ST-GEORGES
Platinum & Base Metals Ltd.

ST-GEORGES PLATINUM AND BASE METALS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the period ended March 31, 2011

INTRODUCTION

The following management's discussion and analysis of the financial condition and results of operations ("MD&A") for St-Georges Platinum and Base Metals Ltd. (formerly ACFAW.COM Inc., "St-Georges" or the "Company") should be read in conjunction with the unaudited interim financial statements and accompanying notes for the period ended March 31, 2011 and the audited financial statements and accompanying notes for the year ended December 31, 2010. These financial statements for the period ended March 31, 2011 have been prepared in accordance with International Financial Reporting Standards ("IFRS"); the financial statements for the year ended December 31, 2010 have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). All currency amounts are in Canadian dollars, unless otherwise stated. Additional information relating to the Company can be found on SEDAR (www.sedar.com) under St-Georges Platinum and Based Metals Ltd.

This MD&A is dated June 29, 2011.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking statements with respect to the Company. These forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated. The Company considers the assumptions upon which these forward-looking statements are based to be reasonable, but cautions the reader that these assumptions regarding future events, many of which are beyond the Company's control, may ultimately prove to be incorrect.

GOING-CONCERN

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. The Company has not generated revenues from operations. As such, the Company's ability to continue as a going concern depends on its ability to successfully raise additional financing. If additional capital is not raised, the going concern basis may not be appropriate with the result that the Company may have to realize its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts different from those stated in the financial information. No adjustments for such circumstances have been made in the financial information.

COMPANY DESCRIPTION

The Company was incorporated on June 21, 2002 under the Canada Business Corporation Act. On February 13, 2003, the Company became a publicly traded corporation. On June 2, 2009, the Company, then operating under the name Emergence Resort Canada Inc. (“Emergence”), acquired 100% of the common shares of ACFAW.COM Inc., a social entrepreneurship company developing high-technology platforms. This acquisition constituted Emergence’s Qualifying Transaction. Following Emergence’s request, its common shares were delisted from the NEX and listed subsequently on the CNSX. Immediately following the completion of this acquisition, Emergence changed its name to ACFAW.COM Inc.

On December 20, 2009, the Company purchased mineral claims, thereby expanding the nature of its activities to include the acquisition, exploration and development of mining properties in Canada. The acquisition of these 101 platinum-group mineral claims over 47.49 km^2 in Quebec’s Abitibi and North Shore regions was valued at $2,947,510. This acquisition was approved by the shareholders of the Company at its annual and special meeting of shareholders held in Montreal on March 3, 2010 and was paid by the issuance of 117,900,400 common shares.

On May 4, 2010, the Company changed its name from ACFAW.COM Inc. to St-Georges, and a share consolidation approved by the shareholders at the last annual and special meeting became effective on May 7, 2010 on the basis of one new share of the Company for two previous common shares held.

The Company’s common shares are listed on CNSX under the symbol ‘’SX’’. The Company has one reportable segment in Canada and all of the assets are located in Canada.

OVERVIEW OF Q1 2011

On January 24, 2011, the Company announced the start of its 2011 North Shore exploration campaign. St-Georges plans to conduct a significant amount of drilling in its Phases 1 and 2 campaigns on the Julie and Isukoustouc projects located, respectively, south of the Outarde IV hydroelectric reservoir and northeast of the Manic III electric dam. The properties are approximately 110 km north of Baie-Comeau, Quebec. The Phase 1a campaign will consist of up to 5,000 metres of exploration drilling on the Julie project and up to 5,000 metres of exploration drilling on the Isukoustouc group of properties for a total of up to 10,000 metres. Phase 1b, planned to follow Phase 1a, is conditional on the success of Phase 1a. Phase 1b will add up to 10,000 metres of drilling on the Julie project and potentially a similar amount of metres on the Isukoustouc property, conditional on the results obtained in Phase 1a.

On March 2, 2011, St-Georges announced the completion of a brokered private placement for gross proceeds of $1,175,000. In this private placement, the Company issued a total of 700 B units for gross proceeds of $700,000. Each B unit consists of 4,000 flow-through common shares at a price of $0.25 per share and 4,000 common share purchase warrants. Each warrant entitles its holder to purchase one additional common share at an exercise price of $0.50 per share at any time on or before March 11, 2012, and thereafter at a price of $0.55 per share at any time on or before March 1, 2013, and thereafter at an exercise price of $0.60 per share at any time that on or before March 1, 2014. Concurrently, St-Georges issued a total of 475 C units for gross proceeds of $475,000. Each C unit consists of 5,000 common shares at a price of $0.20 per share and 5,000 common share purchase warrants. Each warrant entitles its holder to purchase one additional common share at an exercise price of $0.50 per share for 36 months following the closing date.

In connection with this private placement, the Company issued 100,000 Agent’s Options to Jones, Gable, with each Agent’s Option entitling its holder thereof to purchase one agent’s unit of the Company (“Agent’s Unit”) at a price of $0.20 per Agent’s Unit for a period of 24 months from the closing date. Each Agent’s Unit consists of one common share and one non-transferable common share purchase warrant of St-Georges (“Agent’s Unit Warrant”). Each Agent’s Unit Warrant entitles its holder thereof to acquire one additional common share at a price of $0.50 per share during a period of 36 months following the closing date.

The Company also issued to Limited Market Dealer a total of 180,000 flow-through agent's options ("FT Agent's Options"), with each FT Agent's Option entitling its holder thereof to purchase one agent's unit of the Company at a price of $0.25 per FT Agent's Unit for a period of 24 months following the closing date. Each FT Agent's Unit consists of one common share and one non-transferable Warrant.

In addition, St-Georges announced the signing of an acquisition agreement for a 100% interest in the Cooper Lake property, consisting of 19 contiguous mineral claims adjacent to the Villebon property, covering 7,231 hectares. St-Georges paid the vendor $25,000 in cash and agreed to issue to the vendor 500,000 treasury shares upon regulatory approval and the delivery of the staking certificates. The Company also announced that it expanded its Isukoustouc and Julie properties by staking 238 claims for 13,185 hectares.

SUBSEQUENT EVENTS

On May 31, 2011, St-Georges announced the start of an exploration drilling campaign on the Villebon property and the newly expanded Villebon-Cooper Lake Property. The Company plans to complete up to 2,100 metres of drilling with the objective of validating the historical results from past work on the South and North Zones of Villebon and at Cooper Lake. In addition, some holes will be drilled to verify extensions laterally and to depth from historical zones. The 2,100-metre drilling program will be divided into three sections: 1,200 metres on the Villebon South Zone, 400 metres on the Villebon North Zone and 500 metres on the Cooper Lake gold targets.

On June 2, 2011, St-Georges appointed two new officers of the Company. Michel Boily will be the Company's Vice-President, Exploration and Eric Desaulniers will fill the position of Chief Technological Officer.

SELECTED FINANCIAL INFORMATION

Interim Statement of Comprehensive Loss
For the three-month periods ended March 31, 2011 and 2010 (unaudited)

Three-month periods ended March 31 (unaudited)	**2011 $**	**2010 $**
Operating expenses	(433,555)	(360,182)
Net loss and comprehensive loss for the period	(433,555)	(471,519)
Basic and diluted loss per share	(0.01)	(0.02)

Interim Statement of Financial Position
As at March 31, 2011 (unaudited) and December 31, 2010 (audited)

	March 31, 2011 (unaudited) $	**December 31, 2010 (audited) $**
Cash and cash equivalents	211,351	49,144
Cash in trust	500	1,218,418
Working capital	2,044,130	1,673,210
Exploration and evaluation assets	4,850,968	4,545,968
Total assets	7,068,384	6,805,611
Shareholders' equity	6,995,594	6,319,714

RESULTS OF OPERATIONS

For the three-month period ended March 31, 2011, the Company had no revenues (March 31, 2010 - $nil).

The Company incurred a net loss of $433,555 (or $0.01 per share) for the three-month period ended March 31, 2011, which was a decrease of $37,964 compared to the net loss of $471,419 (or $0.02 per share) for the three-month period ended March 31, 2010.

For the three-month period ended March 31, 2011, the Company generated operating expenses of $433,555, which was an increase of $73,373 compared to the operating expenses of $360,182 for the three-month period ended March 31, 2010. The following table outlines the variation in operating expenses for the three-month periods ended March 31, 2011 and 2010.

Operating Expenses
For the three-months ended March 31, 2011 and 2010 (unaudited)

Period ended March 31	**2011**	**2010**	**Variation**
	$	**$**	**$**
Subcontractors	172,104	-	172,104
Administrative expenses	173,070	49,594	123,476
Mineral rights	29,876	-	29,876
Brokerage fees	11,328	100,000	(88,672)
Travel expenses	34,075	30,000	4,075
Professional fees	12,406	147,586	(135,180)
Bank charges	656	95	561
Depreciation – property, plant and equipment	40	57	(17)
Depreciation – intangible asset	-	11,250	(11,250)
Share-based payment compensation	-	21,600	(21,600)
	433,555	360,182	73,373

SUMMARY OF QUARTERLY RESULTS

The following table outlines selected unaudited financial information of the Company for the last eight quarters. Investors should note that the figures for the quarter ended March 31, 2011 have been prepared in accordance with IFRS, while the figures presented for the prior quarters have been prepared in accordance with Canadian GAAP.

Quarters ended	Mar. 31 2011	Dec. 31 2010	Sep. 30 2010	June 30 2010	Mar. 31 2010	Dec. 31 2009	Sep. 30 2009	June 30 2009
($)								
Net loss	(433,555)	(69,540)	(88,245)	(229,129)	(471,519)	(890,043)	(202,160)	(83,799)
Net loss per share – basic and diluted	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.17)	(0.05)	(0.02)
Basic and diluted weighted average number of shares	95,891,733	79,296,263	12,201,539	11,992,830	10,616,286	5,230,182	4,114,766	3,487,272

Please note that the share figures presented in the table above are presented above, taking into consideration the one-for-two share consolidation that occurred on May 4, 2010.

LIQUIDITY AND CASH FLOW

At March 31, 2011, the Company had cash and cash equivalents of $211,851, which was a decrease of $1,056,181 compared to cash and cash equivalents of $1,267,562 at December 31, 2010. At March 31, 2011, the Company had $211,351 in cash and $500 in a lawyer’s trust account. On December 31, 2010, the Company had $49,144 in cash and $1,218,418 in a lawyer’s trust account. At March 31, 2011, the Company also had restricted cash of $34,105, which was an increase of $4,105 compared to restricted cash of $30,000 at December 31, 2010. These balances are restricted to pay legal fees associated with the Company's financings in 2011.

At March 31, 2011, the Company had working capital of $2,044,130, which was an increase of $370,920 compared to the working capital position of December 31, 2010 of $1,673,210. Management expects to finance future operations and growth as required, by the issuance of debt and equity securities.

SHARE CAPITAL

Common Shares

The Company is authorized to issue an unlimited number of common shares, voting, participating and with no par value.

The holders of common shares are entitled to receive dividends, which may be declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

On May 4, 2010, the Company consolidated its existing capital on the basis of two (2) common shares for one (1) new common share of the Company. For purposes of comparison, all common share figures presented in these financial statements are on a post-consolidation basis.

As at March 31, 2011 and as at the date of this MD&A, the Company had 101,862,011 common shares issued and outstanding. The following is a summary of changes in common share capital from January 1, 2010 to March 31, 2011:

	Number of Common Shares
Balance at January 1, 2010	**72,319,778**
Shares issued via private placement (i)	20,650,667
Shares issued for acquisition of mining properties	450,000
Shares issued – issuance costs	266,666
Balance at December 31, 2010	**93,687,111**
Shares issued via private placement (ii)	5,175,000
Shares issued for acquisition of mining properties	500,000
Shares issued as finder's fee	2,500,000
Balance at March 31, 2011	**101,862,011**

i) On March 22, 2010, a non-brokered private placement was closed for gross aggregate proceeds of $1,000,000 through the sale of 6,666,667 flow-through units at $0.15 per unit. Each flow-through unit is comprised of common share, to be issued as a flow-through share, and one non-flow-through common share purchase warrant, exercisable at a price of $0.50 per share no later than 36 months following the closing date. Moreover, 266,666 non-flow-through common shares were issued as a finder's fee, as well as options to purchase 666,667 non-flow-through units at a price of $0.10 no later than 24 months following the closing date, and a cash fee equal to 10% of the subscription proceeds. The gross proceeds of $973,333 for the units were assigned to common shares and $27,667 to warrants, using the Black-Scholes pricing model.

On May 14, 2010, a non-brokered private placement was closed for gross aggregate proceeds of $352,000 through the sale of 3,520,000 units at $0.10 per unit. Each unit is comprised of one common share and one common share purchase warrant, exercisable at a price of $0.50 per share no later than 36 months following the closing date. Moreover 72,000 warrants at $0.50 for 36 months were issued as a finder's fee, plus $5,760 cash. The gross proceeds of $274,560 for the units were assigned to common shares and $77,440 to warrants, using the Black-Scholes pricing model.

On December 31, 2010, the Company completed a brokered private placement for gross aggregate proceeds of $2,387,000 through the sale of 153 A units at $1,000 per unit, 1,471 B units at $1,000 per unit and a non-brokered private placement of 763 C units at $1,000 per unit.

The A units consist of 5,000 common shares at a price of $0.20 per share and 5,000 common share purchase warrants. Each warrant will entitle the holder to purchase one additional common share of the capital stock of the Company at an exercise price of $0.50 per share at any time on or before the date that is 36 months from the date of issuance of the warrant. The gross proceeds of $117,381 for the A units were assigned to common shares and $35,619 to warrants, using the Black-Scholes pricing model.

The B units consist of 4,000 flow-through common shares at a price of $0.25 per share and 4,000 common share purchase warrants. Each warrant will entitle the holder thereof to purchase on additional common share of the capital stock of the Company at an exercise price of $0.50 per common share at any time on or before the date that is 12 months from the date of issuance of the warrant, and thereafter at an exercise price of $0.55 per share at any time on or before the date that is 24 months from the date of issuance of the warrant, and thereafter at an exercise price of $0.60 per share, at any time on or before the date that is 36 months from the date of issuance of the warrant. The gross proceeds of $1,391,581 for the B units were assigned to common shares and $79,419 to warrants, using the Black-Scholes pricing model.

The C units consist of 5,000 common shares at a price of $0.20 per share and 5,000 common share purchase warrants. Each warrant will entitle the holder to purchase one additional common share of the capital stock of the Company at an exercise price of $0.50 per share at any time on or before the date that is 36 months the date of issuance of the warrant. The gross proceeds of $584,971 for the C units were assigned to common shares and $178,829 to warrants, using the Black-Scholes pricing model.

The Company paid a total cash commission of $235,380 and issued a total of 1,201,400 agent's options. 731 400 agent's options entitle the holder thereof to purchase one agent's unit of the Company (an "Agent's Unit") at the price of $0.20 per Agent's Unit for a period of 36 months following the closing date. Each Agent's Unit consists of one common share and one non-transferable common share purchase warrant of the Company (an "Agent's Unit Warrant"). Each Agent's Unit Warrant entitles its holder thereof to acquire one additional common share at a price of $0.50 per share during a period of 36 months following the closing date.

Moreover, the Company also issued 470,000 agent's options as a finder's fee (each an "Agent's Option"). Each Agent's Option entitles its holder thereof to purchase one agent's unit of the Company (an "Agent's Unit") at the price of $0.25 per Agent's Unit for a period of 24 months following the closing date. Each Agent's Unit consists of one common share (an "Agent's Unit Share") and one non-transferable common share purchase warrant (an "Agent's Unit Warrant"). Each Agent's Unit Warrant entitles its holder thereof to acquire one additional common share at a price of an exercise price of $0.50 per common share at any time on or before the date that is 12 months from the date of issuance of the warrant, and thereafter at an exercise price of $0.55 per share at any time on or before the date that is 24 months from the date of issuance of the warrant, and thereafter at an exercise price of $0.60 per share, at any time on or before the date that is 36 months from the date of issuance of the warrant.

ii) On March 1, 2011, the Company completed the second tranche of the December 31, 2010 brokered private placement.

The Company received a total of $700,000 for subscriptions to 700 flow-through units at a price of $1,000 per unit (the "B Units"). Each B Unit consists of 4,000 flow-through common shares at a price of $0.25 per share and 4,000 common share purchase warrants (each being a "Warrant"). Each warrant entitles the holder thereof to purchase one additional common share of the capital stock of the Company at an exercise price of $0.50 per common share at any time on or before March 1, 2012, and thereafter at an exercise price of $0.55 per share at any time on or before March 1, 2013, and thereafter at an exercise price of $0.60 per share, at any time on or before March 1, 2014.

The Company paid a cash commission of $25,000 and issued 100,000 agent's options (the "Agent's Options"). Each Agent's Option entitles its holder thereof to purchase one agent's unit of the Company (an "Agent's Unit") at the price of $0.20 per Agent's Unit for a period of 24 months following the closing date. Each Agent's Unit consists of one common share (an "Agent's Unit Share") and one non-transferable common share purchase warrant of the Company (an "Agent's Unit Warrant"). Each Agent's Unit Warrant entitles its holder thereof to acquire one additional common share at a price of $0.50 per share during a period of 36 months following the closing date.

The Company also paid finders' fees for a cash consideration of $22,500 and issued a total of 180,000 flow-through agent's options (each a "FT Agent's Option"). Each FT Agent's Option entitles its holder thereof to purchase one agent's unit of the Company (an "FT Agent's Unit") at the price of $0.25 per FT Agent's Unit for a period of 24 months following the closing date. Each FT Agent's Unit consist of one common share and one non-transferable Warrant.

The Company completed the second and final tranche of a non-brokered private placement previously announced of C Units on December 31, 2010. For this tranche, a total of 475 C units at a purchase price of $1,000 per unit have been issued for total gross proceeds of $475,000. Each C unit consists of 5,000 common shares at a price of $0.20 per share and 5,000 common share purchase warrants. Each warrant entitles the holder to purchase one additional common share of the capital stock of the Company at an exercise price of $0.50 per share at any time on or before the date that is 36 months from the date of issuance of the warrant.

The Company paid an aggregate of $34,000 in finder's fees on the non-brokered private placement.

Warrants

The following is a summary of changes in warrants from January 1, 2010 to March 31, 2011 (all figures are presented on a post-consolidation basis):

	Number of Warrants	Weighted Average Strike Price
Balance at January 1, 2010	**7,574,801**	**$0.46**
Issued	22,590,733	$0.47
Expired	(260,000)	$0.40
Balance at December 31, 2010	**29,905,534**	**$0.47**
Issued	5,455,000	$0.49
Balance at March 31, 2011	**35,360,534**	**$0.47**
Warrants exercisable, March 31, 2011	**35,360,534**	**$0.47**

As at March 31, 2011, the Company had outstanding warrants as follows:

Number of Warrants	Strike Price	Expiry Date
664,981	$0.16	December 29, 2011
6,649,819	$0.50	December 29, 2011
666,667	$0.15	March 22, 2012
731,400	$0.20	December 31, 2012
470,000	$0.25	December 31, 2012
100,000	$0.20	March 1, 2013
180,000	$0.25	March 1, 2013
6,666,667	$0.50	March 22, 2013
3,592,000	$0.50	May 14, 2013
10,464,000	$0.50	December 31, 2013
5,175,000	$0.50	March 1, 2014
35,360,534	**$0.47**	

Share-based Payments

Stock Options

On June 1, 2009, the Company established a stock-based compensation plan. Under the stock-based compensation plan, the board of directors of the Company may, from time to time, at its discretion, and in accordance with CNSX requirements, grant to directors, officers and technical consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed ten percent (10%) of the issued and outstanding common shares exercisable for a period of up to five (5) years from the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding Common Shares.

Options may be exercised no later than 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised with a maximum period of one year after such death, subject to expiry date of such option.

The subscription price of the shares which may be issued under the plan must not be lower than the closing price of the last regular board lot (not less than $0.10) sold on the CNSX on the trading day immediately preceding the date of grant. The option price is payable in full at the time the options is exercised. The vesting periods in respect of the options are determined by the Board of Directors at the time of each grant of options.

The following is a summary of changes in options from January 1, 2010 to March 31, 2011:

				During the period					
Grant Date	Expiry Date	Exercise Price	Opening Balance	Granted	Exercised	Forfeited	Closing Balance	Vested	Unvested
--	--	$0.26	475,000	-	-	(475,000)	-	-	-
6-Jan-10	6-Jan-15	$0.20	-	400,000	-	-	400,000	400,000	-
20-Oct-10	20-Oct-15	$0.15	-	3,650,000	-	-	3,650,000	3,650,000	-
			475,000	4,050,000	-	(475,000)	4,050,000	4,050,000	-
Weighted Average Exercise Price			$0.26	$0.15	-	$0.26	$0.15	$0.15	-

EXPLORATION AND EVALUATION ASSETS

($)	Villebon	Lac Julie-Isukoustouk Complex	Manicouagan Constellation	Total
Balance as at January 1, 2010	**1,817,631**	**786,003**	**343,876**	**2,947,510**
Exploration costs	1,072,617	305,378	155,463	1,533,458
Property acquisitions	65,000	-	-	65,000
Balance as at Dec. 31, 2010	**2,955,248**	**1,091,381**	**499,339**	**4,545,968**
Exploration costs	-	-	-	-
Property acquisitions	305,000	-	-	305,000
Balance as at March 31, 2011	**3,260,248**	**1,091,381**	**499,339**	**4,850,968**

The Villebon, Lac Julie – Isukoustouk and Manicouagan properties are all located in the province of Quebec, Canada.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below are expected to be adopted for the year ending December 31, 2011 and have been applied consistently to all periods presented in the interim financial statements for the period ended March 31, 2011 and in preparing the opening IFRS balance sheet at January 1, 2010, except when the Company applied certain exemptions and exceptions on the transition of IFRS. The exemptions and exceptions applied and effects of the transition to IFRS are presented in note 20 of the interim financial statements for the period ended March 31, 2011.

Functional and Presentation Currency

The financial statements are presented in Canadian dollars, which is also the Company's functional currency.

Mining Properties and Deferred Exploration and Evaluation Expenditures

The amounts recorded as mining properties and deferred exploration costs represent exploration, development and associated operating costs incurred to date and are not intended to reflect present or future values. These costs are deferred until the discovery of economically exploitable reserves and the start-up of the production phase on a property-by-property basis or until the property is abandoned. Mining properties are abandoned when management allows property interests to lapse or when they determine that properties are not economically viable. Costs accumulated relating to projects that are abandoned are written-off in the year in which a decision to discontinue the project is made.

When it has been determined that a mining property can be economically developed as a result of establishing proven and probable reserves, costs incurred prospectively to develop the property are capitalized as incurred and are amortized using the units-of-production method over the estimated life of the ore body based upon recoverable ounces to be mined from estimated proven and probable reserves.

The Company is in the development stage and by definition commercial production has not yet commenced. Commercial production occurs when an asset or property is substantially complete, is fully permitted and ready for its intended use. No amortization of mining properties has been charged in these financial statements.

Where there is an indication that impairment may exist, senior management reviews the carrying values of mining properties and deferred exploration expenditures with a view to assessing whether there has been any impairment in value. In the event that it is determined there is an impairment in the carrying value of any property, the carrying value will be written down or written off, as appropriate. There was no impairment write-down required at December 31, 2010.

Property, Plant and Equipment

Recognition and Measurement

On initial recognition, property, plant and equipment are valued at cost, being the purchase price and directly attributable cost of acquisition or construction required to bring the asset to the location and condition necessary to be capable of operating in the manner intended by the Company, including appropriate borrowing costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognized within provisions.

Property, plant and equipment are subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses, with the exception of land which is not depreciated.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Major Maintenance and Repairs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are changed to the profit or loss during the financial period in which they are incurred.

Gains and Losses

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount, and are recognized net within other income in profit or loss.

Depreciation

Depreciation is recognized in profit or loss and is provided on a declining balance basis over the estimated useful life of the assets as follows:

Office Equipment	Declining balance of 30%

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Assets are depreciated once they are available for use. Depreciation is recognized in other comprehensive income within ‘Depreciation of property, plant and equipment’.

Impairment of Non-Financial Assets

Impairment tests on intangible assets with indefinite useful economic lives are undertaken annually at the financial year-end. Other non-financial assets, including Mining properties, Deferred exploration and evaluation assets and Property, Plant and Equipment, are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

The Company has three separate exploration and evaluation assets: Villebon, Lac Julie-Isukoustouk and Manicouagan Constellation. These assets are reviewed separately for indications of impairment at each statement of financial position date.

An impairment loss is charged to the profit or loss, except to the extent they reverse gains previously recognized in other comprehensive loss/income.

Financial Instruments

Financial Assets

The Company classifies its financial assets in the following categories: fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

Financial assets at fair value through profit or loss are initially recognized at fair value with changes in fair value recorded through income. Cash, cash equivalents, short-term fixed guaranteed investment certificates and prepaid expenses are included in this category of financial assets.

Loans and Receivables

These assets are non-derivative financial assets resulting from the delivery of cash or other assets by a lender to a borrower in return for a promise to repay on a specified date or dates, or on demand. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and subsequently carried at amortized cost, using the effective interest rate method, less any impairment losses. Amortized cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Loans and receivables comprise trade receivables, sales tax recoverable and subscriptions receivable.

Available-For-Sale Investments

Non-derivative financial assets are classified as available-for-sale and comprise principally the Company’s strategic investments in entities not qualifying as subsidiaries or associates. Available-for-sale investments are carried at fair value with changes in fair value recognized in accumulated other comprehensive loss/income. Where there is a significant or prolonged decline in the fair value of an available-for-sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously recognized in other comprehensive loss/income, is recognized in profit or loss. If there is no quoted market price in an active market and fair value cannot be readily determined, available-for-sale investments are carried at cost.

Purchases and sales of available-for-sale financial assets are recognized on a trade basis. On sale or impairment, the cumulative amount recognized in other comprehensive loss/income is reclassified from accumulated other comprehensive loss/income to profit or loss.

As at March 31, 2011, the Company did not have any Available-for-Sale Investments.

Impairment of Financial Assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired, if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset of the group of financial assets.

Financial Liabilities

Financial liabilities are classified as other financial liabilities, based on the purpose for which the liability was incurred and compromise trade payables and accrued liabilities. These liabilities are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a this constant rate on the balance of the liability carrying in the statement of financial position. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the period which are unpaid. Trade payable amounts are unsecured and are usually paid within 30 days of recognition.

Income Taxes

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive loss/income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting or taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Government Grants

From time to time, the Company receives government incentive programs such as investment tax credits. The Government of Quebec provides a non-taxable refundable credit for losses to help operators meet exploration, mineral deposit evaluation and mine development costs by refunding part of eligible expenditures incurred. This credit is based on the lesser of:

- The amount of the annual loss; and
- The exploration, mineral deposit evaluation and mine development expenses

The Government of Quebec also offers businesses having establishments and that carry on activities in Quebec a refundable tax credit for mineral exploration activities, covering up to 45% of exploration expenses.

Government incentives are accrued when there is reasonable assurance of realization and reflected as a reduction of the related asset or expense. In the event the investment tax credits received are less than the amount claimed, the difference will be reflected in operations in the period in which it is determined.

Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company’s common shares, preferred shares, share warrants and flow-through shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Flow-through Shares

The Company may from time to time issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and; ii) share capital. Upon expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders. The premium is recognized as other income and the related deferred tax is recognized as a deferred tax expense in the statement of income/loss.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. The portion of the proceeds received but not yet expended at the end of the Company's period is disclosed separately.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Earnings / Loss Per Share

Basic earnings/loss per share is computed by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted.

Share-based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive loss/income over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive loss/income over the remaining vesting period.

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in comprehensive loss/income over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive loss/income, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life and forfeiture rate used in the model is adjusted based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

All equity-settled share based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital along with any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payments made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Standards, Amendments and Interpretations Not Yet Effective

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 'Financial Instruments: Recognition and Measurements'. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets, amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2013. The Company is in the process of evaluating the impact of the new standard.

IFRS 13 Fair Value Measurement

International Financial Reporting Standard 13, Fair Value Measurement ("IFRS 13"), is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures. The standard is effective for annual periods beginning on or after January 1, 2013. The Company is in the process of evaluating the impact of the new standard.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

St-Georges makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

Information about critical judgements in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the interim financial statements for the period ended March 31, 2011 within the next financial year are discussed below:

Exploration and Evaluation Expenditure

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Income Taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 14.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

In February 2008, the AcSB confirmed that Canadian generally accepted accounting principles ("GAAP") for publicly accountable enterprises will be converged with IFRS effective in calendar year 2011. The conversion to IFRS will be required, for the Company, for interim and annual financial statements beginning on January 1, 2011. Accordingly, the Company's first interim financial statements presented in accordance with IFRS are those for the three-month period ended March 31, 2011, and its first annual financial statements presented in accordance with IFRS will be for the year ended December 31, 2011, with restated comparatives for the year ended December 31, 2010.

The Company implemented a four-stage conversion process to IFRS:

1. Diagnostic phase
2. Design and planning phase
3. Implementation phase
4. Ongoing monitoring and IFRS updates

As of March 31, 2011, the Company has completed the transition to IFRS and the accompanying financial statements have been prepared in compliance with IFRS.

FIRST TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

the Company's financial statements for the year-ending December 31, 2011 are the first annual financial statements that will be prepared in accordance with IFRS. IFRS 1, First Time Adoption of International Financial Reporting Standards, requires that comparative financial information be provided. As a result, the first date at which the Company has applied IFRS was January 1, 2010 (the "Transition Date"). IFRS 1 requires first-time adopters to retrospectively apply all the effective IFRS standards as of the reporting date, which for the Company will be December 31, 2011. However, it also provides for certain optional exemptions and certain mandatory exceptions for first time IFRS adoption. Prior to transition to IFRS, the Company prepared its financial statements in accordance with pre-changeover Canadian Generally Accepted Accounting Principles ("pre-changeover Canadian GAAP").

In preparing the Company's opening IFRS financial statements, the Company has adjusted amounts reported previously in the financial statements prepared in accordance with pre-changeover Canadian GAAP.

Optional Exemptions

The IFRS 1 applicable exemptions and exceptions applied in the conversion from pre-changeover Canadian GAAP to IFRS are as follows:

Business Combinations

The Company elected not to retrospectively apply *IFRS 3, Business Combinations*, to any business combinations that may have occurred prior to its Transition Date and such business combinations have not been restated.

Share-based Payments Transactions

The Company has elected not to retrospectively apply IFRS 2 to equity instruments that were granted and had vested before the Transition Date. As a result of applying this exemption, the Company will apply the provisions of IFRS 2 only to all outstanding equity instruments that are unvested at the Transition Date to IFRS.

Mandatory Exceptions

Derecognition of Financial Assets and Liabilities

The Company has applied the derecognition requirements in *IAS 39, Financial Instruments: Recognition and Measurement*, prospectively from the Transition Date. As a result any non-derivative financial assets or non-derivative financial liabilities derecognized prior to the Transition Date in accordance with pre-changeover Canadian GAAP have not been reviewed for compliance with IAS 39.

Estimates

The estimates previously made by the Company under the pre-changeover Canadian GAAP were not revised for the application of IFRS except where necessary to reflect any difference in accounting policy or where there was objective evidence that those estimates were in error. As a result the Company has not used hindsight to revise estimates.

Reconciliations of Pre-changeover Canadian GAAP Equity and Comprehensive Income to IFRS

IFRS 1 requires an entity to reconcile equity, comprehensive income and cash flows for prior periods. The changes made to the statements of financial position and statements of comprehensive income as shown below have resulted in reclassifications of various amounts on the statements of cash flows, however as there have been no material adjustments to the net cash flows, no reconciliation of the statement of cash flows has been prepared.

Reconciliation of the Statement of Financial Position as at December 31, 2010, March 31, 2010 and January 1, 2010

	December 31, 2010 ($)	**March 31, 2010 ($)**	**January 1, 2010 ($)**
Total assets, as per Canadian GAAP	6,805,611	4,614,475	4,009,681
Adjustments required upon adoption of IFRS	-	-	-
Total assets, as per IFRS	6,805,611	4,614,475	4,009,681
Total liabilities, as per Canadian GAAP	485,897	175,495	120,782
Adjustments required upon adoption of IFRS	-	-	-
Total liabilities, as per IFRS	485,897	175,495	120,782
Total shareholders’ equity, as per Canadian GAAP	6,319,714	4,438,980	3,888,899
Adjustments required upon adoption of IFRS	-	-	-
Total shareholders’ equity, as per IFRS	6,319,714	4,438,980	3,888,899

Reconciliation of the Statement of Comprehensive Loss for the Year Ended December 31, 2010 and for the Three Months Ended March 31, 2010

	December 31, 2010 (12 months) ($)	March 31, 2010 (3 months) ($)
Net loss and comprehensive loss, as per Canadian GAAP	(733,353)	(471,519)
Adjustments required upon adoption of IFRS	-	-
Net loss and comprehensive loss, as per IFRS	(733,353)	(471,519)
Total liabilities, as per Canadian GAAP	485,897	175,495
Adjustments required upon adoption of IFRS	-	-
Total liabilities, as per IFRS	485,897	175,495
Total shareholders' equity, as per Canadian GAAP	6,319,714	4,438,980
Adjustments required upon adoption of IFRS	-	-
Total shareholders' equity, as per IFRS	6,319,714	4,438,980

Impact of IFRS on Financial Statements and Operations

Management of the Company believes that there has been and will be a minimal impact of IFRS with respect to the Company's financial statements and operations. Under IFRS, there are additional disclosures that must be made and the presentation of the financial statements is different under IFRS than under Canadian GAAP. The business processes of the Company are simple and no major challenges are expected at this point to operate under IFRS.

FINANCIAL RISKS

The primary goals of the Company's financial risk management are to ensure that the outcomes of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, and to maintain an appropriate risk/reward balance while protecting the Company's balance sheet from events that have the potential to materially impair its financial strength. Balancing risk and reward is achieved through aligning risk appetite with business strategy, diversifying risk, pricing appropriately for risk, mitigating risks through preventive controls and transferring risk to third parties.

The Company's exposure to potential loss from financial instruments is primarily due to various market risks, including interest rate, liquidity and credit risk. There has been no change in the financial risk of the Company during the year.

Market Risk

Market risk is the risk of loss arising from adverse changes to market rates and prices, such as interest rates, equity market fluctuations, foreign currency exchanges rates, and other relevant market rate or price changes. Market risk is directly influenced by the volatility and liquidity in the markets in which the related underlying assets are traded. Below is a discussion of the Company's primary market risk exposures and how those exposures are currently managed.

Interest Rate Risk

Fluctuations in interest rates have only an impact on the return that the cash generates as interest income. Unfavourable changes in the applicable interest rate may result in a decrease of interest income. Based on the Company's balance in cash at March 31, 2011, a 1% change in the effective interest rate on these investments would not have had a material impact on the earnings of the Company.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash flow commitments associated with financial instruments. The purpose of liquidity management is to ensure that there is sufficient cash to meet all financial commitments and obligations as they fall due. To manage cash flow requirements, the Company may have to issue additional common shares.

As at March 31, 2011, the Company has current liabilities of $72,790 due within 12 months and has cash and cash equivalents of $211,851 to meet its current obligations. As a result, the Company does face liquidity risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Substantially all of the cash and short-term investments are held with one financial institution. Consequently the Company is exposed to the risks of that institution. The carrying amount of cash and short-term investments represents the maximum credit exposure.

CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at March 31, 2011, the Company's shareholders' equity was $6,995,594 and it had no outstanding debt. The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines and calculated risk management levels. To meet these objectives, management monitors the Company's capital requirements against unrestricted net working capital and assesses additional capital requirements on specific business opportunities on a case-by-case basis.

The capital for expansion was mostly from proceeds from the issuance of common shares and special warrants. The net proceeds raised will only be sufficient for a certain amount of exploration and development work on its properties, and for working capital purposes. Additional funds may be required to finance the Company's corporate objectives. There was no change in the capital management policy for the year ended March 31, 2011.

RELATED PARTY TRANSACTIONS

On May 17, 2010, the Company issued a secured debenture to LiteWave Corp. for a total amount of $100,000 at an annual interest rate of 15%. Under terms of the debenture, interest is receivable by the Company semi-annually. LiteWave and the Company are related parties as François Dumas and Mark Billings are President/CEO and CFO, respectively, of both companies and both individuals sit on the boards of directors of both companies. LiteWave has an option to earn a 50% interest in the Manicouagan Constellation properties with the Company.

RISK FACTORS

Exploration

Exploration and mining involve a high degree of risk. Few exploration properties end up going into production. Other risks related to exploration and mining activities include unusual or unforeseen formations, fire, power failures, labour disputes, flooding, explosions, cave-ins, landslides and shortages of adequate or appropriate manpower, machinery or equipment.

The development of a resource property is subject to many factors, including the cost of mining, variations in the quality of the material mined, fluctuations in the commodity and currency markets, the cost of processing equipment and others, such as aboriginal claims and government regulations, including regulations regarding royalties, authorized production, import and export of natural resources and environmental protection. Depending on the price of the natural resource produced, the Company may decide not to undertake or continue commercial production. There can be no assurance that the expenses incurred by the Company to explore its properties will result in the discovery of a commercial quantity of ore. Most exploration projects do not result in the discovery of commercially viable mineral deposits.

Environmental and Other Regulations

Current and future environmental laws, regulations and measures could entail unforeseeable additional costs, capital expenditures, restrictions or delays in the Company's activities. Environmental regulations and standards are subject to constant revision and could be substantially tightened, which could have a serious impact on the Company and its ability to develop its properties economically. Before it commences mining a property, the Company must obtain environmental permits and the approval of the regulatory authorities. There is no assurance that these permits and approvals will be obtained, or that they will be obtained in a timely manner. The cost of complying with government regulations may also impact the viability of an operation or altogether prevent the economic development of a property.

Financing and Development

The Company does not presently have sufficient financial resources to undertake its planned exploration and development programs. Development of the Company's properties therefore depends on its ability to raise the additional funds required. There can be no assurance that the Company will succeed in obtaining the funding required. The Company also has limited experience in developing resource properties, and its ability to do so depends on the use of appropriately skilled personnel or signature of agreements with other large resource companies that can provide the required expertise.

Commodity Prices

The factors that influence the market value of platinum, palladium, rhodium, copper, cobalt, nickel and any other mineral discovered are outside the Company's control. The impact of these factors cannot be accurately predicted. Resource prices can fluctuate widely and have done so in recent years.

Risks Not Covered by Insurance

The Company may become subject to claims arising from cave-ins, pollution or other risks against which it cannot insure itself due to the high cost of premiums or other reasons. Payment of such claims would decrease and could eliminate the funds available for exploration and mining activities.

ST-GEORGES PLATINUM AND BASE METALS LTD.	**Date: June 29, 2011**
signed “François Dumas	*signed “Mark Billings”*
François Dumas President, CEO & Director	**Mark Billings** CFO & Director