ASX / MEDIA RELEASE

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East Laverton Property:
- Gold
- Nickel
- Project Dragon (Nickel JV)

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

8 September 2011

DRILLING COMMENCES AT EAST LAVERTON

HIGHLIGHTS

- **Drilling of high priority gold targets at East Laverton has commenced**
- **Initial 3,000m drilling programme underway**
- **Airborne magnetic survey scheduled for October 2011**
- **Additional drilling planned following the airborne survey**
- **Geochemical soil sampling of promising Red Dragon gold prospect has been completed**

OVERVIEW OF DRILLING PROGRAMME

Australian gold and nickel focused explorer, St George Mining Limited (**ASX: SGQ**) (**'St George Mining'** or **'the Company'**) is pleased to confirm that drilling of high priority gold targets at its 100% owned East Laverton Property in the North-Eastern Goldfields region of Western Australia has **commenced**.

Drilling is planned for the next three months, with first assay results expected to be available in 4 to 6 weeks.

John Prineas, Executive Chairman of St George Mining said: "Our exploration results at East Laverton have been highly encouraging and we are excited to commence test drilling of our very attractive gold targets."

About Gold at the East Laverton Property

The East Laverton Property is on the eastern fringe of the Yilgarn Craton, about 130 km south-east of Laverton. It covers 1,810 sq km and is centred on the regional Minigwal and Stella Range Faults which are cross-cut by a fundamental north east-south west lineament system, informally known as the "Tropicana Trend". This major structural confluence creates an optimal trap-site for localising gold mineralisation at a regional scale. Regional neighbours include the Tropicana Joint Venture and the Yamarna Project of Gold Road Resources Limited.

St George Mining has generated multiple gold targets at the East Laverton Property which the Company believes have excellent potential for large scale gold discoveries.

Balmoral Prospect

The Balmoral gold prospect is the first gold target to be drilled in the current drilling programme. Balmoral is a large and complex gold system where the core area has a surface expression of approx. 3 km x 2 km. Within the core zone are three drill target zones, as shown in Figure 1 below.

Initially, drilling will focus on the northern zone where an anomalous geochemical response is associated with two main sub-parallel east-west structures, which in turn constrain numerous and periodic north-south structures. Plans to drill the southern and western target zones at Balmoral will be refined following the airborne magnetic survey over the broader target area of interest.

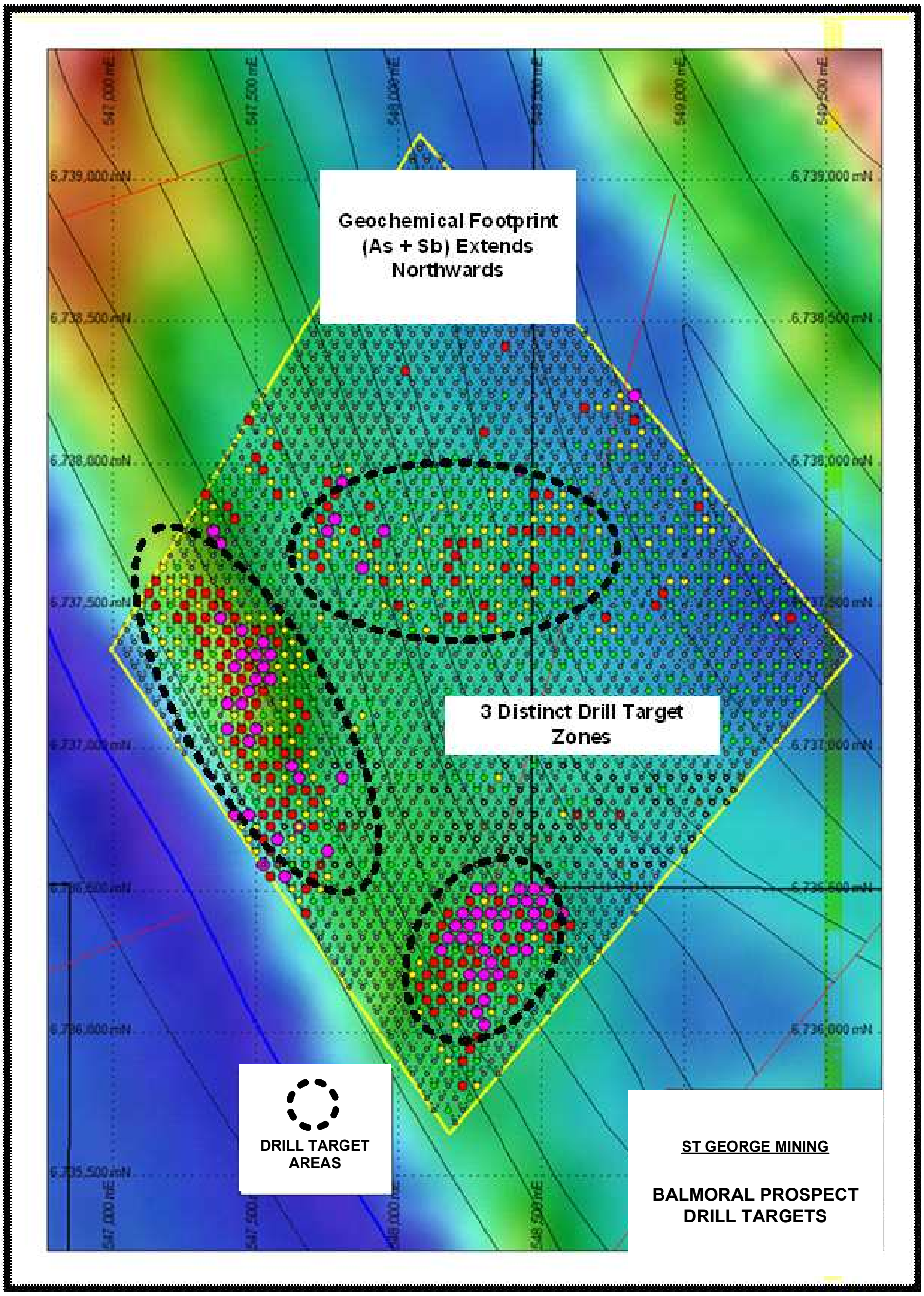

Figure 1 – Drill Target Zones at the Balmoral Gold Prospect

Desert Dragon Prospect

The Desert Dragon prospect is a highly anomalous gold system with approximately 3 km of strike length identified so far. The initial focus for drilling will be a 1.5 km line in the southern section of the strike length. This area hosts three anomalous gold zones.

A soil geochemical survey has been completed over the northern part of the Desert Dragon prospect, and drill testing of the northern area will be planned after a review of survey results.

Drilling at Desert Dragon will commence following the completion of the ongoing Balmoral drill programme.

Red Dragon Prospect

The Red Dragon prospect is a large and structurally complex area in the south-west of the East Laverton Property. This area of interest was previously explored by a global mining company in the 1980's, looking for "Olympic Dam style" targets along the eastern margin of the Yilgarn Craton.

Soil sampling in 2010 on the area immediately to the west of Red Dragon returned an exceptionally strong geochemical response. Following the recent grant of the exploration licence that hosts Red Dragon, the Company extended the multi-element ("mobile metal ion") soil geochemical sampling survey to the Red Dragon prospect area. Sample results from this survey are expected very shortly.

For further information, please contact:

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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.