

ASX / MEDIA RELEASE



8 August 2011

INVESTOR PRESENTATION – CAPITAL RAISING

St George Mining Limited advises that the attached presentation on its recently announced Capital Raising Program has been made available to investors.

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Capital Raising August 2011



St George Mining Limited | ACN 139 308 973

Capital Raising Program

Highlights:

- 1 for 5 non-renounceable entitlement issue of shares
- 15 cents per new share
- 3 for 2 free options attaching to new shares
- Raises \$1.575 million (upon full subscription)
- BurnVoir Corporate Finance to lead manage the program

Capital Raising Objective

Funding for Exploration:

- Drilling of high priority gold targets at East Laverton
- Drilling of gold discovery at Pine Creek
- Test work for rare earths and uranium at Pine Creek
- Regional exploration at East Laverton and Pine Creek

Strengthen Balance Sheet:

- Additional cash meets funding for the medium term
- Option program establishes a funding avenue for the future
- Capital raised creates flexibility and capacity to fund growth

Improve free float and liquidity:

- Increased liquidity and trading in SGQ shares
- Trading in SGQ options will attract new investors
- Larger shareholder base

Entitlement Issue – New Shares

New Shares:

- 1 for 5 non-renounceable entitlement issue
- Up to 10,500,000 million new shares at 15 cents each
- Issue price is:
 - 19% below the 30 day volume weighted price of SGQ
 - 23% below the closing price on the day of announcement (2 Aug)
- New shares rank equally with existing shares
- Offered to all shareholders on the register as at the record date
- Record date is 16 August 2011 (Ex-date is 10 August 2011)
- 3 for 2 free options attach to the new shares under the entitlement issue
- Minimum subscription of \$800,000

Free Options - Terms

Option Terms:

- 3 options for every 2 new shares taken under the entitlement issue
- Options issued at zero cost
- Exercise price of 20 cents each
- Expiry date of 28 November 2014
- To be listed on ASX

Use of Funds



Use of Funds	Full Subscription Amount (A\$)	Minimum Subscription Amount (A\$)
Exploration at East Laverton	700,000	500,000
Exploration at Pine Creek	300,000	200,000
Working Capital	497,930	22,930
Expenses of Issue	77,070	77,070
TOTAL	1,575,000	800,000

Capital Structure

Pre-Capital Raising:

- 52,500,000 ordinary shares
- No options

Post-Capital Raising:

- 63,000,000 ordinary shares
- 15,750,000 options

Performance Shares:

- 100 performance shares issued to foundation shareholders with potential to convert into 10,000,000 ordinary shares if milestones are satisfied

Timetable



Date	Event
5 August 2011	Lodgment of Prospectus at ASIC
8 August 2011	Notice sent to Shareholders
10 August 2011	Ex-date for Entitlements Issue
16 August 2011	Record date for Entitlement Issue
17 August 2011	Prospectus sent to shareholders
31 August 2011	Closing date for offer (5.00pm WST)
1 September 2011	Securities quoted on a deferred settlement basis
2 September 2011	Notify ASX of any under-subscriptions
7 September 2011	Dispatch of holding statements to shareholders
8 September 2011	New shares and options commence trading on ASX

Prospectus



Please refer to the Entitlement Issue Prospectus dated 5 August 2011 for full details of the Entitlement Issue.

Disclaimer

Certain statements contained in this presentation, including information as to the future financial or operating performance of St George Mining Limited (ASX:SGQ) and its projects, are forward looking statements:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by St George Mining, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements.

St George Mining disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise. The words “believe”, “expect”, “anticipate”, “indicate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward looking statements.

All forward looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to the inherent uncertainty therein.

The information in this announcement relates to exploration information compiled by Mr Timothy Hronsky who 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 Hronsky 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 Hronsky consents to the inclusion of information in this announcement in the form and context in which it appears.