
ST GEORGE MINING LIMITED

ACN 139 308 973

NOTICE OF GENERAL MEETING

TIME: 10:00am (WST)

DATE: 16 July 2018

PLACE: The Boulevard Centre
1 Bold Park Drive
Floreat WA

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00am on 14 July 2018.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 577,083 listed Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 500,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 95,000 listed Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – SHARES – LR 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 22,360,002 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 277,778 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS TO MR JOHN PRINEAS PURSUANT TO PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 60 Performance Rights as Director incentive remuneration to Mr John Prineas (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought; and
- (b) any associates of those Directors,
(Resolution 6 Excluded Party).

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 6 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:
- (a) the proxy is the Chair; and

- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. RESOLUTION 7 – ISSUE OF PERFORMANCE RIGHTS TO MR TIMOTHY HRONSKY PURSUANT TO PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 20 Performance Rights as Director incentive remuneration to Mr Timothy Hronsky (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought; and
- (b) any associates of those Directors,
(Resolution 7 Excluded Party).

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 7 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
- (i) a member of the Key Management Personnel; or
- (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution. Provided the Chair is not a Resolution 7 Excluded Party, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. RESOLUTION 8 – ISSUE OF PERFORMANCE RIGHTS TO MS SARAH SHIPWAY PURSUANT TO PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 20 Performance Rights as Director incentive remuneration to Ms Sarah Shipway (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- (a) any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought; and
- (b) any associates of those Directors,
(Resolution 8 Excluded Party).

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 8 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- Provided the Chair is not a Resolution 8 Excluded Party, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 11 June 2018

By order of the Board

Sarah Shipway
Non-Executive Director/Company Secretary

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 6600.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – OPTIONS

1.1 General

On 29 August 2017, the Company announced a bonus issue of one (1) listed Option for every 10 Shares held by eligible shareholders (**Bonus Issue**). The Company lodged a prospectus for the Bonus Issue on 12 September 2017 and all 24,665,885 listed Options were issued for nil cash consideration.

The Company issued 577,083 listed Options issued under the Bonus Issue under ASX Listing Rule 7.1.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

1.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 577,083 listed Options were issued;
- (b) the listed Options were issued for nil cash consideration;
- (c) the listed Options were issued on the terms and conditions set out in Schedule 1;
- (d) the listed Options were issued to shareholders pursuant to the Bonus Issue. None of these subscribers are related parties of the Company; and
- (e) no funds were raised as the listed Options were issued for nil cash consideration.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE – SHARES

2.1 General

On 20 March 2018, the Company issued the following Shares 500,000 Shares in consideration for advisory services provided by two consultants.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

Summaries of ASX Listing Rules 7.1 and 7.4 are set out in Section 1.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) The following Shares were issued:
 - (i) 250,000 Shares at a deemed issue price of \$0.18 per Share; and
 - (ii) 250,000 Shares at a deemed issue price of \$0.20 per Share;
- (b) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Shares were issued to nominees of two consultants, Ben Pollard – who provided the Company with geological consulting services - and Michael Pieria – who provided the Company with corporate consulting services, neither of the consultants are related parties of the Company; and
- (d) no funds were raised from this issue as the Shares were issued in consideration for advisory services provided by the consultants.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – OPTIONS

3.1 General

On 20 March 2018, the Company issued 95,000 listed Options in consideration for geological consulting services provided by a consultant to the Company.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options (**Ratification**).

Summaries of ASX Listing Rules 7.1 and 7.4 are set out in Section 1.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

3.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 95,000 listed Options were issued;
- (b) The deemed issue price was \$0.10 per listed Option;
- (c) the listed Options were issued on the terms and conditions set out in Schedule 1;
- (d) the listed Options were issued to a consultant, who is not a related party, for geological advisory services provided to the Company; and
- (e) no funds were raised from this issue as the listed Options were issued in consideration for geological consulting services provided to the Company.

4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – SHARES – LR 7.1A

4.1 General

On 20 March 2018, the Company issued 22,360,002 Shares at an issue price of \$0.18 per Share to raise \$4,024,800.

22,360,002 Shares were issued pursuant to the Company's capacity under ASX Listing Rule 7.1A which was approved by Shareholders at the annual general meeting held on 22 November 2017.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

By ratifying the issue the subject of Resolution 5, the base figure (i.e. variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

4.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 22,360,002 Shares were issued;
- (b) the issue price was \$0.18 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated and professional investors. None of these subscribers are related parties of the Company; and
- (e) the funds raised from the placement will be applied towards exploration at the Mt Alexander Project and the Company's other projects in Western Australia, as well as for working capital and general corporate expenses.

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – SHARES

5.1 General

On 27 March 2018, the Company issued 277,778 Shares at an issue price of \$0.18 per Share to raise \$50,000.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

Summaries of ASX Listing Rules 7.1 and 7.4 are set out in Section 1.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

5.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 277,778 Shares were issued;
- (b) the issue price was \$0.18 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to a sophisticated investor, who is not a related party of the Company; and
- (f) the funds raised from this issue were applied towards exploration at the Mt Alexander Project and the Company's other projects in Western Australia, as well as for working capital and general corporate expenses.

6. RESOLUTIONS 6 TO 8 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTIES PURSUANT TO PERFORMANCE RIGHTS PLAN

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 100 Performance Rights (**Related Party Performance Rights**) to Mr John Prineas, Mr Timothy Hronsky and Ms Sarah Shipway (**Related Parties**) on the terms and conditions set out below. The Related Party Performance Right are to be issued under the Company's performance rights plan (**Plan**) which was approved by Shareholders at the Company's annual general meeting held on 22 November 2017.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Related Party Performance Rights constitutes giving a financial benefit and Mr John Prineas, Mr Timothy Hronsky and Ms Sarah Shipway are related parties of the Company by virtue of being Directors.

It is the view of the Directors that the exceptions set out in sections 210 to 216 of the Corporations Act do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Related Party Performance Rights to the Related Parties.

In addition, ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

As the issue of the Related Party Performance Rights involves the issue of securities under an employee incentive scheme to Directors of the Company, Shareholder approval pursuant to ASX Listing Rule 10.14 is required unless an exception applies.

6.2 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.14)

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of Related Party Performance Rights:

- (a) the related parties are Mr John Prineas, Mr Timothy Hronsky and Ms Sarah Shipway and they are related parties by virtue of being Directors;
- (b) the maximum number of Related Party Performance Rights (being the nature of the financial benefit being provided) to be granted to the Related Parties is:

- (i) 60 Related Party Performance Rights to Mr Prineas (or his nominee) as follows:
 - (A) 10 Class A Performance Rights which will convert into 500,000 Shares upon achievement of the relevant Milestone;
 - (B) 10 Class B Performance Rights which will convert into 500,000 Shares upon achievement of the relevant Milestone;
 - (C) 40 Class C Performance Rights which will convert into 2,000,000 Shares upon achievement of the relevant Milestone;
- (ii) 20 Related Party Performance Rights to Mr Hronsky (or his nominee):
 - (A) 5 Class A Performance Rights which will convert into 250,000 Shares upon achievement of the relevant Milestone;
 - (B) 5 Class B Performance Rights which will convert into 250,000 Shares upon achievement of the relevant Milestone;
 - (C) 10 Class C Performance Rights which will convert into 500,000 Shares upon achievement of the relevant Milestone;
- (iii) 20 Related Party Performance Rights to Ms Shipway (or her nominee):
 - (A) 5 Class A Performance Rights which will convert into 250,000 Shares upon achievement of the relevant Milestone;
 - (B) 5 Class B Performance Rights which will convert into 250,000 Shares upon achievement of the relevant Milestone; and
 - (C) 10 Class C Performance Rights which will convert into 500,000 Shares upon achievement of the relevant Milestone;
- (c) the Related Party Performance Rights will be granted to the Related Parties no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Performance Rights will be issued on one date;
- (d) the Related Party Performance Rights will be granted for nil cash consideration, accordingly no funds will be raised;
- (e) since it was adopted by Shareholders at the Company's annual general meeting on 22 November 2017 no Directors or associates of Directors have received securities under the Plan;

- (f) all Directors are entitled to participate in the Plan;
- (g) a summary of the terms and conditions of the Related Party Performance Rights are set out in Schedule 2;
- (h) the value of the Related Party Performance Rights and the pricing methodology is set out in Schedule 3;
- (i) the relevant interests of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options
John Prineas	12,214,221	1,021,422 ¹
Timothy Hronsky	2,562,500	106,250 ¹
Sarah Shipway	500,000	0

1. Listed Options exercisable at \$0.20 each on or before 30 September 2020.

- (j) the remuneration and emoluments from the Company to the Related Parties for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
John Prineas	288,374	\$246,824
Timothy Hronsky	269,000	\$235,823
Sarah Shipway	98,550	\$83,508

- (k) if the performance hurdles attaching to the Related Party Performance Rights are satisfied and all Related Party Performance Rights vest and are exercised, a total of 5,000,000 Shares would be issued. This will increase the number of Shares on issue from 278,780,500 to 283,780,500 (assuming that no other Options are exercised and no Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 1.76%, comprising 1.06% by Mr John Prineas, 0.35% by Mr Timothy Hronsky and 0.35% by Ms Sarah Shipway.
- (l) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	47.5 cents	1 December 2017
Lowest	8.1 cents	28 August 2017
Last	17 cents	5 June 2018

- (m) the Board acknowledges the grant of Related Party Performance Rights to Ms Sarah Shipway is contrary to Recommendation 8.2 of The Corporate Governance Principles and Recommendations with 2010 Amendments (3rd Edition) as published by The ASX Corporate Governance Council. However, the Board considers the grant of Related Party Performance Rights to Ms Sarah Shipway reasonable in the circumstances for the reason set out in paragraph (o);

- (n) the primary purpose of the grant of the Related Party Performance Rights to the Related Parties is to provide a performance linked incentive component in the remuneration package for the Related Parties to motivate and reward the performance of the Related Parties in their respective roles as Directors;
- (o) Mr John Prineas declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Performance Rights in the Company should Resolution 6 be passed. However, in respect of Resolutions 7 and 8, Mr Prineas recommends that Shareholders vote in favour of those Resolutions for the following reasons:
- (i) the grant of Related Party Performance Rights to the Related Parties, in particular, the vesting conditions of the Related Party Performance Rights, will align the interests of the Related Parties with those of Shareholders;
 - (ii) the grant of the Related Party Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Related Party Performance Rights upon the terms proposed;
- (p) Mr Timothy Hronsky declines to make a recommendation to Shareholders in relation to Resolution 7 due to his material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Performance Rights in the Company should Resolution 7 be passed. However, in respect of Resolutions 6 and 8, Mr Hronsky recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (o);
- (q) Ms Sarah Shipway declines to make a recommendation to Shareholders in relation to Resolution 8 due to her material personal interest in the outcome of the Resolution on the basis that he is to be granted Related Party Performance Rights in the Company should Resolution 8 be passed. However, in respect of Resolutions 6 and 7, Ms Shipway recommends that Shareholders vote in favour of those Resolutions for the reasons set out in paragraph (o);
- (r) in forming their recommendations, each Director considered the experience of each other Related Party, the current market price of Shares, the current market practices when determining the number of Related Party Performance Rights to be granted as well as the performance milestones and expiry date of those Related Party Performance Rights; and
- (s) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 6 to 8.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Related Party Performance Rights to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Related Party Performance Rights to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Bonus Issue has the meaning given in Section 1.1.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Class A Performance Right means a Performance Right issue with the milestone set out in paragraph (a)(i) of Schedule 2.

Class B Performance Right means a Performance Right issue with the milestone set out in paragraph (a)(ii) of Schedule 2.

Class C Performance Right means a Performance Right issue with the milestone set out in paragraph (a)(iii) of Schedule 2.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means St George Mining Limited (ACN 139 308 973).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and

(b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or Meeting means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or Notice of Meeting means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a Related Party Performance Right.

Plan has the meaning given in Section 6.1.

Proxy Form means the proxy form accompanying the Notice.

Related Party Performance Rights has the meaning set out in Section 6.1.

Related Parties has the meaning set out in Section 6.1.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF LISTED OPTIONS

The following are the terms and conditions of the listed Options:

- (a) each Option entitles the holder to subscribe for one Share upon payment of \$0.20 (**Exercise Price**);
- (b) the Options are exercisable on or before 30 September 2020 at any time;
- (c) the Options will expire on 30 September 2020. Options not exercised on the expiry date will automatically lapse;
- (d) the Options may be exercised in whole or in part, by notice in writing to the Company;
- (e) holders of Options will be permitted to participate in new issues of securities only following the prior exercise of the Option, in which case the record date must be at least seven (7) Business Days, or such lesser number of days as is permitted under the ASX Listing Rules, after announcement of the new issue, to allow exercise of the Options;
- (f) Shares issued on the exercise of the Options will be issued not more than fourteen (14) days after receipt of a properly executed “form of exercise of Options” and the specified option exercise date;
- (g) Shares issued pursuant to the exercise of an Option will rank equally with the then issued Shares;
- (h) an Option does not confer the right to a change in Exercise Price or a change in the number of Shares over which the Option can be exercised; and
- (i) in the event of any reconstruction (including consolidation, subdivision, reduction or returns) of the issued capital of the Company, the number of Options or Exercise Price or both shall be reconstructed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

A summary of the terms and conditions of the Performance Rights to be issued to Directors pursuant to Resolutions 6, 7 and 8 (inclusive) are set out below:

- (a) **(Milestones):** The Performance Rights will have the following milestones attached to them:
- (i) **Class A Performance Rights:** in the event that the Undiluted Market Capitalisation of the Company is equal to or higher than AUD\$100,000,000.00 for a minimum of 10 consecutive trading days, the vesting condition shall be deemed satisfied, subject to the milestone being achieved by that date which is 3 years from the date of issue;
 - (ii) **Class B Performance Rights:** in the event that the Undiluted Market Capitalisation of the Company is equal to or higher than AUD\$150,000,000.00 for a minimum of 10 consecutive trading days, the vesting condition shall be deemed satisfied, subject to the milestone being achieved by that date which is 3 years from the date of issue.
 - (iii) **Class C Performance Rights:** the Company announces an inferred 2012 JORC compliant resource at any Project of not less than:
 - (A) in regard to a gold resource, 1,000,000 ounces of Au; or
 - (B) in regard to a nickel resource, 50,000t contained Ni; or
 - (C) in regard to a cobalt resource, 10,000t contained Co.,by that date which is 3 years from the date of issue.

(each a **Milestone**).

For the purpose of this paragraph (a), "**Project**" shall include any project in which the Company has an economic interest whether acquired prior to or subsequent to the grant of the Performance Rights. Where the Company has an economic interest of less than 100% of a Project where an inferred 2012 JORC compliant resource is announced, the proportion of that resource attributable to the Company's economic interest will be used in assessing if a performance hurdle is satisfied.

- (b) **(Notification to holder):** The Company shall notify the holder in writing when the Milestone has been satisfied.
- (c) **(Conversion):** Following the vesting of a Performance Right, a Performance Right may be exercised, by the holder lodging with the Board a Notice of Exercise of that Performance Right. Each Performance Right will convert into 50,000 Shares.
- (d) **(Share ranking):** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (e) **(Application to ASX)** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.
- (f) **(Transfer of Performance Rights):** The Performance Rights are not transferrable.

- (g) **(Lapse of a Performance Right):** A Performance Right will lapse if the Milestone attached to the relevant Performance Right has not been satisfied within the time period set out in paragraph (a), or otherwise in accordance with the terms of the Plan.
- (h) **(Participation in new issues)** There are no participation rights or entitlements inherent in the Performance Rights and a holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.
- (i) **(Reorganisation of capital)** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules (if applicable) at the time of the reorganisation.
- (j) **(Adjustment for bonus issue)** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.
- (k) **(Dividend and Voting Rights):** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (l) **(Change in Control):** If a company (**Acquiring Company**) obtains control of the Company as a result of a Change of Control (as defined in the Plan) and both the Company, the Acquiring Company and the holder agree, a holder may, in respect of any vested Performance Rights that are exercised, be provided with shares of the Acquiring Company, or its parent, in lieu of Shares, on substantially the same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares subject to the Performance Rights.
- (m) **(No rights to return of capital)** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (n) **(Rights on winding up)** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (o) **(No other rights)** A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (p) **(Subdivision 83A-C):** Subdivision 83A-C of the Income Tax Assessment Act 1997 applied to the Performance Rights.

SCHEDULE 3 – VALUATION OF RELATED PARTY PERFORMANCE RIGHTS

The Related Party Performance Rights to be issued to the Related Parties pursuant to Resolutions 6, 7 and 8 have been valued by internal management.

Multiple Option Values

Using the Black & Scholes option pricing model an option pricing model that incorporates a trinomial option valuation and based on the assumptions set out below, the Related Party Performance Rights were ascribed the following value range:

Assumptions:			
Valuation date	6 June 2018		
Market price of Shares	0.17 cents		
Exercise price	Nil		
Expiry date (length of time from issue)	3 Years from the Date of Issue		
Risk free interest rate	2.17%		
Volatility	122%	122%	122%
Indicative value per Related Party Performance Right	0.07 cents	0.07 cents	0.07 cents
Total Value of Related Party Performance Rights	\$70,000	\$70,000	\$210,000
- <i>John Prineas</i>	\$35,000	\$35,000	\$140,000
- <i>Timothy Hronsky</i>	\$17,500	\$17,500	\$35,000
- <i>Sarah Shipway</i>	\$17,500	\$17,500	\$35,000

Note: The valuation ranges noted above are not necessarily the market prices that the Related Party Performance Rights could be traded at and they are not automatically the market prices for taxation purposes.



ST GEORGE
MINING LIMITED

ABN 21 139 308 973

Lodge your vote:

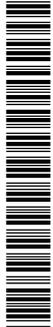
Online:
www.investorvote.com.au

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000



SGQ

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form

XX



Vote online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 10:00am (WST) Saturday, 14 July 2018

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** ➔

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of St George Mining Limited hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of St George Mining Limited to be held at The Boulevard Centre, 1 Bold Park Drive, Floreat, Western Australia on Monday, 16 July 2018 at 10:00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 6, 7 and 8 (except where I/we have indicated a different voting intention below) even though Resolutions 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 6, 7 and 8 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Ratification of Prior Issue - Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Prior Issue - Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue - Shares - LR 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Prior Issue - Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Performance Rights to Mr John Prineas pursuant to Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Performance Rights to Mr Timothy Hronsky pursuant to Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Performance Rights to Ms Sarah Shipway pursuant to Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made immediately disclosing the reasons for the change.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /