

12 March 2018

SUCCESSFUL PLACEMENT TO FUND MT ALEXANDER EXPLORATION

HIGHLIGHTS:

- **\$4 million raised via oversubscribed placement**
 - **Funds to expand and accelerate aggressive drilling programme at Mt Alexander**
 - **Drilling of high-grade nickel-copper sulphide targets at Mt Alexander to commence shortly**
 - **Preparatory earthworks for drilling already completed and drill rig arrival imminent**
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Emerging Western Australian nickel company St George Mining Limited (ASX: **SGQ**) (“St George” or “the Company”) is pleased to announce it has successfully raised \$4.0 million from institutional and sophisticated investors via a placement at an issue price of \$0.18 per share (“Placement”).

The Placement was oversubscribed and secures for St George further funding to expand and accelerate its exploration and drilling programmes at the Company’s high-grade Mt Alexander nickel-copper sulphide project near Leonora, in the north-eastern Goldfields.

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

“We are delighted with the strong demand for the Placement from new investors and existing shareholders.

“This capital raising strengthens St George’s ability to deliver further shareholder value through continued exploration success, with the strong investor demand for the Placement testament to the potential of our exciting Mt Alexander project.

“Drilling is scheduled to commence this week after extensive rainfall caused delays, a resumption we know all investors have been keenly awaiting.

“Our exploration success at Mt Alexander has identified an extensive mineral system with high-grade nickel-copper-cobalt-PGE sulphides over a strike of some 4km, with drilling last year delivering the best results to date.

“Drill hole MAD71 at the Stricklands prospect - with 17.45m of nickel-copper sulphides from 37m downhole – is the kind of thick and high-grade mineralisation which highlights the resource potential at Mt Alexander, something this drilling campaign will continue to test.”

The new shares were placed in accordance with Section 708 of the Corporations Act 2001. All of the shares to be issued under the placement (approximately 22.2 million) will rank pari passu with existing ordinary shares and will be issued within the Company’s existing placement capacity under ASX Listing Rule 7.1A.

Argonaut acted as Lead Manager to the Placement.

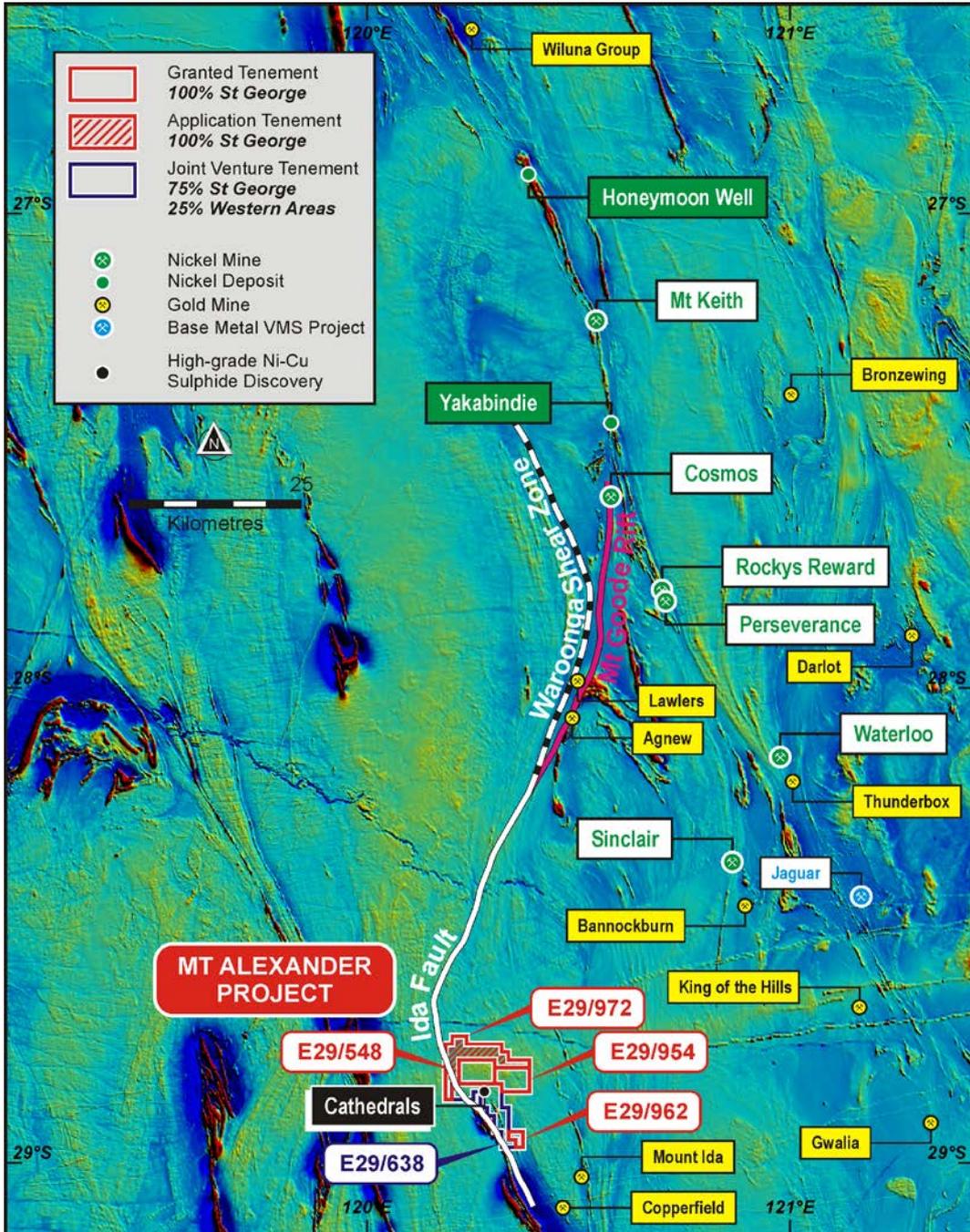


Figure 1 - a map (over TMI magnetics) showing the location of the Mt Alexander Project south-southwest of the world-class nickel and gold mines of the Agnew-Wiluna Belt and close to existing roads, infrastructure and processing plants. The Cathedrals, Stricklands and Investigators prospects are located on E29/638, which is held in joint venture with St George (operator, 75%) and Western Areas Limited (25%).

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