



NEWS RELEASE

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SAS COMPLETES \$27 MILLION INITIAL TRANCHE OF \$28.9 MILLION PRIVATE PLACEMENT OFFERINGS

Toronto, Canada

July 28, 2010

St Andrew Goldfields Ltd. (T-SAS), (“SAS” or the “Company”) is pleased to announce that it has closed today the initial tranche of its previously announced brokered private placement (the “Offering”) and non-brokered private placement (the “Additional Offering”) for total gross proceeds of \$27,062,500.

Completed today under the Offering was the issuance of 8,000,000 flow-through units (“FT Unit”) at a price of \$1.50 per FT Unit, including the exercise of the over-allotment option of \$2.0 million, for gross proceeds of \$12,000,000; and 7,250,000 common share units (“Unit”) at a price of \$1.25 per Unit, for gross proceeds of \$9,062,500. Each FT Unit consisted of one flow-through common share and one-half of one common share purchase warrant and each Unit consisted of one common share and one-half of one common share purchase warrant. It is anticipated that the balance of the Offering, expected to consist of 1,500,000 Units for additional gross proceeds of \$1,875,000, will be completed shortly.

Concurrently with the closing of the Offering, the Company completed the Additional Offering, as announced on July 23, 2010, consisting of 4,800,000 Units at a price of \$1.25 per Unit for gross proceeds of \$6,000,000.

Each whole warrant from the Offering and Additional Offering, will entitle the holder to purchase one additional common share of SAS at a price of \$1.70 per share for a period of 18 months from the date of closing of the Offering and Additional Offering.

The gross proceeds from the offering of the FT Units will be used to accelerate the Company’s exploration programs in the Timmins Mining Camp. The net proceeds from the offering of Units and the Additional Offering will be used to advance the underground exploration development at the Holloway Mine’s Smoke Deep Zone and for general working capital purposes.

The Offering was placed by a syndicate of investment dealers, led by NCP Northland Capital Partners Inc., and included Stonecap Securities Inc., D&D Securities Inc. and Octagon Capital Corporation.

The securities issued pursuant to the Offering and Additional Offering are subject to a four-month hold period.

Closing of the Repurchase of Senior Secured Gold Notes

The Company anticipates that completion of the repurchase of a portion of its Senior Secured Gold Notes, as announced on July 23, 2010, will occur shortly.

“With the success of our recent exploration programs, and the positive results we’ve received, we believed the timing was right to raise the funds necessary to accelerate our exploration efforts.” said Jacques Perron, President & CEO of SAS. “Our initial intent was to raise \$20 million, and we are happy to announce a total of \$21 million from the initial tranche of the Offering, with an additional \$6 million from the Additional Offering. Completing the financing in such a short period of time is reflective of the increased level of interest from investors.”

About SAS

SAS (operating as “SAS Goldmines”), is a gold mining and exploration company with an extensive land package in the Timmins mining district, northeastern Ontario, which lies within the Abitibi greenstone belt, the most important host of historical gold production in Canada. SAS is focussed on developing its assets in the Timmins Camp which includes current and near-term gold production, and exploration activities.

For further information about St Andrew Goldfields Ltd., please contact:

Tel: 1-800-463-5139 or (416) 815-9855; Fax: (416) 815-9437; Website: www.sasgoldmines.com

Suzette N Ramcharan
Manager, Investor Relations
Email: sramcharan@sasgoldmines.com

Jacques Perron
President & CEO
Email: jperron@sasgoldmines.com

Ben Au
CFO, VP Finance & Administration
Email: bau@sasgoldmines.com

FORWARD-LOOKING INFORMATION

This news release contains forward-looking information and forward-looking statements (collectively, “forward-looking information”) under applicable securities laws, concerning the Company’s business, operations, condition and prospects, as well as management’s objectives, strategies, beliefs and intentions. Forward-looking information is frequently identified by such words as “may”, “will”, “plan”, “expect”, “estimate”, “anticipate”, “believe”, “intend” and similar words referring to future events and results, including with respect to the completion of a further tranche of the Offering and the amount and timing thereof, the Company’s intended use of proceeds from the Offering and Additional Offering, the intended repurchase of certain of its outstanding Gold Notes and the timing thereof. This forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information. Factors that may cause actual results to vary materially include, but are not limited to, changes in general economic conditions or conditions in the financial markets, fluctuations in gold prices and currency exchange rates, uncertainties relating to the interpretation of the geology, continuity, grade and size estimates of its mineral reserves and resources and unanticipated operational or technical difficulties . Such forward looking information is based on a number of assumptions, including but not limited to, the availability of financing, no significant decline in existing general business and economic conditions, the level and volatility of the gold price, the accuracy of our reserve and resource estimates and of the geological, metallurgical, price and other assumptions on which the estimates are based. Should one or more risks and uncertainties materialize or should any assumptions prove incorrect, then actual results could vary materially from those expressed or implied in the forward-looking information and accordingly, readers are cautioned not to place undue reliance on this forward-looking information. SAS does not assume the obligation to revise or update this forward-looking information after the date of this release or to revise such information to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

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