

15 October 2012

## ST GEORGE FAST TRACKS CAMBRIDGE NICKEL PROSPECT

### HIGHLIGHTS

- **Refined EM survey underway over known EM conductors at Cambridge**
- **RC drilling programme approved**
- **Soil sampling on new 100%-owned nickel tenements completed**

### CAMBRIDGE NICKEL PROSPECT (100% ST GEORGE)

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') is pleased to provide an update on exploration at its 100% owned Cambridge Nickel Prospect at the Company's East Laverton Property in the NE Goldfields region of Western Australia.

#### **New EM Survey Underway**

The new refined EM (electromagnetic) survey over Cambridge commenced at the end of last week. Field work is expected to be completed by the end of this week.

The new survey will consist of 164 stations spaced 50m apart. It will comprise 9 survey lines with line spacing of 200m and 400m.

The data from the new EM survey will enhance the mapping of the EM conductors at Cambridge and will enable accurate selection of drill targets. Processing and modelling of the Cambridge EM survey data will be completed by the end of the month by Southern Geoscience Consulting.

#### **Drilling Programme of Works Approved**

The Company has received approval for a Programme of Works from the WA Department of Mines and Petroleum for the drilling programme at the Cambridge Nickel Prospect.

Tenders have been received by the Company from multiple drilling contractors and are currently being assessed, with drilling scheduled to commence on or about 8 November 2012.

The Company announced on 12 October 2012 that it had successfully completed an oversubscribed placement to sophisticated investors to raise a total of \$735,000 in capital to support the fast-tracking of exploration at the Cambridge Prospect.

#### **New Nickel Tenements**

St George Mining's newly granted and 100% owned nickel tenements, E39/1666 and E39/1667 – as announced on 27 September 2012 - are strategically positioned on the highly prospective Stella Range Fault and komatiite (ultramafic) horizon.

A regional geochemical survey conducted by the Geological Survey of Western Australia (GSWA) identified several highly anomalous and coincident nickel and copper soil samples on E39/1667.

The Company commenced a multi-element MMI soil survey over these tenements last month, aiming to confirm and map the extent of the anomalies associated with these high Ni + Cu soil values. The field work was completed at the end of last week and samples have been sent to SGS Laboratories for assaying.

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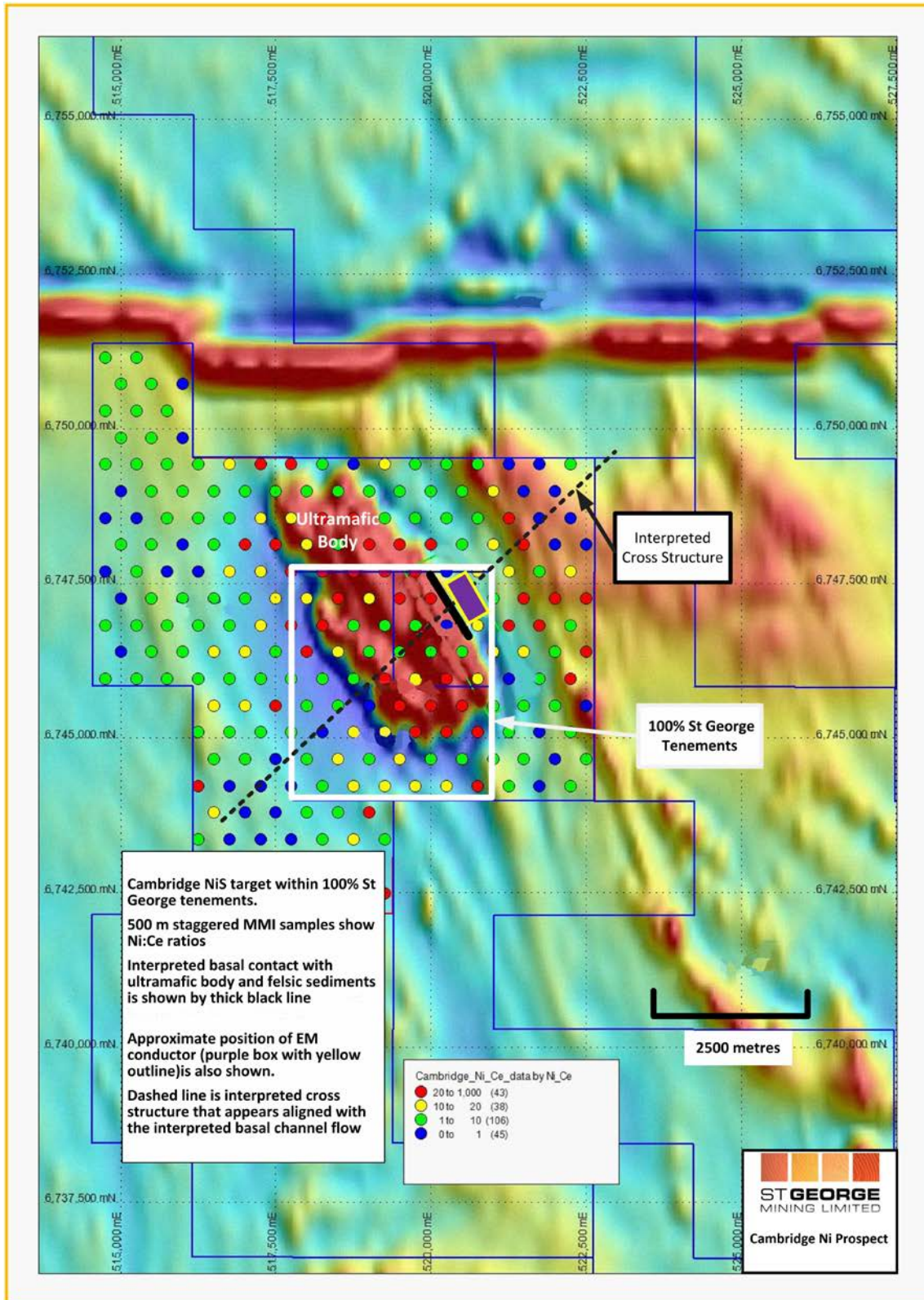


Figure 1 – a graphic interpretation of the Cambridge Nickel Prospect shown over magnetics

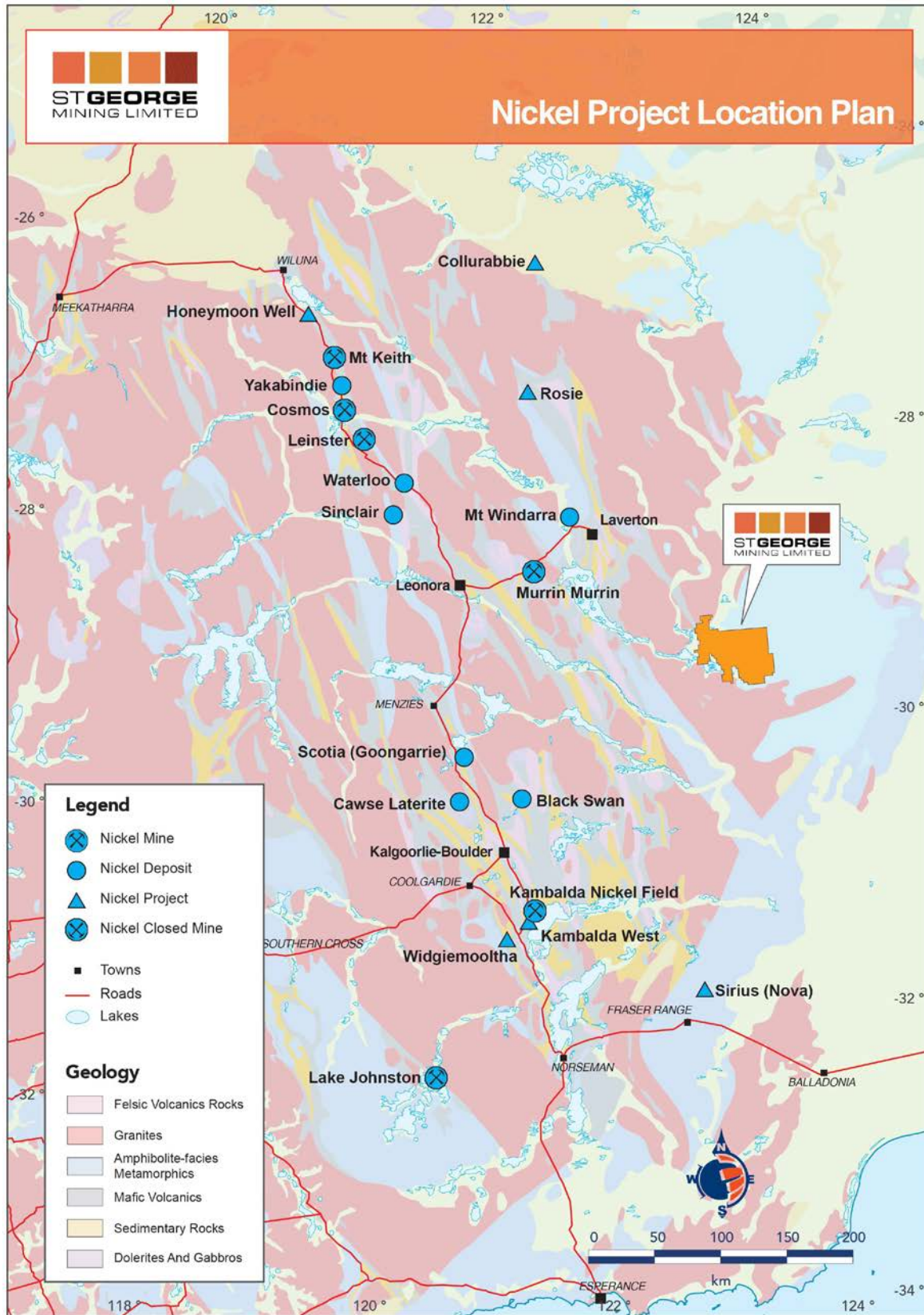


Figure 2 – a map showing major nickel projects in the Eastern Goldfields and the frontier location of St George’s East Laverton Property, approx. 250km north of the Nova deposit of Sirius Resources NL

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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.