

3 October 2013

PROJECT DRAGON FARM-IN

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') advises that BHP Billiton Nickel West Pty Limited (ASX: BHP) ("BHP Billiton") has given notice to the Company of its withdrawal from the Farmin Agreement for Project Dragon.

The Farmin Agreement relates to seven tenements ("Farmin Tenements") located at the Company's East Laverton Property, in the North-Eastern Goldfields region of Western Australia.

As a result of this withdrawal:

1. St George Mining will retain 100% of the Farmin Tenements;
2. BHP Billiton will make a cash payment to St George Mining to satisfy its obligation under the Farmin Agreement to maintain the Farmin Tenements in good standing; and
3. The Farmin Agreement will terminate and the parties will be released from all liabilities and obligations to the other arising from the Farmin Agreement.

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

"We thank BHP Billiton for its professional input at Project Dragon and to the considerable advances achieved at the project through their exploration work.

"St George will be making an important statement soon regarding the new nickel exploration plan for the East Laverton Property."

For further information, please contact:

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