

12 October 2012

ST GEORGE RAISES FUNDS TO FAST TRACK EXPLORATION AT CAMBRIDGE NICKEL PROSPECT

HIGHLIGHTS:

- **\$735,000 in support from sophisticated investors**
- **Funding secured for exploration work at exciting Cambridge Nickel Prospect**
- **Drilling set to begin in early November**

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') is pleased to confirm that it has completed a placement to sophisticated investors to raise a total of \$735,000 in capital through the issue of 3,500,000 shares at \$0.21 each.

The funds raised will be used to drill test high priority nickel and gold targets established during the Company's 2012 exploration programme, with the main target being the Cambridge Nickel Prospect (owned 100% by St George Mining).

The drilling campaign is scheduled to commence on or about 8 November 2012, and will be completed before the conclusion of the 2012 field season.

John Prineas, Executive Chairman of St George Mining, said:

"The support of investors in this placement allows us to continue fast-tracking exploration at the Cambridge Nickel Prospect.

"The Company is expecting a material R&D tax rebate to be received during this quarter, but wanted to ensure the uncertainty for the timing of the payment does not delay the testing of our compelling drill targets. We believe the best outcome for all shareholders is if the drilling is completed in this field season rather than waiting for the 2013 field season to commence in April 2013.

"The placement was heavily over-subscribed but we limited the placement to only the amount required to complete our 2012 exploration programme.

"Exciting times are ahead for St George Mining."

The shares were placed pursuant to Section 708 of the Corporations Act 2001 ("the Act"). All of the shares issued under the placement will rank pari passu with existing ordinary shares. Shareholder approval is not required for the placement as the number of shares issued does not exceed the threshold provided in ASX Listing Rule 7.1.

Following allotment of the shares under the placement, St George Mining will have 66,518,000 ordinary shares on issue.

The placement was largely subscribed for by clients of Canaccord Wealth Management.

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ASX / MEDIA RELEASE



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