

9 April 2019

## DRILLING OF NICKEL-COPPER SULPHIDE TARGETS – UPDATE

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### HIGHLIGHTS:

- **New strong conductive targets identified by downhole electromagnetic (DHEM) surveys:**
  - Numerous off-hole EM conductors identified from DHEM surveys in recent drill holes
  - New EM conductors are located at the Fairbridge/Cathedrals, West End, Investigators and Stricklands Prospects
  - Several of the conductors are located down-plunge from known massive sulphide lenses, further supporting their potential to represent extensions of high-grade nickel-copper sulphide mineralisation
  - DHEM surveys are continuing
  
- **Drilling at Fairbridge confirms continuity of the Cathedrals structural corridor:**
  - All drill holes completed at Fairbridge have intersected the mineralised Cathedrals structure over a strike of 1,000m between the Stricklands and Cathedrals Prospects
  - DHEM surveys at Fairbridge are in progress, with strong off-hole EM conductors already identified west of the high-grade nickel-copper sulphide mineralisation at the Cathedrals Prospect
  
- **Drill programme extended:**
  - Additional drill holes planned to test new EM conductors
  - Geophysical surveys underway at West End ahead of drilling towards the Ida Fault
  - Further drilling to be planned following a review of ongoing DHEM survey results
  - Drilling of EM conductors will commence this week

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Emerging Western Australian nickel company St George Mining Limited (ASX: **SGQ**) (“**St George**” or “**the Company**”) is pleased to provide an update on the nickel-copper sulphide drill programme in progress at the Mt Alexander Project, located near Leonora in the north-eastern Goldfields.

Numerous drill holes completed along the Cathedrals Belt have intersected the host ultramafic unit as well as nickel sulphides, supporting the potential for significant extensions of the known zones of nickel-copper sulphide mineralisation along the Cathedrals Belt.

DHEM surveys are being carried out in the completed drill holes with a number of strong off-hole EM conductors identified. Several of the new EM conductors are located down-plunge of known high-grade nickel-copper sulphides, towards the north-northwest. This is the interpreted down-dip direction of the host ultramafic unit and a priority target area for potential massive sulphides at depth.

The new conductors are excellent targets for further massive sulphide mineralisation. Drilling of the conductors has been prioritised to commence later this week.

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

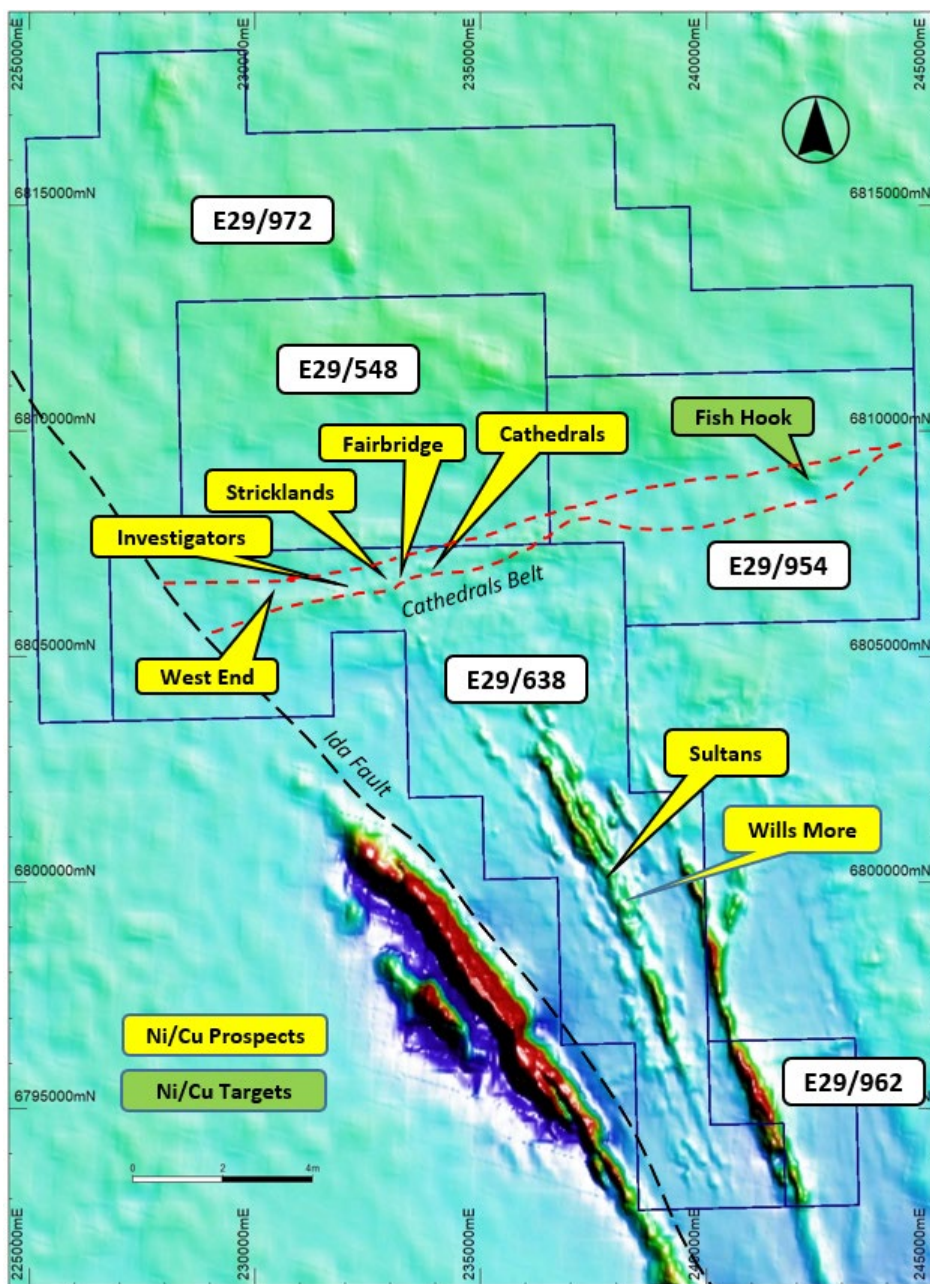
“Infill and extensional drilling in the current drill programme has successfully increased the continuity of the mineralised horizon at the Cathedrals Belt, where high-grade discoveries at Investigators, Stricklands and Cathedrals have been made over a strike of 4.5km.

“Results at Cathedrals West are particularly pleasing with multiple intersections of ultramafic and nickel sulphide mineralisation extending into the Fairbridge area, where numerous known nickel-copper gossans are located.

“The new conductors identified from the downhole EM surveys are very exciting and have the potential to significantly increase the down-plunge extent of the high-grade nickel-copper sulphides.

“Mineralisation remains open in the down-dip direction to the north-northwest and we will continue to scope out the extent of the mineralisation in this area with deeper drilling.

“The ongoing results from the drilling and downhole EM surveys indicate strong potential for further mineralisation to be discovered at the extensive mineral system at the Mt Alexander Project, and we are pleased to extend the current drill programme to further test the high-priority targets evolving from the ongoing exploration programmes.”



*Figure 1 - map of the tenement package at Mt Alexander set against RTP magnetic data, showing the key prospects and targets under exploration.*

## FAIRBRIDGE PROSPECT – DRILLING CONFIRMS CONTINUITY OF MINERALISED CORRIDOR

Twelve drill holes have been completed at the Fairbridge Prospect, a previously undrilled 1,000m east-west strike of the Cathedrals Belt between the Stricklands Prospect in the west and the Cathedrals Prospect in the east; see Figure 2. Details of the completed drill holes are contained in Table 1.

The drill holes at Fairbridge were designed to serve as platforms for DHEM surveys to investigate the potential for conductive sulphide mineralisation below the numerous nickel-copper sulphide gossans across the surface at Fairbridge and test the continuation of the Cathedrals ultramafic to the west.

All the completed drill holes intersected the mineralised structure with several holes intersecting ultramafic and nickel sulphide mineralisation, successfully confirming that the mineralised corridor extends into the Fairbridge area. DHEM surveys are underway with off-hole EM conductors already identified in MARC093 and MARC094.

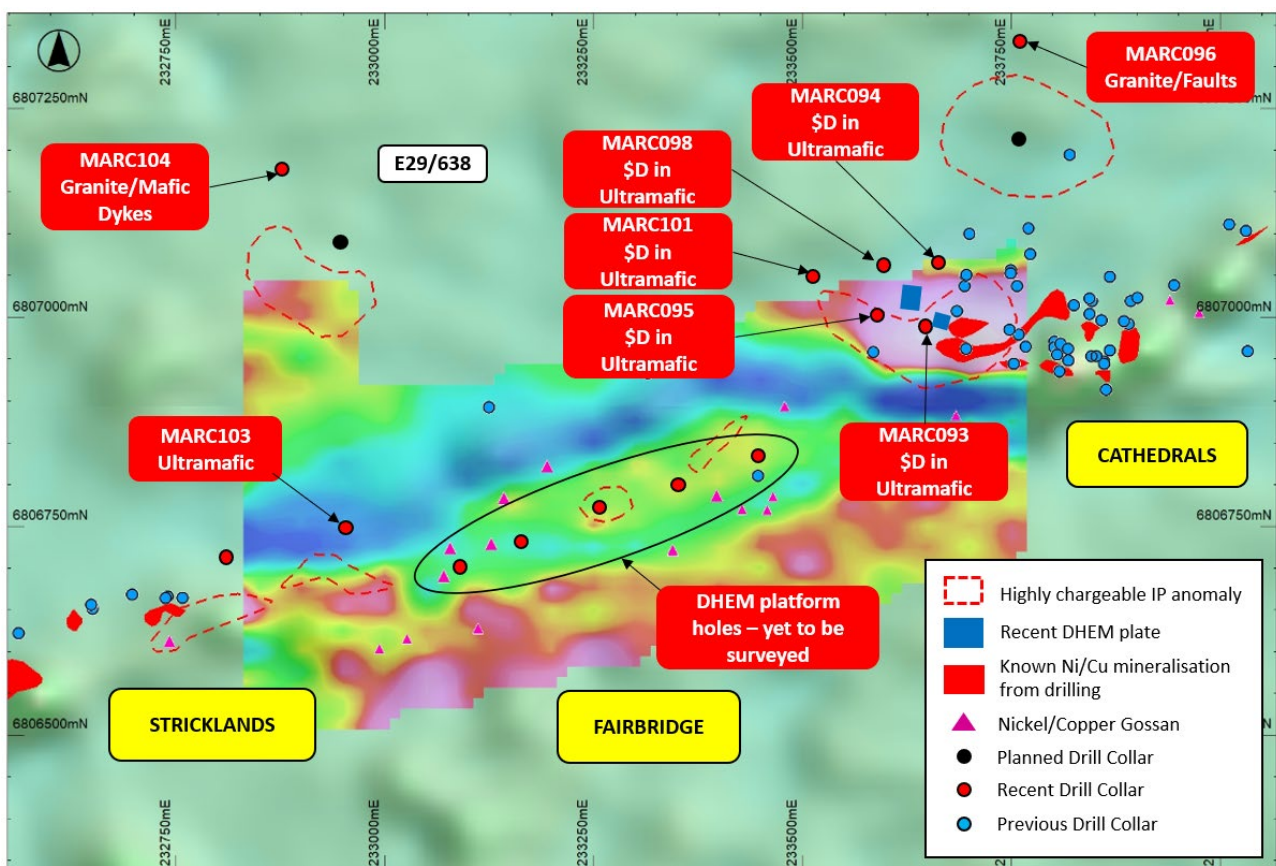


Figure 2 – map of the Fairbridge Prospect highlighting drill targets (set against X component Channel 28 MMR data overlaying RTP magnetics).

Other targets tested in this area included the large IP anomaly to the north of the Cathedrals Prospect, which was drilled by MARC096. The drill hole was completed to a downhole depth of 300m and intersected mostly granite.

There was no material in the drill hole that could explain the source of IP anomalism. A number of faults were intersected and indicate a complex architecture down-dip of the Cathedrals Prospect. DHEM and downhole IP surveys will be carried out in MARC096 to further investigate the source of the chargeable response.

Potentially, the conductive target may be situated deeper than initial modelling indicated. The limited drilling in this area has identified potential thrust stacking of ultramafic units associated with the north dipping shear zone. Further drilling at this target will be planned once the results from the new geophysical surveys are reviewed.

## INVESTIGATORS AND STRICKLANDS – LARGE STEP-OUT TARGETS IDENTIFIED

Drilling designed to test for extensions to the known mineralisation at the Investigators and Stricklands Prospects has intersected ultramafic rocks and nickel sulphide mineralisation along strike from known lenses of high-grade nickel-copper sulphides.

DHEM surveys in some of these drill holes have identified strong off-hole conductors that point to targets that are likely to represent massive sulphide mineralisation. Figure 3 below illustrates the location of two priority EM plates identified for drilling at Investigators, as well as the additional planned drilling.

Significantly, the EM plate in the western part of the Investigators Prospect is located approximately 80m to the north of the high-grade mineralisation intersected in **MAD126: 7.86m @ 5.70% Ni, 2.11% Cu, 0.18% Co and 2.65g/t total PGEs from 184m** and **MAD127: 8.49m @ 5.78% Ni, 2.64% Cu, 0.18% Co and 3.61g/t total PGEs from 183.9m**.

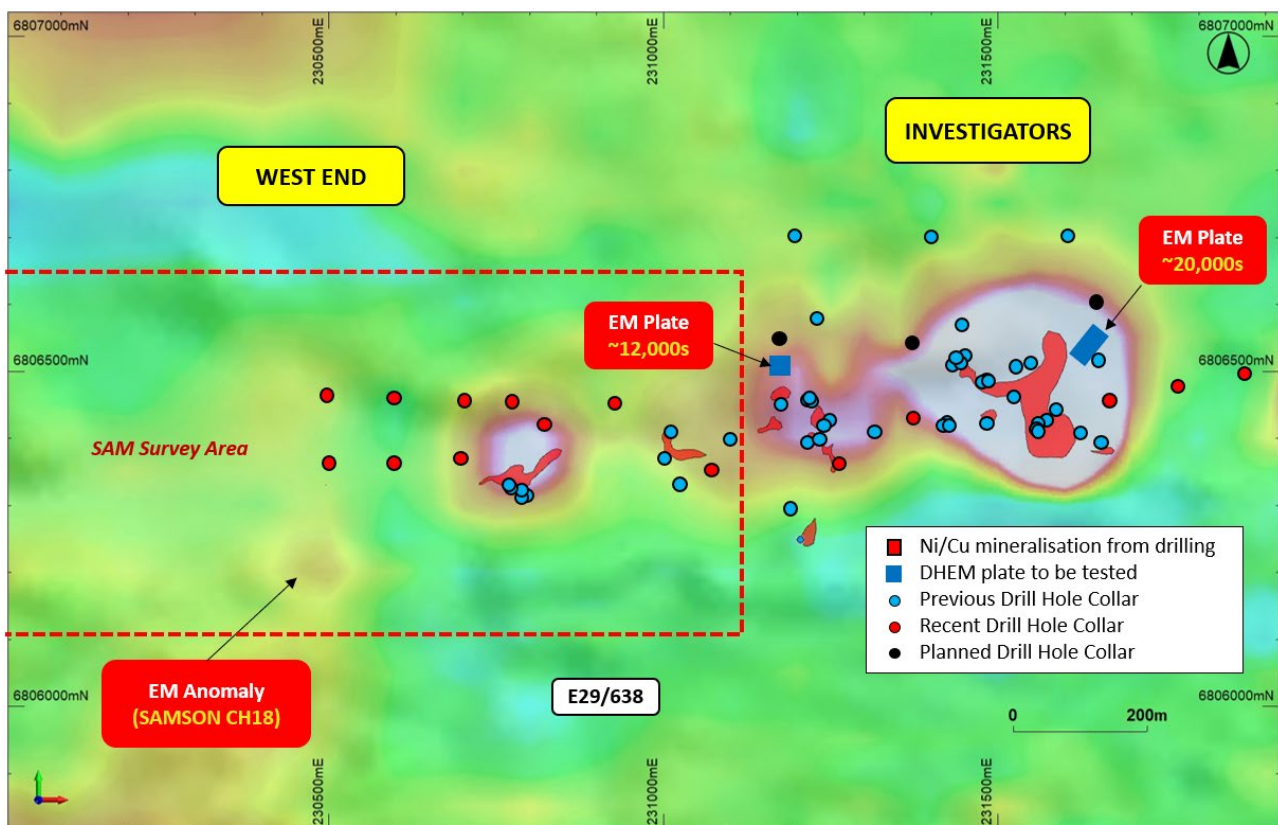


Figure 3 – map of the Investigators Prospect highlighting new EM plates and planned drilling (set against SAMSON FLEM Channel 18 data overlaying 1VD RTP magnetics). The extensional drilling at West End is also shown, with further MMR surveys underway in this area ahead of further drilling.

Three drill holes completed in a previously undrilled area between the Stricklands and Investigators Prospects have also been successful in identifying further ultramafic and nickel sulphide mineralisation. DHEM surveys of these holes have identified additional EM conductors for drilling. Figure 4 below highlights the drilling completed between Stricklands and Investigators, as well as the new off-hole EM conductors to be tested.

Some of the new EM targets are down-plunge from known high-grade mineralisation and re-affirm the prospectivity for additional mineralisation at depth. Importantly, these strong DHEM conductors are located outside the areas of EM anomalism detected by surface-based surveys suggesting that these previous EM surveys have not effectively identified the potential of these down-plunge areas which are associated with known near-surface massive sulphide lenses.

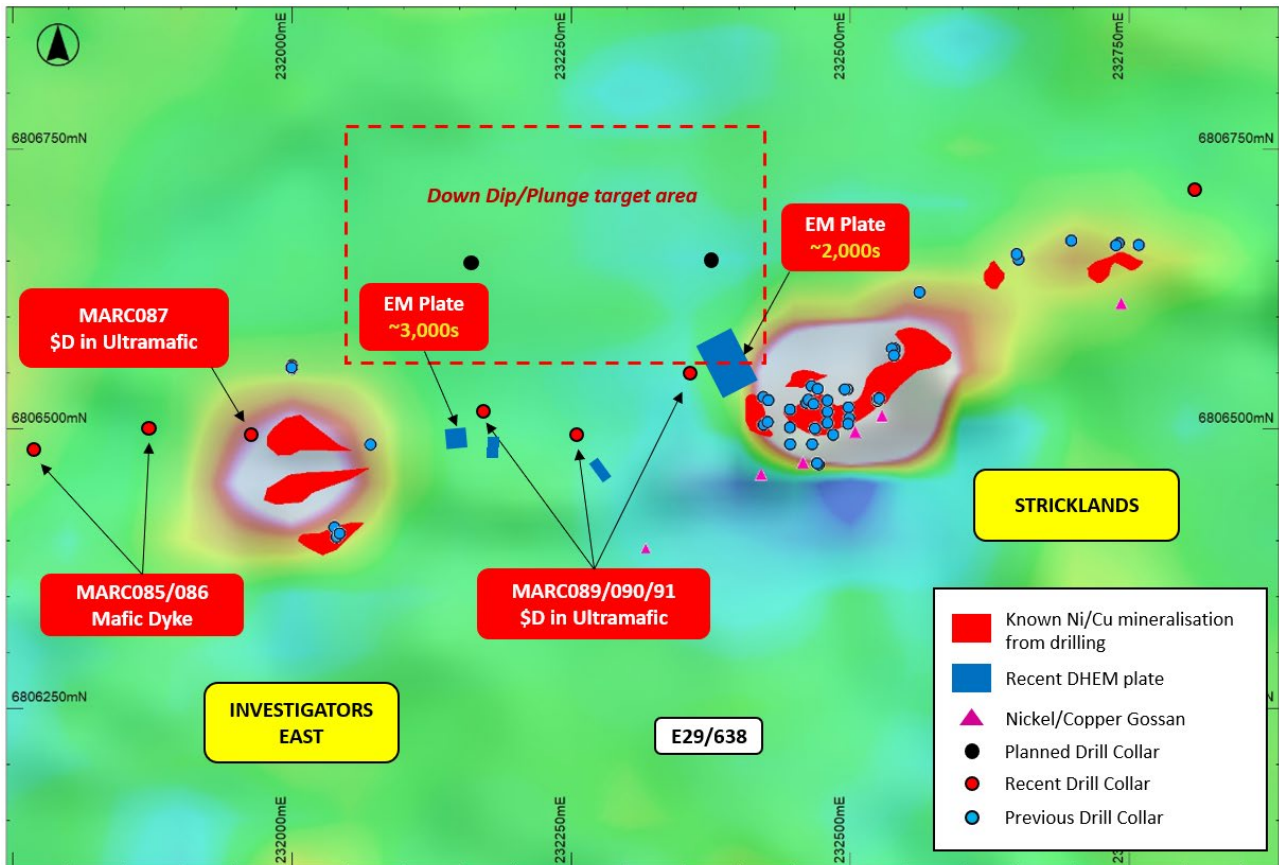


Figure 4 – map of the Stricklands and Investigators Prospects highlighting the successful extensional drilling, new EM plates and planned drilling (set against SAMSON FLEM Channel 18 data overlaying 1VD RTP magnetics).

**WEST END – POTENTIAL INCREASES WITH DRILLING RESULTS**

The recent drilling at the West End Prospect is highlighted in Figure 3 above. The Prospect covers the potential extension of the Cathedrals Belt from Investigators towards the Ida Fault in the west.

Initial drilling at West End has successfully intersected the Cathedrals structure. Further, DHEM surveys in two drill holes – MARC078 and MARC079 – identified off-hole EM conductors that are consistent with nickel sulphide signatures. These encouraging results warrant further exploration at West End. The area is interpreted to have potential for blind deposits due to the presence of palaeochannel cover.

At Fairbridge, high-resolution Magneto-Metric Resistivity (MMR) was successfully used to define the Cathedrals structure and ultramafic stratigraphy. A similar survey will now be completed at West End to map the potential western extension of the mineralised corridor and assist in focusing the location for further drilling.

## DRILLING CONTINUES

To date, 32 drill holes have been completed in the current programme for a total of 5,795m. A further 13 drill holes have been planned to test the additional compelling targets identified to date. It is expected that more drill holes may be added to the programme as DHEM survey results are reviewed and further drill targets are prioritised for testing.

Table 1 lists the completed holes. Table 2 lists the remaining planned drill holes for the RC drill programme. These planned holes may change in response to ongoing exploration results.

All completed drill holes are cased with PVC to allow completion of DHEM surveys to assist with the identification of any massive or network-textured sulphide mineralisation around the drill hole.

Planned Hole ID	Prospect	East	North	RL	Depth	Azimuth	Dip
MARC074	West End	230700	6806368	420	144	180	-60
MARC075	West End	230701	6806454	418	197	170	-60
MARC076	West End	230600	6806360	420	148	170	-60
MARC077	West End	230600	6806460	414	197	170	-60
MARC078	West End	230500	6806360	419	155	170	-60
MARC079	West End	230500	6806461	419	212	170	-60
MARC080	Investigators	230827	6806419	419	148	170	-60
MARC081	Investigators	230930	6806453	420	148	170	-60
MARC082	Investigators	231260	6806364	420	148	170	-60
MARC083	Investigators	231375	6806430	422	148	170	-60
MARC084	Investigators	231666	6806458	426	148	170	-60
MARC085	Investigators	231768	6806480	428	148	170	-60
MARC086	Investigators	231871	6806500	429	148	170	-60
MARC087	Investigators	231964	6806494	429	148	170	-60
MARC088	Investigators	230775	6806452	423	200	170	-60
MARC089	Investigators	232174	6806516	434	148	170	-70
MARC090	Investigators	232256	6806494	435	148	170	-70
MARC091	Investigators	232355	6806548	440	148	170	-70
MARC092	Fairbridge	232808	6806711	437	118	145	-65
MARC093	Cathedrals West	233645	6806987	420	178	180	-70
MARC094	Cathedrals West	233661	6807064	420	226	180	-70
MARC095	Cathedrals West	233590	6807003	420	202	180	-70
MARC096	Cathedrals	233758	6807328	422	300	170	-70
MARC097	Fairbridge	233446	6806834	428	202	335	-50
MARC098	Cathedrals West	233599	6807060	420	268	190	-70
MARC099	Fairbridge	233352	6806800	430	196	335	-50
MARC100	Fairbridge	233090	6806700	439	196	335	-50
MARC101	Cathedrals West	233515	6807048	420	244	190	-70
MARC102	Fairbridge	233163	6806731	436	196	335	-50
MARC103	Fairbridge	232953	6806751	433	124	180	-60
MARC104	Stricklands	232879	6807176	420	250	180	-65
MARC105	Fairbridge	233255	6806770	433	214	335	-50

Table 1 – Table of completed drill holes

Summaries of drill hole results in this report are based on geological logging and represent preliminary results only. A conclusive determination of any significant intersection, including the nickel, copper, cobalt and PGE values of the sulphide mineralisation intersected, will be confirmed when laboratory assays are available.

Hole ID	Prospect	East	North	RL	Depth	Azimuth	Dip
CTRC2	Cathedrals	233759	6807191	422	270	177	-70
IVRC14	Investigators	231378	6806534	421	240	177	-70
IVRC15	Investigators	231637	6806577	426	240	177	-75
IVRC16	Investigators	232173	6806584	436	210	177	-70
IVRC17	Investigators	232354	6806620	444	210	177	-70
IVRC18	Investigators	231012	6806503	418	210	177	-75
SLRC1	Sultans	238491	6799020	460	250	250	-60
SLRC4	Sultans	238419	6799041	461	202	250	-60
SLRC7	Sultans	238529	6798923	460	300	250	-60
SLRC8	Sultans	238497	6798811	460	200	250	-60
STRC1	Stricklands	232612	6806631	450	150	177	-75
WMRC6	Wills More	239032	6797610	459	350	250	-60
WMRC7	Wills More	238991	6797684	459	300	250	-60

*Table 2 – Summary of drill hole details for planned drilling in remainder of the RC program.*

### **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 five granted exploration licences – E29/638, E29/548, E29/962, E29/954 and E29/972.

The Cathedrals, Stricklands and Investigators nickel-copper-cobalt-PGE discoveries are located on E29/638, which is held in joint venture by St George Mining Limited (75%) and Western Areas Limited (25%). 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 Dave O'Neill, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr O'Neill is employed by St George Mining Limited to provide technical advice on mineral projects, and he holds performance rights issued by the Company.

Mr O'Neill 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 O'Neill 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>Drilling programmes are completed by reverse circulation (RC) drilling and diamond core drilling.</p> <p><i>Diamond Core Sampling:</i> 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 where available using a diamond core saw, with half core sampled lengthways for assay.</p> <p><i>RC Sampling:</i> All samples from the RC drilling are taken as 1m samples for laboratory 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 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> Samples are taken on a one metre basis and collected using uniquely numbered calico bags. The remaining material for that metre is collected and stored in a green plastic bag marked with that specific metre interval. The cyclone is cleaned 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. A blank sample is inserted at the beginning of each hole, and a duplicate sample is taken every 50<sup>th</sup> sample. A certified sample standard is also added according to geology, but at no more than 1:50 samples.</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.</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, and using a downhole Gyro when required, to detect deviations of the hole from the planned dip and azimuth. The drill-hole collar locations are recorded using a hand-held GPS, which has an accuracy of +/- 5m. All drill-hole collars will be surveyed to a greater degree of accuracy using a certified surveyor at a later date.</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 are recorded using a hand-held GPS, which has an accuracy of +/- 5m. All drill-hole collars will be surveyed to a greater degree of accuracy using a certified surveyor at a later date.</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>RC Sampling:</i> A 1m composite sample is taken from the bulk sample of RC chips that may weigh in excess of 40 kg. Each sample collected for assay typically weighs 2-3kg, and once dried, is prepared for the laboratory as per the Diamond samples below.</p> <p><i>Diamond Core Sampling:</i> Diamond core (both HQ and NQ2) is half-core sampled to geological boundaries no more than 1.5m and no less than 10cm. 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.</p> <p>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.</p> <p>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.</p> <p>LOI (Loss on Ignition) will be completed on selected samples to determine the percentage of volatiles released during heating of samples to 1000°C.</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 diametre, 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 diametre 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>Diamond Core Sampling:</i> 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.</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>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></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> Measures taken to maximise core recovery include using appropriate core diametre and shorter barrel length through the weathered zone, which at Cathedrals and Investigators is mostly &lt;20m and Stricklands &lt;40m depth. Primary locations for core loss in fresh rock are on geological contacts and structural zones, and</p>

Criteria	JORC Code explanation	Commentary
		drill techniques are adjusted accordingly, and if possible these zones are predicted from the geological modelling.
	<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 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.  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>	<b>Diamond Core Sampling:</b> 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) The HQ and NQ2 core is cut in half length ways just to the right of the orientation line where available using a diamond core saw. All samples are collected from the same side of the core where practicable.  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>	<b>RC Sampling:</b> Sample preparation for RC chips follows a standard protocol.  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.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	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.  <b>RC Sampling:</b> 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.  <b>Diamond Core Sampling:</b> Drill core is cut in half lengthways and the total half-core submitted as the sample. This meets industry

Criteria	JORC Code explanation	Commentary
		standards where 50% of the total sample taken from the diamond core is submitted.
	<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>	Duplicate samples are selected during sampling. Samples comprise two quarter core samples for Diamond Core. Duplicate RC samples are captured using two separate sampling apertures on the splitter.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes are considered to be appropriate to correctly represent base metal sulphide mineralisation and associated geology based on: the style of mineralisation (massive and disseminated sulphides), the thickness and consistency of the intersections and the sampling methodology.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<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>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.</p>
	<i>For geophysical tools, spectrometres, 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>A handheld XRF instrument (Olympus Innov-X Spectrum Analyser) is used to systematically analyse the drill core and RC sample piles onsite. One reading is taken per metre, however for any core samples with matrix or massive sulphide mineralisation then multiple samples are taken at set intervals per metre. The instruments are serviced and calibrated at least once a year. Field calibration of the XRF instrument using standards is periodically performed (usually daily).</p> <p>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.</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>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 also submits a suite of CRMs, blanks and selects appropriate samples for duplicates.</p> <p>Sample preparation checks for fineness are performed by the laboratory to ensure the grind size of 90% passing 75µm is being attained.</p>
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intersections are verified by the Company's Technical Director and Consulting Field Geologist.
	<i>The use of twinned holes.</i>	No twinned holes have been planned for the current drill programme.

Criteria	JORC Code explanation	Commentary
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	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.
	<i>Discuss any adjustment to assay data.</i>	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.
<b>Location of data points</b>	<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>	Drill holes have been located and pegged using a DGPS system with an expected accuracy of +/-5m for easting, northing and elevation.  Downhole surveys are conducted using a single shot camera approximately every 30m or dowhole Gyro 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 more accurate survey results.
	<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>	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.
<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 rather than definition drilling.
	<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>	The completed drilling at the Project 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.
	<i>Whether sample compositing has been applied.</i>	No compositing has been applied to the exploration results.
<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 to intersect the modelled mineralised zones at a near perpendicular orientation (unless otherwise stated). 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>	<p>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.</p> <p>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.</p>	<p>The Mt Alexander Project is comprised of five granted Exploration Licences (E29/638, E29/548, E29/954, E29/962 and E29/972). 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).</p> <p>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 five tenements are in good standing with no known impediments.</p>
<b>Exploration Done by Other Parties</b>	<p>Acknowledgment and appraisal of exploration by other parties.</p>	<p>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 Belt) and also limited exploration on E29/548 has been for komatiite-hosted Ni-Cu sulphides in granite terrane. No historic exploration has been identified on E29/954 or E29/972.</p> <p>High grade nickel-copper-PGE 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.</p>
<b>Geology</b>	<p>Deposit type, geological setting and style of mineralisation</p>	<p>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 Goldfields Superterrane) to the east and the Youanmi Terrane to the west.</p> <p>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.</p>
<b>Drill hole information</b>	<p>A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• Easting and northing of the drill hole collar</li> <li>• Elevation or RL (Reduced Level – elevation above sea level in metres) 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>	<p>Drill hole collar locations are shown in the maps and tables included in the body of the relevant ASX releases.</p>
<b>Data aggregation methods</b>	<p>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.</p>	<p>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.</p> <p>For massive sulphide intersections, the nominal lower cut-off is 2% for either nickel or copper. For disseminated, blebby and matrix sulphide intersections the nominal lower cut-off for nickel is 0.3%.</p>

Criteria	JORC Code explanation	Commentary
	<p><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></p> <hr/> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>Any high-grade sulphide intervals internal to broader zones of sulphide mineralisation are reported as included intervals.</p> <p>Any disseminated, matrix, brecciated or stringer sulphides with (usually) &gt;1% nickel or copper on contact with massive sulphide mineralisation are grouped with the massive sulphides for calculating significant intersections and the massive sulphide mineralisation is reported as an including intersection.</p> <hr/> <p>No metal equivalent values are used for reporting exploration results.</p>
<b>Relationship between mineralisation widths and intercept lengths</b>	<p><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></p>	<p>Assay intersections are reported as down hole lengths. Drill holes are planned as perpendicular as possible to intersect the target EM plates and geological targets so downhole lengths are usually interpreted to be near true width.</p>
<b>Diagrams</b>	<p><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></p>	<p>A prospect location map, cross section and long section are shown in the body of relevant ASX Releases.</p>
<b>Balanced Reporting</b>	<p><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></p>	<p>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>:</p> <p>The exploration results reported are representative of the mineralisation style with grades and/or widths reported in a consistent manner.</p>
<b>Other substantive exploration data</b>	<p><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></p>	<p>All material or meaningful data collected has been reported.</p>
<b>Further Work</b>	<p><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></p>	<p>A discussion of further exploration work underway is contained in the body of recent ASX Releases.</p> <p>Further exploration will be planned based on ongoing drill results, geophysical surveys and geological assessment of prospectivity.</p>