

22 July 2016

MORE MASSIVE NICKEL-COPPER SULPHIDES INTERSECTED AT MT ALEXANDER

HIGHLIGHTS:

- New massive nickel-copper sulphide mineralisation discovered at Stricklands Prospect from drilling two previously untested downhole electromagnetic (DHEM) conductors
- Mineralised ultramafic unit located only 50m below surface
- Potential for large mineralised zone at Stricklands to be further investigated by DHEM surveys and drilling
- Combined EM and geological targeting continue to deliver drilling success in the Cathedrals Belt
- First ever drilling at the Investigators Prospect to commence today with testing of the highly conductive 'Anomaly 2' (47,000 Siemens)

FURTHER HIGH GRADE DISCOVERIES MT ALEXANDER

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') is pleased to announce that further massive nickel-copper sulphides have been intersected at the Stricklands Prospect in the Mt Alexander Project in Western Australia.

Two drill holes were completed at Stricklands to test two separate, strong off-hole conductors identified from the DHEM survey in drill hole MAD22, which was completed by St George in May 2016 and intersected nickel-copper sulphide mineralisation. Both new drill holes have intersected significant intervals of massive nickel-copper sulphides where predicted by the modelled EM conductors.

MAD26 is approximately 30m north-northwest of MAD22, and MAD27 is approximately 45m north-east of MAD22. The multiple intersections of nickel-copper sulphide mineralisation over a broad area support the potential for a large mineralised zone at Stricklands. There is potential for continuity of mineralisation within the zone and an extension to the size of the mineralised zone.

MAD26 was completed to a downhole depth of 105.1m and intersected approximately **4m of massive nickel-copper sulphide mineralisation** from 53.9 to 57.9m which comprises:

- 1.3m of brecciated massive sulphides from 53.9-55.2m, with spot XRF readings ranging 3%Ni to 7%Ni (average 4.5%Ni) and 0.7%Cu to 1.4%Cu (average 1%Cu)
- 2.7m of massive sulphides from 55.2-57.9m, with spot XRF readings ranging 2.7%Ni to 16.6%Ni (average 7.5%Ni) and 0.7%Cu to 8.1%Cu (average 2.3%Cu)

MAD27 was completed to a downhole depth of 148m and intersected approximately **2m of massive nickel-copper sulphide mineralisation** from 71.25 to 73.25m with spot XRF readings ranging **2%Ni to 7.9%Ni** (average **4.2%Ni) and 1.2%Cu to 6.9%Cu** (average **2.2%Cu**). Above the massive sulphide is approximately **10m of ultramafic with intermittent disseminated and stringer sulphide mineralisation**.



St George Mining Executive Chairman, John Prineas said:

"Our continued exploration success in the Cathedrals Belt confirms that this is a highly mineralised belt with strong prospectivity for additional nickel-copper sulphide discoveries.

"The results at Stricklands appear to be the best intersections to date outside Cathedrals and are very promising for the economic potential of the area.

"The effectiveness of our combined EM and geological targeting in the Cathedrals Belt makes the strong conductors at Investigators very compelling targets, and we are excited to be commencing the first ever drilling at Investigators today."



Figure 1 – drill core from MAD26 with massive nickel-copper sulphides at 57-57.25m which recorded spot XRF readings of 8.7%Ni and 2.5%Cu (part of the 2.7m massive sulphide section from 55.2m)

The mineralisation intersected in MAD26 shows similarities to the high grade nickel-copper sulphides intersected at the Cathedrals Prospect which assays confirmed as also having very high values of cobalt and PGEs. MAD15 at Cathedrals intersected high grade nickel-copper sulphides with very high values of cobalt and PGEs, including 1.17m @ 8.75%Ni, 3.37%Cu, 0.24%Co and 6.16g/t total PGEs from 30.17m.

MAD26 and MAD27, as well as MAD22 and MAD23, were completed in the central-western area of the Stricklands Prospect. The mineralised intersections in these drill holes are interpreted to be hosted within the same ultramafic unit about 50m below surface.

Geological modelling of drill hole data indicates that there is potential for continuity of mineralisation on this mineralised horizon, and this will be further investigated by DHEM surveys in MAD26 and MAD27 and by drilling.

The successful drilling at Cathedrals and Stricklands has significantly increased the nickel-copper sulphide system at Mt Alexander, and this could be substantially expanded by the imminent drilling at the Investigators Prospect.



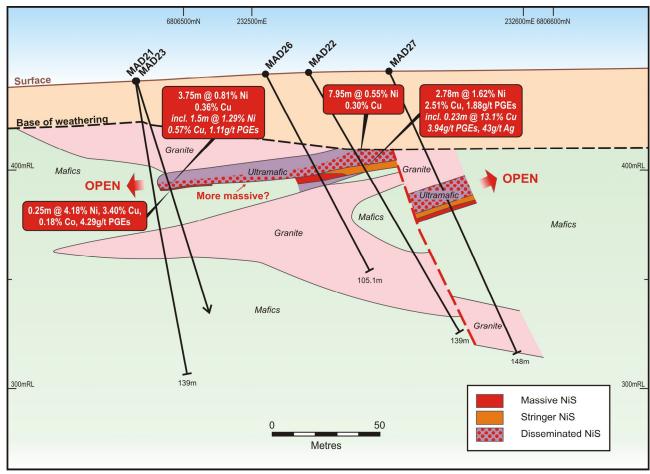


Figure 2 – an oblique section (oriented 050°) of MAD21, MAD22, MAD23, MAD26 and MAD27 at Stricklands showing the potential for continuity between and extension of the mineralised intersections. MAD21 was drilled just south of the ultramafic trend and hence the MAD23 intersection is open to the west. The greenstone sequence has been intruded by later granite sheets.

The metal values quoted above for MAD26 and MAD27 are based on the results of field XRF analysis and are preliminary only. The metal values for intervals of massive nickel-copper sulphides are based on XRF analysis at 25-50cm spaced readings. A conclusive determination of the nickel and copper content of the sulphide mineralisation, as well as any cobalt and PGEs, will be confirmed when laboratory assays are available.

Based on the intersection angle of the drilling and interpreted EM plates, the down-hole widths are interpreted to approximate true widths, but will be reviewed again with DHEM results and geological modelling.

DRILLING GAINS MOMENTUM AT MT ALEXANDER

The planned drill holes for the current programme are shown in Table 1, and are listed in the proposed order of drilling. The order is subject to change in response to varying conditions at site. For further details of each target, please see our ASX Release dated 11 July 2016 'Drill Programme for Mt Alexander Project'.

MAD25, 26 and 27 have been completed. MAD28 is currently being drilled. The drill hole is adjacent to MAD26 and will test the repeatability of the massive sulphide mineralisation.





Figure 3 – drill core from MAD27 showing the upper contact of the massive nickel-copper sulphides with the host ultramafic at 71.25m. The massive sulphide averages 4.2%Ni and 2.2%Cu from XRF readings over the 2m interval from 71.25-73.25m.

A further seven drill holes are planned for completion in the Cathedrals Belt. Four drill holes will target untested off-hole DHEM conductors identified from St George's drilling earlier this year.

Three drill holes will test separate new MLEM conductors at the Investigators Prospect, including 'Anomaly 2' which has recorded an EM response with an extreme conductivity of 47,000 Siemens. Drilling at Anomaly 2 is scheduled to commence this afternoon.

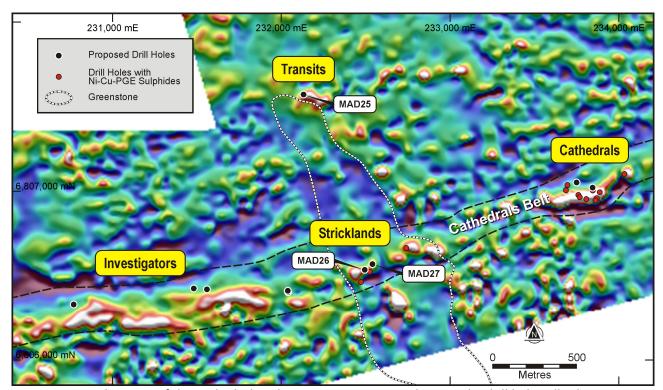


Figure 4 – a plan view of the Cathedrals Belt over TMI magnetics showing the drill hole collar locations in the current programme. MAD25, 26 and 27 are the drill holes completed to date.



MAD25 was the first drill hole completed in the current programme and was drilled to a downhole depth of 109m at the Transits Prospect, located to the north of the Cathedrals Belt. The drill hole, designed to test a co-incident magnetic and EM anomaly, intersected some disseminated sulphides (pyrite) in mafic rocks that were in contact with thick granites. A DHEM survey will be completed to investigate for conductors below or laterally to the hole.

Following MAD25, the drill rig returned to the Cathedrals Belt to commence drilling at Stricklands where MAD26 and MAD27 were completed.

Diamond drilling is now proceeding efficiently, with a double shift employed to provide drilling 24 hours per day.

| Hole ID | Target | GDA94_51 East | GDA 94_51 North | RL | Dip | Azim | Depth (m) | Target Depth (m) |
|------------|-----------------------|------------------|--------------------|-------|-----|------|--------------|------------------------|
| MAD25* | FLEM/mag anomaly | 232131 | 6807573 | 433 | -60 | 115 | 109 | 47 |
| MAD26* | MAD22_1 DHEM plate | 232495 | 6806535 | 445 | -60 | 75 | 105.1 | 56 |
| MAD27* | MAD22_2 DHEM plate | 232540 | 6806570 | 445 | -60 | 90 | 148 | 60 |
| MAD28 | MAD22_1 DHEM plate | 232497.5 | 6806535 | 445 | -60 | 75 | 70 | 56 |
| InvProp_3 | MLEM Anomaly 2 | 231560 | 6806420 | 429 | -60 | 160 | 200 | 145 |
| InvProp_4 | MLEM Anomaly 3 | 231482 | 6806425 | 429 | -70 | 130 | 200 | 144 |
| InvProp_5 | MLEM Anomaly 5 | 230770 | 6806330 | 429 | -70 | 25 | 150 | 108 |
| InvProp_1 | MAD24_2 DHEM plate | 232038 | 6806412 | 429.8 | -57 | 330 | 130 | 92 |
| InvProp_2 | MAD24_1 DHEM plate | 232040 | 6806403 | 429.8 | -73 | 220 | 90 | 50 |
| CathProp_1 | MAD16 DHEM plate | 233844 | 6807022 | 420 | -60 | 180 | 100 | 61 |
| CathProp_2 | MAD19 DHEM plate | 233750 | 6807053 | 420 | -57 | 176 | 200 | 153 |

Table 1 – Planned drill holes for the July-August 2016 diamond drill programme at Mt Alexander (* denotes a completed hole. MAD28 is currently being drilled. All other holes will be drilled in the current programme and are shown with the planned hole ID)



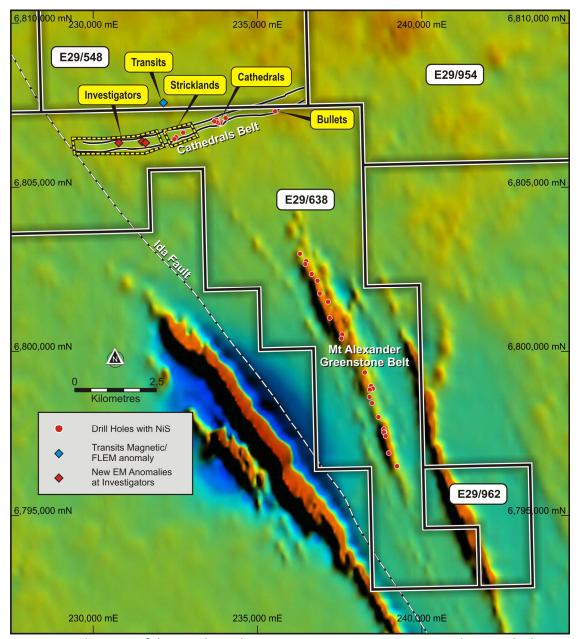


Figure 5 – a plan view of the Mt Alexander Project area over RTP magnetics showing the location of the target areas to be tested in this month's diamond drill programme. In addition to the highly mineralised Cathedrals Belt, the Project has extensive opportunities for regional exploration.

ABOUT THE MT ALEXANDER PROJECT:

The Mt Alexander Project is located 120km south-southwest of the Agnew-Wiluna belt which hosts numerous world class nickel deposits. The Project comprises three granted exploration licences – E29/638, E29/548 and E29/962.

The Cathedrals nickel-copper discovery as well as the Stricklands and Investigators Prospects are located on E29/638, which is held in joint venture by Western Areas Limited (25%) and St George (75%). St George is the Manager of the Project with Western Areas retaining a 25% non-contributing interest in the Project (in regard to E29/638 only) until there is a decision to mine.



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Competent Person Statement:

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Matthew McCarthy, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr McCarthy is employed by St George Mining Limited.

Mr McCarthy has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McCarthy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The following sections are provided for compliance with requirements for the reporting of exploration results under the JORC Code, 2012 Edition.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

| Criteria | JORC Code explanation | Commentary |
|--------------------------|---|--|
| Sampling techniques | Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. | The sections of the core that are selected for assaying are marked up and then recorded on a sample sheet for cutting and sampling at the certified assay laboratory. Samples of HQ or NQ2 core are cut just to the right of the orientation line using a diamond core saw, with half core sampled lengthways for assay. |
| | Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. | Wherever possible the same side of the drill core is sampled to ensure sample is representative. Appropriate QAQC samples are inserted into the sequences as per industry best practice. |
| | Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to | Diamond core (both HQ and NQ2) is half-core sampled to geological boundaries no more than 1.2m and no less than 20cm. Samples less than 3kg are crushed to 10mm, dried and then pulverised to 75µm. Samples greater than 3kg are first crushed to 10mm then finely crushed to 3mm and input into the rotary splitters to produce a consistent output weight for pulverisation. |
| | produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) | Pulverisation produces a 40g charge for fire assay. Elements determined from fire assay are gold (Au), platinum (Pt) and palladium (Pd) with a 1ppb detection limit. To determine other PGE concentrations (Rh, Ru, Os, Ir) a 25g charge for nickel sulphide collect fire assay is used with a 1ppb detection limit. |
| | may warrant disclosure of detailed information. | Other elements will be analysed using an acid digest and an ICP finish. These elements are: Ag, Al, As, Bi, Ca, Cd, Co, Cr, Fe, K, Li, Mg, Mn, Mo, Nb, Ni, P, Pb, S, Sb, Sn, Te, Ti, V, W, Zn. The sample is digested with nitric, hydrochloric, hydrofluoric and perchloric acids to effect as near to total solubility of the sample as possible. The sample is then analysed using ICP-AES or ICP-MS. |
| | | LOI (Loss on Ignition) will be completed on selected samples to determine the percentage of volatiles released during heating of samples to 1000°C. |
| Drilling techniques | Drill type (eg core, reverse circulation, openhole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, facesampling bit or other type, whether core is oriented and if so, by what method, etc). | Diamond drilling is completed using HQ sized coring equipment through the weathered zone (mostly saprock) with 3m barrels, and then HQ or NQ2 in fresh rock with 3m or 6m barrels as required. The core is oriented using ACT II electric core orientation. |
| Drill sample recovery | Method of recording and assessing core and chip sample recoveries and results assessed. | Diamond core recoveries are recorded during drilling and reconciled during the core processing and geological logging. The core length recovered is measured for each run and recorded which is used to calculate core recovery as a percentage. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | Measures taken to maximise sample recovery and ensure representative nature of the samples. | Measures taken to maximise core recovery include using appropriate core diameter and shorter barrel length through the weathered zone, which at Cathedrals is generally <25m and Stricklands <40m depth. Primary locations for core loss in fresh rock are on geological contacts and structural zones, and drill techniques are adjusted accordingly, and if possible these zones are predicted from the geological modelling. |
| | Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | No sample recovery issues have yet been identified that would impact on potential sample bias in the competent fresh rocks that host the mineralised sulphide intervals. |
| Logging | Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. | Geological logging is completed for all drill holes with lithology, alteration, mineralisation, structure and veining recorded. The logging is recorded digitally and imported in the St George Mining central database. |
| | Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. | Logging is both qualitative and quantitative depending on the field being captured. Core is photographed with one tray per photo and stored digitally. |
| | The total length and percentage of the relevant intersections logged. | All drill holes are geologically logged in full. |
| Sub-sampling techniques and sample preparation | If core, whether cut or sawn and whether quarter, half or all core taken. | The HQ and NQ2 core is cut in half length ways just to the right of the orientation line using a diamond core saw. All samples are collected from the same side of the core where practicable. |
| , | If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. | No non-core holes are planned for the current drill program. |
| | For all sample types, the nature, quality and appropriateness of the sample preparation technique. | The entire sample is pulverised to 75µm using LM5 pulverising mills. Samples are dried, crushed and pulverized to produce a homogenous representative sub-sample for analysis. A grind quality target of 90% passing 75µm is used. |
| | Quality control procedures adopted for all sub- sampling stages to maximise representivity of samples. | Quality control procedures include submission of Certified Reference Materials (standards), duplicates and blanks with each sample batch. QAQC results are routinely reviewed to identify and resolve any issues. |
| | Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. | Duplicate samples are selected during sampling. Samples comprise two quarter core samples. |
| | Whether sample sizes are appropriate to the grain size of the material being sampled. | The sample sizes are considered to be appropriate for base metal sulphide mineralisation and associated geology. |
| Quality of assay data and laboratory tests | The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. | Diamond core samples are analysed for Au, Pt and Pd using a 40g lead collection fire assay; for Rh, Ru, Os, Ir using a 25g nickel sulphide collection fire assay; and for Ag, Al, As, Bi, Ca, Cd, Co, Cr, Fe, K, Li, Mg, Mn, Mo, Nb, Ni, P, Pb, S, Sb, Sn, Te, Ti, V, W, Zn using a four acid digest and ICP-AES or MS finish. The assay method and detection limits are appropriate for analysis of the elements required. |

| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| | For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. | A handheld XRF instrument (Olympus Innov-X Spectrum Analyser) is used to systematically analyse the drill core onsite. One reading is taken per meter, however for any samples with matrix or massive sulphide mineralisation then two to five samples are taken at set intervals per meter. The instruments are serviced and calibrated at least once a year. Field calibration of the XRF instrument using standards is periodically performed. |
| | | The handheld XRF results are only used for preliminary assessment and reporting of element compositions, prior to the receipt of assay results from the certified laboratory. |
| | Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and | Laboratory QAQC involves the use of internal lab standards using certified reference material (CRMs), blanks and pulp duplicates as part of in house procedures. The Company will also submit a suite of CRMs, blanks and some duplicates. |
| | precision have been established. | Sample preparation checks for fineness are performed by the laboratory to ensure the grind size of 90% passing 75 μ m is being attained. |
| Verification of sampling and assaying | The verification of significant intersections by either independent or alternative company personnel. | Significant intersections are verified by the Exploration Manager of St George Mining. |
| | The use of twinned holes. | One twin hole (MAD28) is planned for the current drill program. |
| | Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. | Primary data is captured onto a laptop using acQuire software and includes geological logging, sample data and QA/QC information. This data, together with the assay data, is entered into the St George Mining central SQL database which is managed by external consultants. |
| | Discuss any adjustment to assay data. | No adjustments or calibrations will be made to any primary assay data reported. |
| Location of data points | Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations | Drill holes have been located and pegged using a DGPS system with an expected accuracy of +/-0.05mmm for easting, northing and elevation. |
| | used in Mineral Resource estimation. | Downhole surveys are conducted using a single shot camera approximately every 30m during drilling to record and monitor deviations of the hole from the planned dip and azimuth. Post-drilling downhole gyroscopic surveys will be conducted, which provide much more accurate survey results. |
| | Specification of the grid system used. | The grid system used at the Mt Alexander project is GDA94 (MGA), zone 51. |
| | Quality and adequacy of topographic control. | Elevation data has been acquired using DGPS surveying at individual collar locations and entered into the central database. A topographic surface has been created using this elevation data. |
| Data spacing and distribution | Data spacing for reporting of Exploration Results. | The planned diamond drill program is targeting modelled EM conductors and other geological criteria for massive nickel-copper-PGE sulphide mineralisation. The spacing and distribution of the drill holes was appropriate to test the defined targets. |
| | Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. | Drilling is still largely reconnaissance exploration. The completed drilling at Cathedrals and Stricklands is not sufficient to establish the degree of geological and grade continuity to support the definition of Mineral Resource and Reserves and the classifications applied under the 2012 JORC code. |

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| | Whether sample compositing has been applied. | No compositing has been applied to the exploration results. |
| Orientation of data in relation to geological structure | Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. | Drill holes are planned as perpendicular as possible to the target EM plates to approximate true width. Most of the ultramafic units dip shallow to the north and where possible drill holes have been planned to intersect perpendicular to dip. The orientation of key structures may be locally variable. |
| | If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | No orientation based sampling bias has been identified in the data to date. |
| Sample security | The measures taken to ensure sample security. | Chain of custody is managed by St George Mining. Core samples will be stored in the secure facilities at Bureau Veritas laboratory in Perth. Transportation of core is managed by St George contractors and Bureau Veritas and actively track monitored. |
| Audits or reviews | The results of any audits or reviews of sampling techniques and data. | No audits or reviews have been conducted at this stage. |

Section 2 Reporting of Exploration Results

| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| Mineral Tenement and Land Status | Type, name/reference number, location and ownership including agreements or material issues with third parties including joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. | The Mt Alexander Project is comprised of three granted Exploration Licences (E29/638, E29/548 and E29/962). Tenement E29/638 is held in Joint Venture between St George (75% interest) and Western Areas (25% interest). E29/638 and E29/548 are also subject to a royalty in favour of a third party that is outlined in the ASX Release dated 17 December 2015 (as regards E29/638) and the ASX release dated 18 September 2015 (as regards E29/548). |
| | The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | No environmentally sensitive sites have been identified on the tenements. A registered Heritage site known as Willsmore 1 (DAA identification 3087) straddles tenements E29/548 and E29/638. All three tenements are in good standing and no known impediments exist. |
| Exploration Done by Other Parties | Acknowledgment and appraisal of exploration by other parties. | Exploration on tenements E29/638 and E29/962 has been largely for komatiite-hosted nickel sulphides in the Mt Alexander Greenstone Belt. Exploration in the northern section of E29/638 (Cathedrals Prospect) and also limited exploration on E29/548 has been for komatiite-hosted Ni-Cu sulphides in granite terrane. The target lithological unit in the Mt Alexander Greenstone belt has historically been the Central Ultramafic Unit, which has been explored by a number of parties, most recently by Nickel West. High grade nickel-copper sulphides were discovered at the Mt Alexander Project in 2008. Drilling was completed to test co-incident electromagnetic (EM) and magnetic anomalies associated with nickel-PGE enriched gossans in the northern section of current tenement E29/638. The drilling identified high grade nickel-copper mineralisation in granite-hosted ultramafic units and the discovery was named the Cathedrals Prospect. The tenements remain underexplored. |
| Geology | Deposit type, geological setting and style of mineralisation | The Mt Alexander Project is at the northern end of a western bifurcation of the Mt Ida Greenstones. The greenstones are bound to the west by the Ida Fault, a significant Craton-scale structure that marks the boundary between the Kalgoorlie Terrane (and Eastern |

| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| | | Goldfields Superterrane) to the east and the Youanmi Terrane to the west. |
| | | The Mt Alexander Project is prospective for further high-grade komatiite-hosted nickel-copper-PGE mineralisation (both greenstone and granite hosted) and also precious metal mineralisation (i.e. orogenic gold) that is typified elsewhere in the Yilgarn Craton. |
| Drill hole information | A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes: • Easting and northing of the drill hole collar •Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar • Dip and azimuth of the hole • Down hole length and interception depth • Hole length | Drill hole details for the current diamond drill programme are tabulated in the ASX release. |
| Data aggregation methods | In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. | Reported assay intersections are length and density weighted. Significant intersections are determined using both qualitative (i.e. geological logging) and quantitative (i.e. lower cut-off) methods. For massive sulphide intersections the nominal lower cut-off is 2% for either nickel or copper. For disseminated, matrix and stringer sulphide intersections the nominal lower cut-off for nickel is 0.3%. |
| | Where aggregated intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. | Any high grade sulphide intervals internal to broader zones of sulphide mineralisation are reported as <i>included</i> intervals. |
| | The assumptions used for any reporting of metal equivalent values should be clearly stated. | No metal equivalent values have yet been used for reporting exploration results. |
| Relationship between mineralisation widths and intercept lengths | These relationships are particularly important in the reporting of exploration results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. down hole length, true width not known). | Assay intersections are reported as down hole lengths. Drill holes were planned as perpendicular as possible to intersect the target EM plates so downhole lengths are near true width. Results from recent and ongoing drill programs will be reviewed further to confirm the relationship between downhole lengths and true widths. |
| Diagrams | Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plane view of drill hole collar locations and appropriate sectional views. | Relevant maps and sections are shown in the ASX release. |
| Balanced Reporting | Where comprehensive reporting of all Exploration Results is not practical, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting Exploration Results. | The exploration results reported are representative of the mineralisation style with grades and/or widths reported in a consistent manner. |
| Other substantive exploration | Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observation; geophysical | No other exploration data collected to date is considered material or meaningful at this stage. |

| Criteria | JORC Code explanation | Commentary |
|--------------|---|---|
| data | survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | |
| Further Work | The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large – scale step – out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | Further exploration will be planned from the results of the previous and current diamond drill programs, and additional EM geophysical programs |