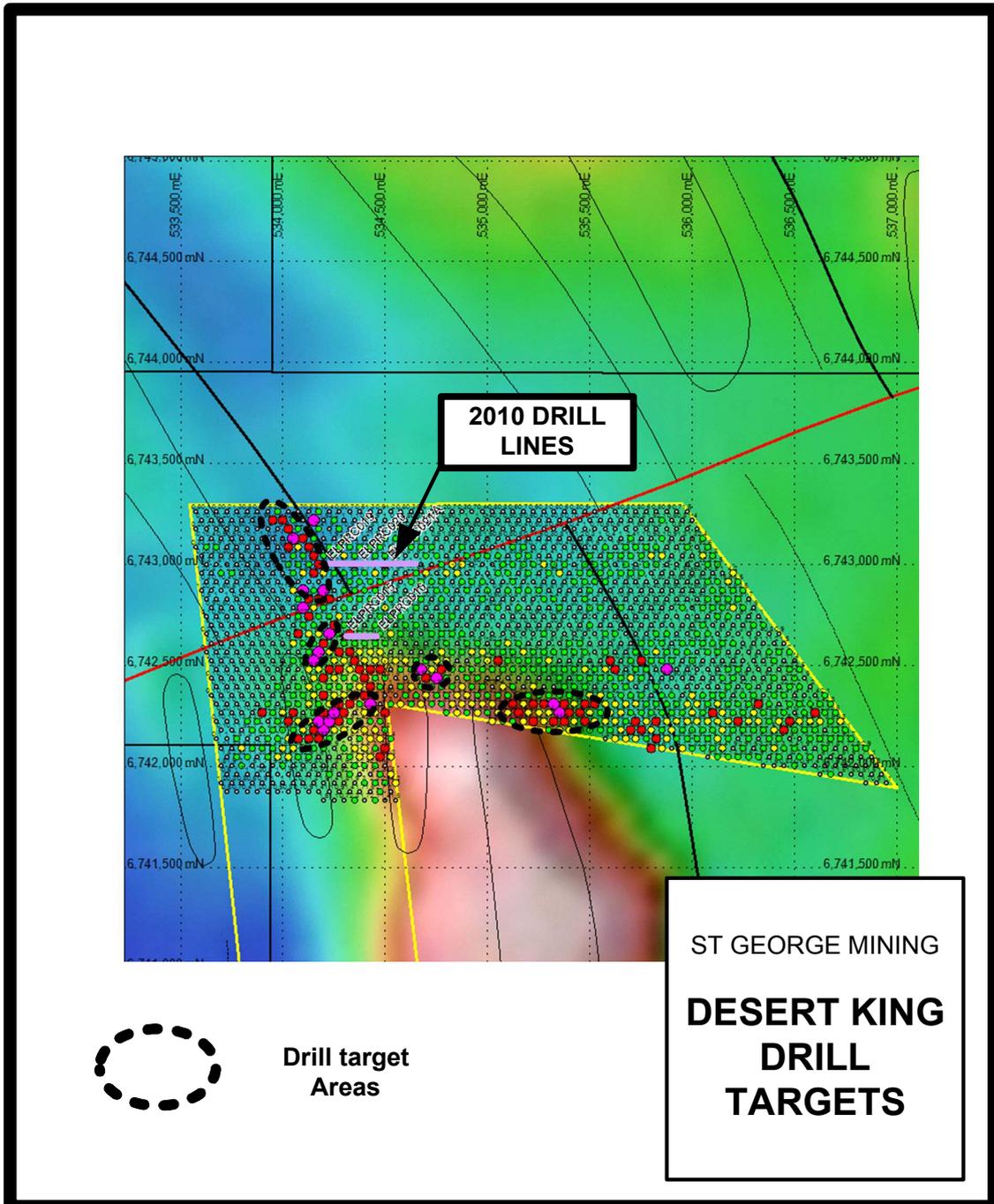


Figure 3 – Desert King Target Gold Zones

SIGNIFICANT NEW NICKEL TARGETS

The MMI soil geochemistry survey has also successfully identified existing prospects and confirmed some new and significant nickel-sulphide (NiS) targets.

Subsequent analysis of the regional multi-element sample data shows there are several occurrences where discrete areas of anomalous nickel geochemistry are located immediately peripheral to large and consistent expressions of Cerium (Ce) and lead (Pb) geochemistry.

MMI orientation studies conducted by SGS Australia Pty Ltd suggest this may represent an environment between the base on the ultramafic komatiite flow and the underlying felsic basement material, and as such is an optimal setting for nickel sulphide mineralisation.

The most exciting nickel target is the Aphrodite prospect where recent MMI geochemistry showed a nickel-copper (Ni-Cu) geochemical anomaly overlying an existing chargeable anomaly identified by an old WMC (Western Mining Corporation) geophysical survey.

These results provide continued support for the nickel sulphide prospectivity of the East Laverton Property and the potential for major nickel sulphide discoveries. The Company is currently reviewing its options as to how to best progress nickel exploration at the East Laverton Property.

DRILLING PROGRAMME

In November 2010, the Company commenced a 3,600m reverse-circulation (RC) drilling programme of certain gold targets. Prior to commencement of the wet season, 1,925m had been completed. Assay results in regard to the drilling we were able to complete are inconclusive in confirming the presence of significant gold mineralisation in the target areas.

Ongoing heavy cyclonic rain in the Laverton region, currently associated with Cyclone Dianne, has restricted access to the East Laverton Property. It is unclear when the drill rigs and other heavy support equipment will be able to safely access the East Laverton Property to re-commence the drilling programme. The Company will continue to assess the situation with a view to re-commencing exploration activities subject to weather and access requirements during the coming months.

St George Mining is using this break in the drilling programme to further review regional and infill geochemical sample results from the recently completed MMI survey. The next stage of the drilling campaign will include the newly discovered high priority gold targets.

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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.