

6 December 2013

ST GEORGE COMPLETES NICKEL EXPLORATION FUND RAISING

HIGHLIGHTS:

- **\$825,000 in support from sophisticated investors**
- **High impact exploration of nickel prospects is accelerated**
- **Initial exploration results are imminent**

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') is pleased to confirm that, further to its ASX Release dated 29 November 2013 regarding a private placement to sophisticated investors, the Company has allotted 7,500,000 fully paid ordinary shares to raise a total of \$825,000.

This successful capital raising will allow the Company to accelerate drilling towards a major discovery, with a deep diamond drilling campaign of nickel prospects at the Company's 100% owned East Laverton Property in Western Australia currently underway.

The drilling programme is an ongoing campaign that is planned to continue into 2014, subject to a Christmas recess, and will be focused on testing high priority nickel targets for massive sulphide nickel mineralisation.

Preliminary results from initial drilling and the ongoing electro-magnetic (EM) survey are due shortly.

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

"The capital raising was heavily over-subscribed but was limited to only 7.5 million new shares.

"We have maintained a tight capital structure and our share price is highly leveraged to exploration success.

"Initial exploration results are due very soon and we are optimistic that significant shareholder value will be created from the current field work."

The shares were placed pursuant to Section 708 of the Corporations Act 2001 ("the Act"). All of the shares issued under the placement will rank pari passu with existing ordinary shares. Shareholder approval is not required for the placement as the number of shares issued does not exceed the threshold provided in ASX Listing Rule 7.1.

Following allotment of the shares under the placement, St George Mining will have 79,481,000 ordinary shares on issue.

The Cleansing Notice and Appendix 3B follows.

ASX / MEDIA RELEASE



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6 December 2013

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ST GEORGE MINING LIMITED SHARE PLACEMENT – NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

On 6 December 2013, St George Mining Limited (**Company**) announced that 7,500,000 fully paid ordinary shares in the capital of the Company (**Shares**) were issued via a placement to Sophisticated and Professional Investors (as defined in the Corporations Act 2001 (**the Act**)).

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

- (a) the Shares were issued without disclosure to investors under Part 6D.2 of the Act;
- (b) as at 6 December 2013, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- (c) as at 6 December 2013, the Company has complied with Section 674 of the Act;
- (d) as at 6 December 2013, there is no information to be disclosed which is excluded information (as defined in section 708A(7) of the Corporations Act) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

St George Mining Limited

ABN

21 139 308 973

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | (a) Ordinary Shares
(b) Class B Unlisted Options
(c) Class C Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 7,500,000
(b) 200,000
(c) 300,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (a) Fully Paid Ordinary Shares
(b) Exercise price of \$0.25 per option on or before 5:00pm (WST) 28 November 2014
(c) Exercise price of \$0.40 per option on or before 5:00pm (WST) 28 November 2015. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>(a) Yes (b) No (c) No</p>
<p>5 Issue price or consideration</p>	<p>(a) \$0.11 (b) NIL (c) NIL</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>(a) Issued pursuant to a placement to sophisticated investors. (b) Issued under the Company's Employee Incentive Option Plan approved at the Annual General Meeting held on 30 November 2011. (c) Issued under the Company's Employee Incentive Option Plan approved at the Annual General Meeting held on 30 November 2011.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>5 November 2013</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>(a) 7,500,000 Fully Paid Ordinary Shares (b) 200,000 Class B Options (c) 300,000 Class C Options</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	NIL						
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	NIL						
6f	Number of +securities issued under an exception in rule 7.2	NIL						
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A						
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1						
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	<p>(a) 6 December 2013</p> <p>(b) 29 November 2013</p> <p>(c) 29 November 2013</p>						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">79,481,000</td> <td>Fully Paid Ordinary Shares</td> </tr> <tr> <td style="text-align: center;">48,508,000</td> <td>Options exercisable at \$0.20 on or before 28 November 2014</td> </tr> </tbody> </table>	Number	+Class	79,481,000	Fully Paid Ordinary Shares	48,508,000	Options exercisable at \$0.20 on or before 28 November 2014
Number	+Class							
79,481,000	Fully Paid Ordinary Shares							
48,508,000	Options exercisable at \$0.20 on or before 28 November 2014							

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	*Class
9 Number and *class of all *securities not quoted on ASX (including the *securities in section 2 if applicable)	100	Performance shares
	650,000	Class B Options exercisable at \$0.25 on or before 28 November 2014
	900,000	Class C Options exercisable at \$0.40 on or before 28 November 2015
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	N/A
13 Ratio in which the *securities will be offered	N/A
14 *Class of *securities to which the offer relates	N/A
15 *Record date to determine entitlements	N/A
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17 Policy for deciding entitlements in relation to fractions	N/A

+ See chapter 19 for defined terms.

18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a	N/A

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	broker?	<input type="text"/>
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	<input type="text" value="N/A"/>
32	How do security holders dispose of their entitlements (except by sale through a broker)?	<input type="text" value="N/A"/>
33	+Issue date	<input type="text" value="N/A"/>

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of *securities for which *quotation is sought	N/A				
39	*Class of *securities for which quotation is sought	N/A				
40	<p>Do the *securities rank equally in all respects from the *issue date with an existing *class of quoted *securities?</p> <p>If the additional *securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	N/A				
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another *security, clearly identify that other *security)</p>	N/A				
42	Number and *class of all *securities quoted on ASX (<i>including</i> the *securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Number</th> <th style="width: 50%; text-align: center;">*Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center; padding: 5px;">N/A</td> <td style="text-align: center; padding: 5px;">N/A</td> </tr> </tbody> </table>	Number	*Class	N/A	N/A
Number	*Class					
N/A	N/A					

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Sarah Shipway
Company Secretary

Date: 6 December 2013

Print name: Sarah Shipway

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	71,981,000
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	NIL
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	NIL
“A”	71,981,000

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	10,797,150
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>29 November 2013 – 200,000 Class B Unlisted Options exercisable at \$0.25 on or before 28 November 2014</p> <p>29 November 2013 – 300,000 Class C Unlisted Options exercisable at \$0.40 on or before 28 November 2015</p> <p>6 December 2013 – 7,500,000 Fully Paid Ordinary Shares</p>
“C”	8,000,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	10,797,150
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	8,000,000
Total [“A” x 0.15] – “C”	2,797,150 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	71,981,000
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	7,198,100
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	NIL
“E”	NIL

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	7,198,100
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	NIL
Total ["A" x 0.10] – "E"	7,198,100 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.