

## ASX / MEDIA RELEASE

20 September 2017

### NICKEL SULPHIDE EXPLORATION AT WINDSOR

#### HIGHLIGHTS:

- **High powered SAMSON EM survey at Windsor planned for later this month**
- **+200,000 Siemens EM conductor will be prioritised for further drilling once SAMSON EM survey results are reviewed**
- **Very thick high-MgO ultramafic channel confirmed by previous drilling at Windsor including a 215m thick intersection of high-MgO ultramafic in drill hole WINRC016**
- **Magmatic nickel sulphide mineralisation identified in numerous drill holes including DRAC38 which intersected 30m @ 0.31%Ni from 108m, including 8m @ 0.44%Ni from 130m and 2m @ 0.62%Ni from 132m**
- **Basal contact of the ultramafic channel is largely unexplored and remains a priority target for massive nickel sulphide mineralisation**

#### NICKEL SULPHIDE EXPLORATION AT WINDSOR

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') is pleased to announce the upcoming exploration programme for the Windsor nickel sulphide prospect at its 100% owned East Laverton Project in Western Australia.

Drilling at the Windsor nickel sulphide prospect earlier this year focused on testing near surface EM (electromagnetic) conductors. Drill targets included EM plates modelled with a very high conductivity of +200,000 Siemens.

These strong conductors are located within a thick ultramafic channel where drilling has already intersected high-MgO ultramafics and magmatic nickel sulphide mineralisation, indicating that the channel is a highly prospective setting for massive nickel sulphides.

A SAMSON EM survey is scheduled to commence at Windsor later this month. The SAMSON EM crew are currently at our Mt Alexander Project, and will mobilise to Windsor once the EM survey over the western extension of the Cathedrals Belt is completed.

The high powered SAMSON EM survey will search for deep conductors at the basal contact of the Windsor channel and will also provide additional EM data to further model the shallow EM targets at Windsor. A follow-up diamond drill programme will be scheduled for Windsor once survey results are reviewed and modelling of EM targets is completed.

**St George Mining Executive Chairman, John Prineas** said:

"The identification of widespread magmatic nickel sulphides within the high-MgO Windsor ultramafic - together with multiple and still unexplained strong EM conductors - supports the prospectivity of the channel for massive nickel sulphide mineralisation.

"We are excited at this next phase of exploration at Windsor."

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Figure 1 shows the area of the Windsor ultramafic channel that will initially be covered by the SAMSON EM survey, with additional EM loops to be planned on review of survey results. This initial survey area includes drill hole DRAC38, the discovery hole at Windsor which intersected **30m @ 0.31%Ni, including 6m @ 0.48%Ni and 2m @ 0.62%Ni**. DRAC38 was drilled by BHP in 2012.

A petrographic examination of the nickel sulphides in DRAC38 confirmed that they were high tenor magmatic sulphides dominated by pentlandite.

Follow-up drilling in this area by St George continued to intersect very thick high-MgO ultramafic with widespread nickel sulphide mineralisation (see Table 1), including the following intersections:

- WINRC004 – **89m @ 0.20%Ni from 52m including 2m @ 0.39%Ni from 122m**
- WINRC005 – **147m @ 0.25%Ni from 125m including 7m @ 0.34%Ni from 161m and 1m @ 0.40%Ni from 292m**
- WINRC007 – **47m @ 0.29%Ni from 242m including 1m @ 0.75%Ni from 286m**

WINRC016 intersected a very thick high-MgO ultramafic with a 215m downhole intersection from 58m to 273m. Although significant nickel sulphides were not identified in WINRC016, it was the downhole EM (DHEM) survey in this drill hole that first detected the +200,000 Siemens EM conductor.

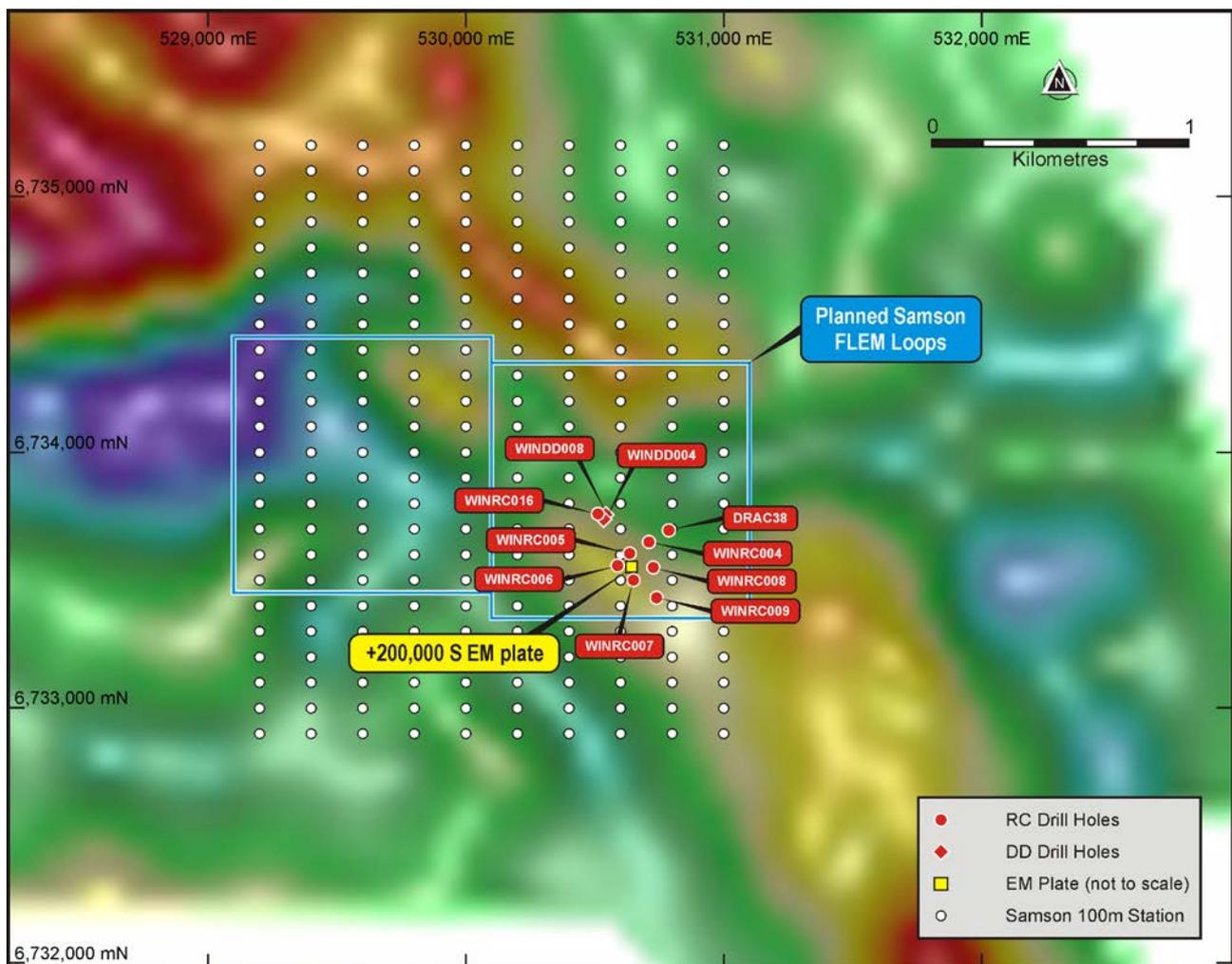


Figure 1 – the section of the Windsor ultramafic channel to be covered by the SAMSON EM survey. Additional EM loops will be planned on review of survey results.

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DHEM surveys in adjacent drill holes have also identified strong EM anomalies within the top 100m of the Windsor ultramafic. These conductors may be steeply dipping shoots associated with a larger accumulation of nickel sulphides at depth.

The SAMSON EM survey uses a high powered transmitter that has the capability to deliver greater EM depth penetration than can be achieved by conventional EM systems, and will more effectively search the basal contact at Windsor.

HOLE ID	EASTING (m)	NORTHING (m)	DIP (deg)	AZM (deg)	DEPTH (m)	FROM (m)	TO (m)	WIDTH (m)	Ni (%)
WINRC004	530710	6733650	-60	60	264	60	145	85	0.21
					Incl.	88	91	3	0.33
					Incl.	122	124	2	0.37
WINRC005	530635	6733605	-60	60	300	126	270	144	0.26
					Incl.	161	163	2	0.39
					Incl.	165	168	3	0.36
					Incl.	181	186	5	0.32
					Incl.	197	201	4	0.32
					Incl.	204	207	3	0.32
					Incl.	260	263	3	0.33
					and	279	297	18	0.20
					Incl.	292	293	1	0.40
WINRC006	530588	6733577	-60	60	336	267	336	69	0.22
WINRC007	530650	6733500	-60	60	380	177	198	21	0.27
					Incl.	180	181	1	0.36
					and	214	224	10	0.21
					and	227	302	75	0.24
					Incl.	247	248	1	0.3
					Incl.	280	284	4	0.41
					Incl.	286	288	2	0.58
					Incl.	286	287	1	0.75
					Incl.	290	291	1	0.30
					and	352	356	4	0.23
WINRC008	530727	6733550	-60	60	300	60	235	175	0.22
					Incl.	177	178	1	0.31
					Incl.	180	182	2	0.31
WINRC009	530740	6733432	-60	60	300	55	101	46	0.23
					and	131	136	5	0.21
					and	172	263	91	0.24
					Incl.	201	202	1	0.39
					Incl.	206	207	1	0.31
					Incl.	227	229	2	0.31
					Incl.	233	234	1	0.3
					Incl.	247	249	2	0.31
DRAC38	530786	6733696	-60	250	298	108	138	30	0.31
					Incl.	132	134	2	0.62
					and	152	164	12	0.26
					and	172	180	8	0.26
					and	186	190	4	0.26
					and	194	196	2	0.25
					and	204	208	4	0.27

Table 1 - Details of nickel intersected within the survey area. Cut-off grade of 0.20%Ni is used to illustrate high-MgO ultramafic. Mineralised nickel sulphide intercepts are >0.3% Ni and highlighted in yellow.

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Figure 2 shows the location of the area to be surveyed along the Stella Range belt. Importantly, this area is within the intersection of the N-NW Stella Range belt and the E-NE transform fault known as the Churchill lineament. The intersection of these structures may be a control on the mineralisation at Windsor with potential for any significant deposits to be located proximal to the intersection.

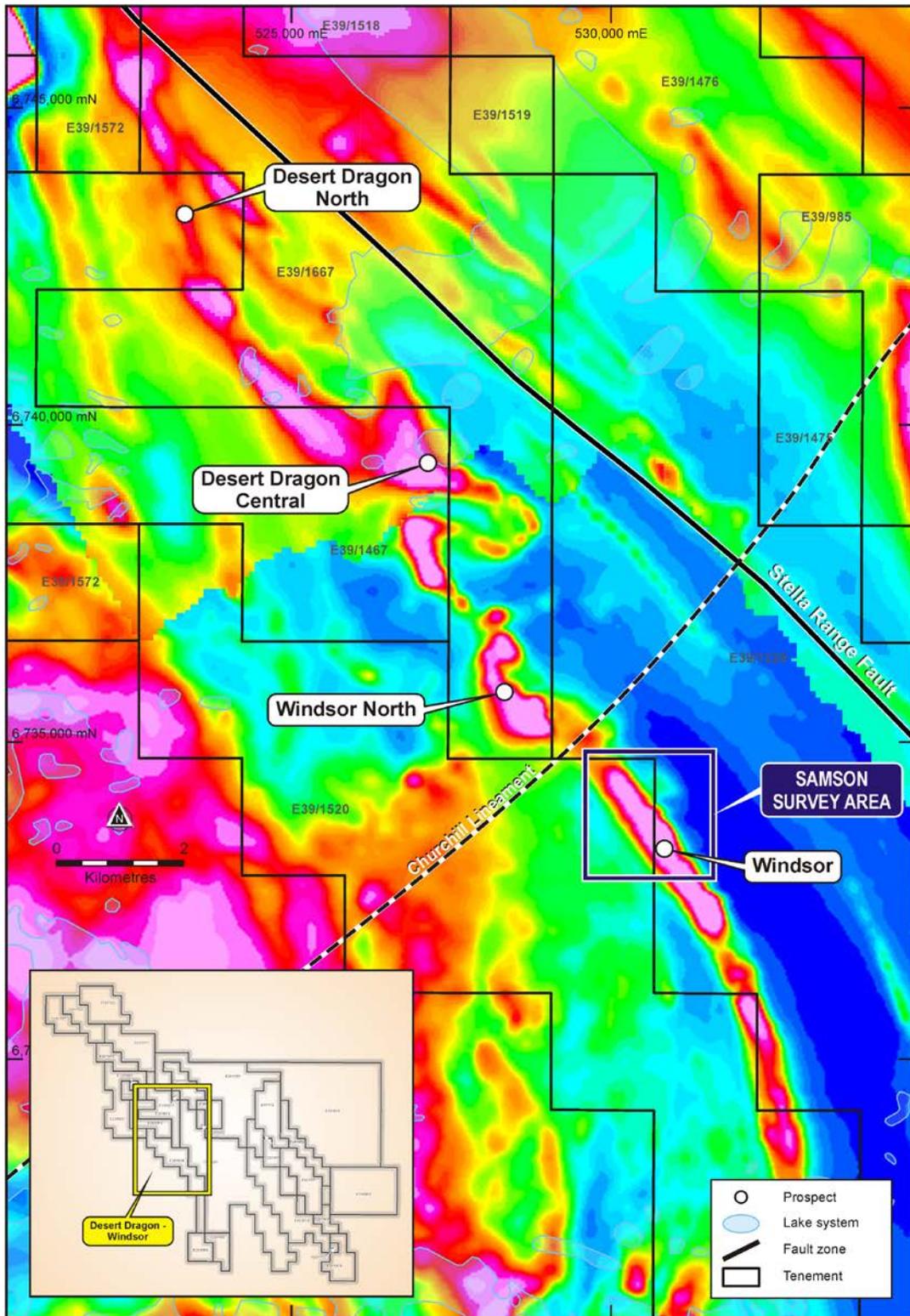


Figure 2 – map of the Windsor nickel sulphide prospect (against RTP magnetics) within the tenement package of the East Laverton Project. The area to be surveyed by SAMSON EM is highlighted.

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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 Timothy Hronsky, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hronsky is employed by Essential Risk Solutions Ltd which has been retained by St George Mining Limited to provide technical advice on mineral projects.

Mr Hronsky 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hronsky 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 section is 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
<b>Sampling techniques</b>	<i>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.</i>	<p>This ASX Release dated 20 September 2017 reports on the 2017 nickel exploration programme at the East Laverton Project.</p> <p>The upcoming SAMSON EM survey will be conducted using GAP Geophysics geopack high-powered HPTX-70 or HPTX-80 transmitter using 1000x1000m survey loops of 35mm wire to generate 150 amps with a transmit frequency of 1Hz. Two receiver systems will be used, being TM-7 magnetometers sampling at 2400Hz.</p> <p>Drilling programmes are completed by reverse circulation (RC) drilling and diamond core drilling.</p> <p><i>Diamond Core Sampling:</i> The core is removed from the drill rig and laid out for initial analysis in the field. The core is measured and marked up at 1m intervals against the drillers blocks, which are themselves checked against the drillers log books where required..</p> <p><i>RC Sampling:</i> All samples from the RC drilling are taken as 1m samples. Samples are sent to Intertek Laboratories for assaying.</p> <p>Appropriate QAQC samples (standards, blanks and duplicates) are inserted into the sequences as per industry best practice. Samples are collected using cone or riffle splitter. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays.</p> <p>Onsite XRF analysis is conducted on the fines from RC chips using a hand-held Olympus Innov-X Spectrum Analyser. These results are only used for onsite interpretation and preliminary assessment subject to final geochemical analysis by laboratory assays.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p><i>RC Sampling:</i> The RC drilling rig has a cone splitter built into the cyclone on the rig. Samples are taken on a one meter basis and collected directly from the splitter into uniquely numbered calico bags. The calico bag contains a representative sample from the drill return for that metre. This results in a representative sample being taken from drill return, for that metre of drilling. The remaining majority of the sample return for that metre is collected and stored in a green plastic bag marked with that specific metre interval. The cyclone is blown through with compressed air after each plastic and calico sample bag is removed. If wet sample or clays are encountered then the cyclone is opened and cleaned manually and with the aid of a compressed air gun.</p> <p>A large auxiliary compressor (“air-pack”) is mounted on a separate truck and the airstream is connected to the rig. This provides an addition to the compressed air supplied by the in-built compressors mounted on the drill rig itself. This auxiliary compressor maximises the sample return through restricting air pressure loss, especially in deeper holes. In addition, the high and consistent levels of air pressure minimise the number of drill samples.</p> <p>Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays. Downhole surveys of dip and azimuth are conducted using a single shot camera every 30m to detect deviations of the hole from the planned dip and azimuth. The drill-hole collar locations were recorded using a hand held GPS, which has an accuracy of +/- 5m. At a later date the drill-hole collar will be surveyed to a greater degree of accuracy.</p>

Criteria	JORC Code explanation	Commentary
	<p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>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 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) may warrant disclosure of detailed information.</i></p>	<p><i>Diamond Core Sampling:</i> For diamond core samples, certified sample standards were added as every 25<sup>th</sup> sample. Core recovery calculations are made through a reconciliation of the actual core and the driller's records. Downhole surveys of dip and azimuth were conducted using a single shot camera every 30m to detect deviations of the hole from the planned dip and azimuth. The drill-hole collar locations were recorded using a hand held GPS, which has an accuracy of +/- 5m. At a later date the drill-hole collar will be surveyed to a greater degree of accuracy.</p> <p><i>RC Sampling:</i> A 1m composite sample is taken from the bulk sample of RC chips that may weigh in excess of 40 kg. Assay preparation is for the current drilling program will be completed by Intertek.</p> <p><i>Diamond Core Sampling:</i> Core is drilled with HQ and NQ2 size and sampled as half core to produce a bulk sample for analysis. Intervals vary from 0.3 – 1m maximum and are selected with an emphasis on geological control.</p> <p>Assays are undertaken at Intertek in Kalgoorlie and Perth. Samples are sent to Intertek where they are crushed to 6 mm and then pulverised to 75 microns. A 30 g charge of the sample is fire assayed for gold, platinum and palladium. The detection range for gold is 1 – 2000 ppbAu, and 0.5 – 2000 ppb for platinum and palladium. This is believed to be an appropriate detection level for these elements within this specific mineral environment. However, should Au, Pt or Pd levels reported exceed these levels an additional assay method will be used to re-test samples.</p> <p>All other metals will be analysed using an acid digest and an ICP finish. The sample is digested with nitric, hydrochloric, hydrofluoric and perchloric acids to effect as near to total solubility of the sample as possible. The solution containing samples of interest, including those that need further review, will then be presented to an ICP-OES for the further quantification of the selected elements.</p>
<b>Drilling techniques</b>	<p><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></p>	<p><i>Diamond Core Sampling:</i> The collars of the diamond holes were drilled using RC drilling down through the regolith to the point of refusal or to a level considered geologically significant to change to core. The hole was then continued using HQ diamond core until the drillers determined that a change to NQ2 coring was required.</p> <p>The core is oriented and marked by the drillers. The core is oriented using ACT Mk II electric core orientation.</p> <p><i>RC Sampling:</i> The RC drilling uses a 140 mm diameter face hammer tool. High capacity air compressors on the drill rig are used to ensure a continuously sealed and high pressure system during drilling to maximise the recovery of the drill cuttings, and to ensure chips remain dry to the maximum extent possible.</p>
<b>Drill sample recovery</b>	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p>	<p><i>Diamond Core Sampling:</i> <i>Diamond core recoveries/core loss are recorded during drilling and reconciled during the core processing and geological logging. No significant sample recovery problems are thought to have occurred in any holes drilled to date. There has been a notable and consistent competency encountered in the rocks during drilling.</i></p> <p><i>RC Sampling:</i> RC samples are visually checked for recovery, moisture and contamination. Geological logging is completed at site with representative RC chips stored in chip trays.</p> <p><i>RC Sampling:</i> Samples are collected using cone or riffle splitter. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays.</p> <p><i>Diamond Core Sampling:</i> <i>Depths are checked against the depth on</i></p>

Criteria	JORC Code explanation	Commentary
		<i>the core blocks and rod counts are routinely carried out by the drillers. Core loss was recorded by St George geologists and sampling intervals were not carried through core loss.</i>
	<i>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.</i>	To date, no detailed analysis to determine the relationship between sample recovery and grade has been undertaken for any drill program. This analysis will be conducted following any economic discovery.  The nature of magmatic sulphide distribution hosted by the competent and consistent rocks hosting any mineralised intervals are considered to significantly reduce any possible issue of sample bias due to material loss or gain.
<b>Logging</b>	<i>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.</i>	Geological logging is carried out on all drill holes with lithology, alteration, mineralisation, structure and veining recorded.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging of diamond core and RC samples records lithology, mineralogy, mineralisation, structures (core only), weathering, colour and other noticeable features. Core was photographed in both dry and wet form.
	<i>The total length and percentage of the relevant intersections logged.</i>	All drill holes are geologically logged in full and detailed litho-geochemical information is collected by the field XRF unit. The data relating to the elements analysed is used to determine further information regarding the detailed rock composition.
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	<i>Diamond Core Sampling:</i> Diamond core was drilled with HQ and NQ2 size and sampled as complete half core to produce a bulk sample for analysis. Intervals selected varied from 0.3 – 1m (maximum) with a strong geological control (as is possible in diamond core) to ensure grades are representative, i.e. remove any bias through projecting assay grades beyond appropriate geological boundaries.  Assay preparation procedures ensure the entire sample is pulverised to 75 microns before the sub-sample is taken. This removes the potential for the significant sub-sampling bias that can be introduced at this stage.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	RC samples are collected in dry form. Samples are collected using cone or riffle splitter when available. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	<i>RC Sampling:</i> Sample preparation for RC chips follows a standard protocol.  Assay preparation procedures ensure the entire sample is pulverised to 75 microns before the sub-sample is taken. This removes the potential for the significant sub-sampling bias that can be introduced at this stage.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<i>RC Sampling:</i> Field QC procedures maximise representivity of RC samples and involve the use of certified reference material as assay standards, along with blanks, duplicates and barren washes.  <i>Diamond Core Sampling:</i> Drill core is cut in half lengthways and the total half-core submitted as the sample. This meets industry standards where 50% of the total sample taken from the diamond core is submitted.

Criteria	JORC Code explanation	Commentary
	<p><i>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.</i></p>	<p><i>RC Sampling:</i> Field duplicates were taken on 1m composites for RC samples.</p>
	<p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>The sample sizes are considered to be appropriate to correctly represent the sulphide mineralisation at the East Laverton Property based on: the style of mineralisation (massive and disseminated sulphides), the thickness and consistency of the intersections and the sampling methodology.</p>
<b>Quality of assay data and laboratory tests</b>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p>	<p>For RC sampling, a 30 gram sample will be fire assayed for gold, platinum and palladium. The detection range for gold is 1 – 2000 ppbAu, and 0.5 – 2000 ppb for platinum and palladium. This is believed to be an appropriate detection level for the levels of these elements within this specific mineral environment. However, should Au, Pt or Pd levels reported exceed these levels; an alternative assay method will be selected.</p> <p>All other metals will be analysed using an acid digest and an ICP finish. The sample is digested with nitric, hydrochloric, hydrofluoric and perchloric acids to effect as near to total solubility of the sample as possible. The solution containing samples of interest, including those that need further review, will then be presented to an ICP-OES for the further quantification of the selected elements.</p>
	<p><i>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.</i></p>	<p>A handheld XRF instrument (Olympus Innov-X Spectrum Analyser) is used to systematically analyse the drill core and RC chips onsite. Reading time was 60 seconds. The instruments are serviced and calibrated at least once a year. Field calibration of the XRF instrument using standards is undertaken each day.</p> <p>The SAMSON EM survey will be conducted using GAP Geophysics geopack high-powered HPTX-70 or HPTX-80 transmitter using 1000x1000m survey loops of 35mm wire to generate 150 amps with a transmit frequency of 1Hz. Two receiver systems will be used, being TM-7 magnetometers sampling at 2400Hz.</p>
	<p><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></p>	<p>Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of in house procedures. The Company will also submit an independent suite of CRMs, blanks and field duplicates (see above).</p>
<b>Verification of sampling and assaying</b>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p>	<p>Significant intersections are verified by the Company's Technical Director and Consulting Field Geologist.</p>
	<p><i>The use of twinned holes.</i></p>	<p>No twinned holes have been completed.</p>
	<p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p>	<p>Geological data was collected using handwritten log sheets and imported in the field onto a laptop detailing geology (weathering, structure, alteration, mineralisation), sampling quality and intervals, sample numbers, QA/QC and survey data. This data, together with the assay data received from the laboratory and subsequent survey data was entered into the Company's database.</p>
	<p><i>Discuss any adjustment to assay data.</i></p>	<p>No adjustments or calibrations will be made to any primary assay data collected for the purpose of reporting assay grades and mineralised intervals. For the geological analysis, standards and recognised factors may be used to calculate the oxide form assayed elements, or to calculate volatile free mineral levels in rocks.</p>
<b>Location of data points</b>	<p><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p>	<p>Drill hole collar locations are determined using a handheld GPS with an accuracy of +/- 5m. Down hole surveys of dip and azimuth were conducted using a single shot camera every 30m to detect deviations of the hole from the planned dip and azimuths.</p>

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	<i>Specification of the grid system used.</i>	The grid system used is GDA94, MGA Zone 51.
	<i>Quality and adequacy of topographic control.</i>	Best estimated RLs were assigned during drilling and are to be corrected at a later stage.
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	The spacing and distribution of holes is not relevant to the drilling programs which are at the exploration stage.  The SAMSON EM survey will be conducted on 100m line spacing with 50m and 100m stations to provide a high-resolution dataset. Infill 50m spaced lines and 50m and 25m stations may be conducted where further resolution of EM anomalies is required.
	<i>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.</i>	Drilling at the East Laverton Project is at the exploration stage and mineralisation has not yet demonstrated to be sufficient in both geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications to be applied.
	<i>Whether sample compositing has been applied.</i>	Samples are taken at one metre lengths and adjusted where necessary to reflect local variations in geology or where visible mineralised zones are encountered, in order to preserve the samples as representative.
<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The drill holes are drilled towards 060 at an angle of -60 degrees (unless otherwise stated) to intersect the modelled mineralised zones at a near perpendicular orientation. However, the orientation of key structures may be locally variable and any relationship to mineralisation has yet to be identified.
	<i>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.</i>	No orientation based sampling bias has been identified in the data to date.
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	Chain of Custody is managed by the Company until samples pass to a duly certified assay laboratory for subsampling and assaying. The RC sample bags are stored on secure sites and delivered to the assay laboratory by the Company or a competent agent. When in transit, they are kept in locked premises. Transport logs have been set up to track the progress of samples. The chain of custody passes upon delivery of the samples to the assay laboratory.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	Sampling techniques and procedures are regularly reviewed internally, as is data. To date, no external audits have been completed on the drilling programme.

## Section 2 Reporting of Exploration Results (Criteria listed in section 1 will also apply to this section where relevant)

Criteria	JORC Code explanation	Commentary
<b>Mineral Tenement and Land Status</b>	<i>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.</i>	The East Laverton Project comprises 27 exploration licences, and details are available in the Company's Quarterly Activities Report which can be found on our website at <a href="http://www.stgm.com.au">www.stgm.com.au</a> .  Each tenement is 100% owned by Desert Fox Resources Pty Ltd, a wholly owned subsidiary of St George Mining. Certain tenements are subject to a 2% Net Smelter Royalty in favour of a third party.
	<i>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.</i>	None of the tenements are the subject of a native title claim. No environmentally sensitive sites have been identified at any of the tenements. The tenements are in good standing; no known impediments exist.

Criteria	JORC Code explanation	Commentary
<b>Exploration Done by Other Parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p><b>Gold Exploration:</b></p> <p>Historical exploration drilling targeting gold was completed mainly by WMC Resources in the early 1990s. This drilling was relatively shallow, mostly less than 100m.</p> <p>The historical drilling along the Minigwal belt defined linear zones of anomalous gold and copper in the regolith that extend over 1,300m and are open to the south towards the Ascalon target.</p> <p>The Bristol gold target is situated along the Central Belt within the East Laverton Project. Widespread anomalous gold (&gt;0.5g/t Au) was encountered over a 1km strike length from shallow drilling in this area completed in the 1990s by previous exploration.</p> <p>The average hole-depth for the past drilling at Bristol was approximately 40m and identified anomalous gold in the lower regolith. Significantly, gold anomalism in seven of the eight drill holes occurs at the end of hole. The continuation of this gold mineralisation, or the presence of bedrock gold mineralisation, has never been tested.</p> <p>The gold anomalism is situated on the contact of the Bristol ultramafics/mafics with granites, as defined by a distinct magnetic and gravity gradient. This is a favourable setting for gold mineralisation.</p> <p>Savanna Mineral Resources Pty Ltd completed a number of shallow drill programmes across the Stella Range Belt during the 1990's including the series of drill holes designated SRAB001 to 176. Anomalous gold was identified in numerous drill holes, interpreted to be supergene gold. The presence of bedrock gold mineralisation at St George's gold targets has never been tested.</p> <p><b>Nickel Exploration:</b></p> <p>In 2012, BHP Billiton Nickel West Pty Ltd (Nickel West) completed a reconnaissance RC (reverse circulation) drilling programme at the East Laverton Property as part of the Project Dragon farm-in arrangement between Nickel West and the Company. That farm-in arrangement has been terminated. The drilling programme comprised 35 RC holes for 8,560m drilled.</p> <p>The results from the Nickel West drilling programme were reported by the Company in its ASX Release dated 25 October 2012 "Drill Results at Project Dragon". Drilling intersected primary nickel sulphide mineralisation and established the presence of fertile, high MgO ultramafic sequences at the East Laverton Property.</p> <p>Prior to the Project Dragon drilling programme, there was no systematic exploration for nickel sulphides at the East Laverton Property. Historical exploration in the region was dominated by shallow RAB and aircore drilling, much of which had been incompletely sampled, assayed, and logged. This early work was focused on gold rather than nickel sulphide exploration.</p>
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation</i>	The Company's East Laverton Property located in the NE corner of the Eastern Goldfields Province of the Archean Yilgarn Craton. Reconnaissance drilling has identified extensive greenstones at the Property, which is interpreted to be prospective for Orogenic gold mineralisation.
<b>Drill hole information</b>	<p><i>A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> <li>• Easting and northing of the drill hole collar</li> </ul>	Refer to information in the body of this announcement.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>•Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar</li> <li>• Dip and azimuth of the hole</li> <li>• Down hole length and interception depth</li> <li>• Hole length</li> </ul>	
<b>Data aggregation methods</b>	<i>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.</i>	No top-cuts have been applied unless otherwise indicated.
	<i>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.</i>	High grade intervals internal to broader zones of mineralisation are reported as included intervals.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are used for reporting exploration results.
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>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.</i>	The geometry of the mineralisation is not yet known due to insufficient deep drilling in the targeted area.
<b>Diagrams</b>	<i>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.</i>	Maps are included in the body of the ASX Release.
<b>Balanced Reporting</b>	<i>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 of Exploration Results.</i>	Reports on recent exploration can be found in ASX Releases that are available on our website at <a href="http://www.stgm.com.au">www.stgm.com.au</a> :  The exploration results reported are representative of the mineralisation style with grades and/or widths reported in a consistent manner.
<b>Other substantive exploration data</b>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observation; geophysical 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.</i>	All meaningful and material information has been included in the body of the text. No metallurgical or mineralogical assessments have been completed.
<b>Further Work</b>	<i>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.</i>	A discussion of further exploration work is contained in the body of the ASX Release.