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ST. ELIAS MINES LTD.

Trading Symbol: TSX-SLI
Web Site: www.steliasmines.com

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

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NEWS RELEASE

St. Elias Mines Ltd. – Plans Set for Tesoro Gold Project, Peru

Lori McClenahan, President of St. Elias Mines Ltd. (“St. Elias” or the “Company”), is pleased to provide the following update on the Tesoro Gold Project (the “Property”) located in southwestern Peru.

The recently completed Titan 24 Geophysical Survey (refer to previous News Releases) has provided a wealth of information on the orientation and minimum depth potential of gold-mineralized structures on the Tesoro claim block. In particular, the results of resistivity mapping have identified a corridor of moderate-contrast, low-resistivity anomalies that correspond precisely with the main corridor of mineralized quartz veins previously identified on the property by surface mapping. Although the geophysical survey, as expected, did not detect individual high-grade veins, it did detect the broader structure in which they are hosted. This broader structure has the same strike and dip as the mineralized veins, and it has been traced to a vertical depth of 500 meters, which is probably the maximum detection limit of the geophysical probe. Although there are substantial gaps in geophysical coverage, it looks as though the geophysical anomaly extends across the entire property (7 km), and it is open to the NNW and SSE.

Recent trenching and sampling has shown that there is a subtle and previously unappreciated halo of carbonate alteration up to 40 meters wide associated with the low-resistivity geophysical anomaly adjacent to the C5 Vein at Zona Canchete and adjacent to the A4 Vein at Zona Central, which are separated by a distance of ± 700 meters. Halos of carbonate alteration are common in mesothermal gold veins (Atlas of Alteration, G.AC., 1996). Samples of the carbonate-alteration zone (35 three-meter-long channel samples collected to date) are all gold-anomalous (>50 ppb gold), and include intervals (for example, 9 meters of >500 ppb) that are higher grade than the cut-off grade of oxide ore at Yanacocha (Newmont, 2008 year-end annual report).

The Titan 24 Geophysical Survey has also identified targets of interest that are outside of the mineralized corridor and that require field investigation. For example, an IP and Resistivity anomaly labelled Z4 in the geophysical report corresponds to a swarm of narrow gold-rich quartz veinlets in Zona Central. The geophysical response suggests that weak surface indications might be related to a stronger structure at depth.

Based on historical information and the recent geophysical data, the following work is recommended:

1. The geophysical survey should be extended to cover areas between the existing Titan 24 survey lines, which are separated by ≥ 500 meters.
2. Field work should be initiated to examine and evaluate geophysical anomalies that have not been explained.
3. Diamond drilling, initially comprising 5000 meters should be programmed to test high-priority targets.

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 kilometers and to depths of up to 1,000 meters.

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 Company recently completed a Titan 24 Geophysical Survey consisting of (9) lines covering approximately 21.6 line kilometers over the project area. The survey successfully identified twelve (12) high priority targets and eight (8) second priority targets for follow up at the Tesoro Project as well as an ovoid (egg shaped) anomaly beneath the A-4 Vein at Zona Central that is approximately 1,450m long x 400m wide (open to the south) and 300-500m thick.

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

All technical work is being supervised by, and the contents of this news release have been verified by, John Brophy, P.Ge., a Canadian geologist residing in Peru, who is a “qualified person” as defined in National Instrument 43-101, Standards of Disclosure for Mineral Projects.

Appointment of Chief Financial Officer

Murry Braucht, Director and Vice President of the Company, has been appointed Chief Financial Officer of the Company. Mr. Braucht, who originally joined St. Elias as a Director of the Company in November 2003 and was appointed as Vice President of the Company in September 2006, brings over 35 years of business and corporate experience to the Company from his background in the oil and gas industry. Mr. Braucht has been instrumental in bringing financings and other opportunities to the Company and has been very active contributing to the day-to-day corporate affairs of the Company.

Incentive Stock Options

The Company has granted incentive stock options to certain of the Company's directors, officers, employees and consultants to purchase up to 500,000 common shares under the Company's Stock Option Plan. The options will be granted for a period of two years, commencing on March 1, 2010 at a price of \$0.55 per share.

For additional information on St. Elias and its projects, please visit us at 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.