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

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## **NEWS RELEASE**

### **St. Elias Mines Ltd. – Options Strategic Claim Adjoining Tesoro to Intigold**

**Vancouver, B.C. August 31, 2011** Lori McClenahan, President and Chief Executive Officer, St. Elias Mines Ltd. (SLI - TSX:V) and Intigold Mines Ltd. (IGD – TSX:V), announces today that St. Elias has entered into an option agreement with IntiGold Mines Ltd. (“IntiGold”) whereby IntiGold can earn a 60% interest in the Chance E mineral concession (the “Chance E Claim”) which adjoins St. Elias’ wholly-owned Tesoro Gold Project located in southwestern Peru.

#### ***Chance E Claim***

The Chance E Claim is a strategic claim that adjoins the southern end of the Tesoro Gold Project where St. Elias is currently drilling to delineate gold resources. The Tesoro Gold Project has demonstrated the potential for a "world class" gold discovery. Geological information, together with Titan 24 geophysical data and satellite imagery, confirms that structural lineaments which are coincident with gold mineralization on Tesoro Project extend onto the Chance E Claim.

The initial exploration program on the Chance E Claim will consist of, but is not limited to, the interpretation of satellite imagery acquired to exact specifications and geological mapping and sampling. The program is scheduled to commence immediately.

#### ***Option Agreement***

Under the terms of the option agreement, IntiGold can acquire a 60% interest in the Chance E Claim (subject to a 1.5% NSR) in consideration of making cash payments of \$500,000 to St. Elias, issuing 1,000,000 common shares in the capital of IntiGold to St. Elias and incurring \$1,000,000 in exploration expenditures on the property over a three-year period.

IntiGold's first year commitment under the option agreement is to pay \$25,000 to St. Elias and incur \$200,000 in exploration expenditures on the property.

"St. Elias continues to negotiate a variety of property deals that we are confident will create additional value for shareholders. The optioning of the Chance E Claim not only allows another company to fund initial exploration but will also provide valuable geological information regarding the Tesoro Gold Project area" states Lori McClenahan, President and Chief Executive Officer. "The aggressive drill programs at Tesoro for 2011 are aimed at revealing the discovery premiums that we feel are hidden in our substantial portfolio of quality gold properties."

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

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**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.*