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## **ST. ELIAS MINES LTD.**

*Trading Symbol: TSX-SLI*  
*Web Site: [www.steliasmines.com](http://www.steliasmines.com)*

Trading Symbol: **SLI** (TSX Venture Exchange)  
**EKL** (Frankfurt Exchange)  
**SELSF** (U.S. Clearing Symbol)

News Release 2010-02  
January 26, 2010

## **NEWS RELEASE**

### **TESORO GOLD PROJECT, PERU**

#### **Titan 24 Geophysical Survey Successfully Identifies Drill Targets**

Lori McClenahan, President of St. Elias Mines Ltd. (“St. Elias” or the “Company”), is pleased to announce that the Company has received the final Geophysical Survey Interpretation Report from Quantec Geoscience Limited ("Quantec") with respect to the Titan 24 survey conducted at the Tesoro Gold Project located in southwestern Peru. The survey has successfully identified at least twelve (12) first priority geophysical anomalies with potential for gold mineralization from near surface to >400 meters (1,312 ft.) depth and eight (8) zones which are classified as second priority targets for follow up. These zones are interpreted to be related to, and/or the extension of, previously discovered mineralized zones in the property.

#### ***Titan 24 Survey Results***

During the fall of 2009, Quantec conducted Direct Current Resistivity (DC) and Induced Polarization (IP) and MT Resistivity (MT) surveys over the Tesoro Project. The field data was acquired over a period of 10 days from October 5 to October 14, 2009. The DC, IP and MT surveys consisted of nine (9) lines covering approximately 21.6 line kilometers over the project area. The exploration objective at the Tesoro Project was to map DC resistivity and IP chargeability anomalies and to delineate target zones potentially related to mesothermal gold mineralization and alteration zones to depth.

Based on the IP chargeability inversion models and the DC resistivity association, a total of twenty (20) anomalous zones have been identified in the property from near surface to approximately >400 meters (1,312 ft.) depth. Of the interpreted DC/IP and MT zones, twelve (12) have been classified as high priority targets, and eight (8) zones are classified as second priority targets for follow up at the Tesoro Project. Several of the Titan 24 DC/IP and MT anomalies successfully correlate with areas where gold mineralization was previously discovered at Tesoro, particularly within the "Tesoro Structural Corridor", Zona Canchete, Zona Central, Zona Sur, Zona Incognito and Zona Este. In addition, the survey has identified numerous zones outside of the main mineralized corridor that were previously unknown by the Company. The interpreted deep anomalies below and in the vicinity of the shallower DC and IP zones suggests the presence of significant mineralization and/or alteration zones at depth. These deep responses are possibly geologically and structurally controlled.

***First Priority Targets*** are identified as large to moderate area (>600m X 600m) anomalies exhibiting moderate-strong IP response with DC and MT resistivity moderate-low association, interpreted to be consistent with structural zones, sulphide/oxide mineralization and/or alteration zones with potential for gold mineralization. In addition, first priority targets are identified as large to moderate area (>600m X 600m) anomalies exhibiting moderate-strong IP response located at the edges and/or over DC and MT resistivity moderate to high gradient zones interpreted to be consistent with structures (faults, shears and fractures) where disseminated to weak sulphide/oxide and gold mineralization may be encountered.

***Second Priority Targets*** are identified as large-moderate area (>400 X 400m) anomalies below and/or in the vicinity of known mineralization, with strong to moderate IP response, DC and MT resistivity moderate-low association located over DC resistivity high and/or gradient zones. Interpreted to be the potential extension of previously documented mineral zones.

### ***Drilling***

Quantec has recommended an initial 33 hole drill program totalling 13,400m to test the first and second priority targets interpreted in the property. Thirteen (13) drillholes are recommended to test the first priority anomalous zones and twenty (20) drillholes are proposed to test the second priority target zones.

### ***Quantec Geoscience Limited***

Quantec is a 22 year old company engaged in the provision of advanced geophysical surveys and services for the mineral, geothermal and oil and gas exploration industries. Quantec's cutting edge technology has positioned them as a world leader in geophysical data acquisition. The Titan 24 is a key technology of Quantec used to assist in finding economic mineralized targets at depth.

### ***Titan 24 Geophysical Survey***

The program was designed specifically to map and detect mesothermal gold mineralization to depth within the Tesoro Project for drill targeting. Titan 24 is the leading deep earth imaging technology for delineating ore bodies to depth. While deep drilling can be expensive, Titan 24 focuses drilling and achieves success by clearly prioritizing targets. With the depth achieved, Titan 24 is a highly cost effective means to not only unlocking, but realizing a property's full value.

Measuring the parameters of DC (resistivity), IP (chargeability) and MT (magnetotelluric resistivity), Titan 24 measures to depths of 750 meters with IP and can explore beyond 1.5 kilometers with MT data. These depths and multi-parameter data make the system the best option available for obtaining deep subsurface pre-drilling information related to geological structure and for the direct detection of mineral deposits anywhere in the world.

### ***The Tesoro Gold Project***

The Tesoro Gold Project is 100% owned by the Company with no underlying royalties. The Property covers approximately 2,000 hectares (5,000 acres) and is part of the well-known gold-bearing Nazca-Ocoña belt that is located in southern Peru. The Nazca-Ocoña gold belt has a long mining history dating back to pre-Incan time. Gold is associated with disseminated to semi-massive sulphides in quartz veins cutting a diorite intrusion. The continuity of the quartz veins and fractures is very impressive in the Nazca-Ocoña belt. While the veins tend to be narrow, the

grade is significant and the mineralized structures tend to extend along strike for kilometres and to depths of up to 1,000 metres.

To date, the Company has identified five mineralized zones with more than 50 quartz veins (having a total combined length of 9km) at the Tesoro Project and has carried out underground exploration and development work on three of these veins (C1, C2 and A4 Veins.) The veins are mesothermal, indicating that the vein structures may extend to considerable depths.

The Tesoro Property has never been evaluated to depth, or to its full strike potential. This leaves a large potential for the discovery of additional mineralization.

### ***Qualified Person***

The data contained in this News Release has been reviewed and verified by Duncan Bain, B.Sc., P.Geo., a “qualified person” for the purposes of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian securities administrators.

For additional information on St. Elias and its projects, please visit us at [www.steliasmines.com](http://www.steliasmines.com) or call 1-888-895-5522 (toll free US and Canada).

### **ST. ELIAS MINES LTD.**

*(signed “Lori McClenahan”)*

Lori McClenahan,  
*President*

***The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this document.***

***This News Release may contain forward-looking statements including, but not limited to, comments regarding the timing and content of upcoming work programs, geological interpretations, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statement***