

30 April 2018

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2018

MT ALEXANDER PROJECT:

- Major diamond and RC drill programme commenced at Mt Alexander
- Drilling continues to intersect thick nickel-copper sulphide mineralisation over a 4km strike of the Cathedrals Belt

CORPORATE:

- St George completes an oversubscribed \$4m capital raising
 - St George funded for drilling in 2018
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St George Mining Limited (ASX:SGQ) (“St George” or “the Company”) is pleased to present its Quarterly Activities Report for the quarterly period ended 31 March 2018.

MT ALEXANDER PROJECT – DRILLING CONFIRMS ADDITIONAL MINERALISATION

A major diamond and RC (reverse circulation) drill programme commenced in March 2018 at the Mt Alexander Project.

The planned drill programme involves twenty planned drill holes for 2,510m of drilling. At the end of the quarter a total of five holes for 388.5m had been drilled at the Stricklands Prospect.

The majority of the planned drill holes are at the Stricklands Prospect where drill hole MAD71, completed late last year, returned the best intersection to date at the Mt Alexander Project.

Drilling is also planned at the Investigators Prospect, with the first ever deep drilling of electromagnetic (EM) targets. The planned drill holes at Investigators will test a 500m strike of the Investigators trend including several downhole EM (DHEM) and SAMSON EM plates.

The SAMSON EM plates to be drilled will test for mineralised ultramafic at depth in areas with minimal previous drill testing.

Interim results from the drilling at Stricklands indicate that a number of drill holes have intersected thick nickel-copper sulphides along strike from MAD71. Assay results for these drill holes are pending.

Mineralisation at Stricklands remains open to the west, east and north of MAD71 with the mineralised ultramafic at Stricklands interpreted to extend for over 400m.

The drill results will be fully evaluated once the drill programme and detailed geological logging have been completed, and results from assaying and DHEM have been received.

For further details on interim drill results, please refer to our ASX Release dated 26 March 2018 ‘*St George Intersects Thick Nickel-Copper Sulphides*’ and to the other recent ASX Releases listed on page 6 of this Report.

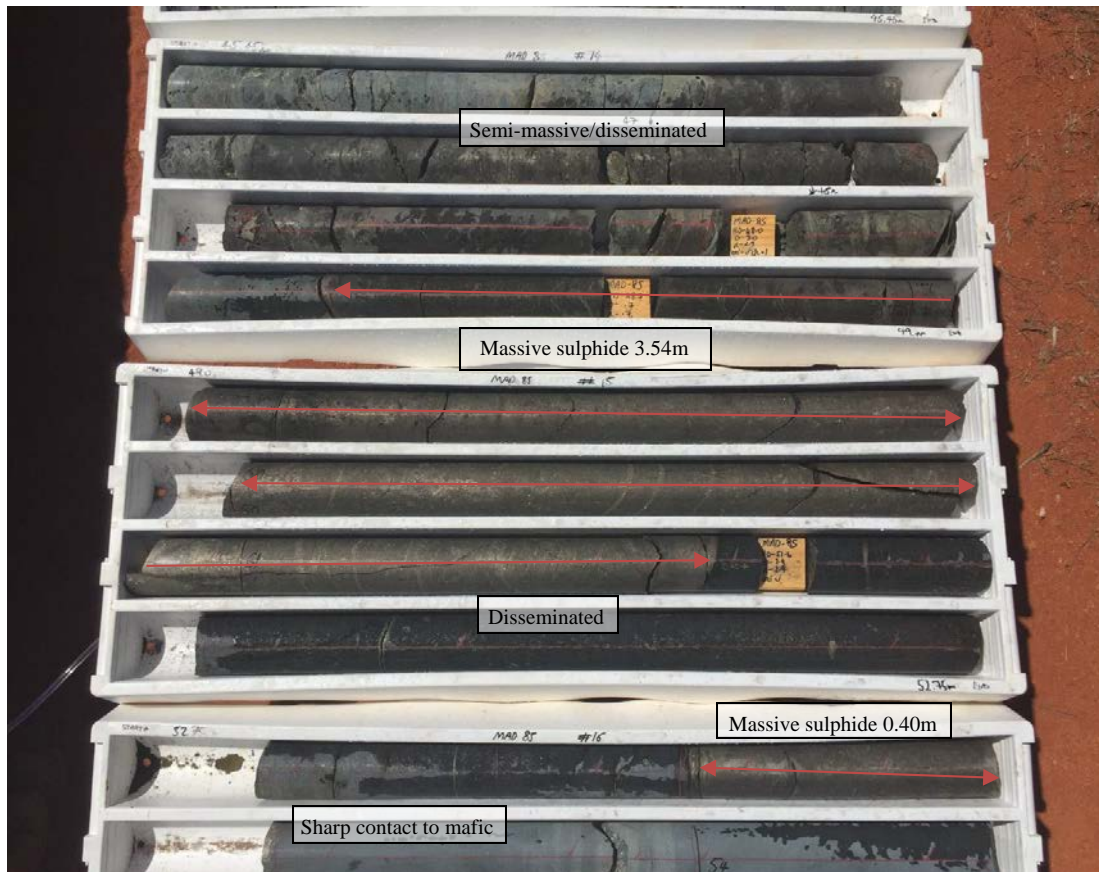


Figure 1 – drill core from the recently completed MAD85 between 45.45m to 54.3m downhole showing the sulphide intervals within a 13.6m intersection of nickel-copper sulphides.



Figure 2 – drilling underway at Mt Alexander

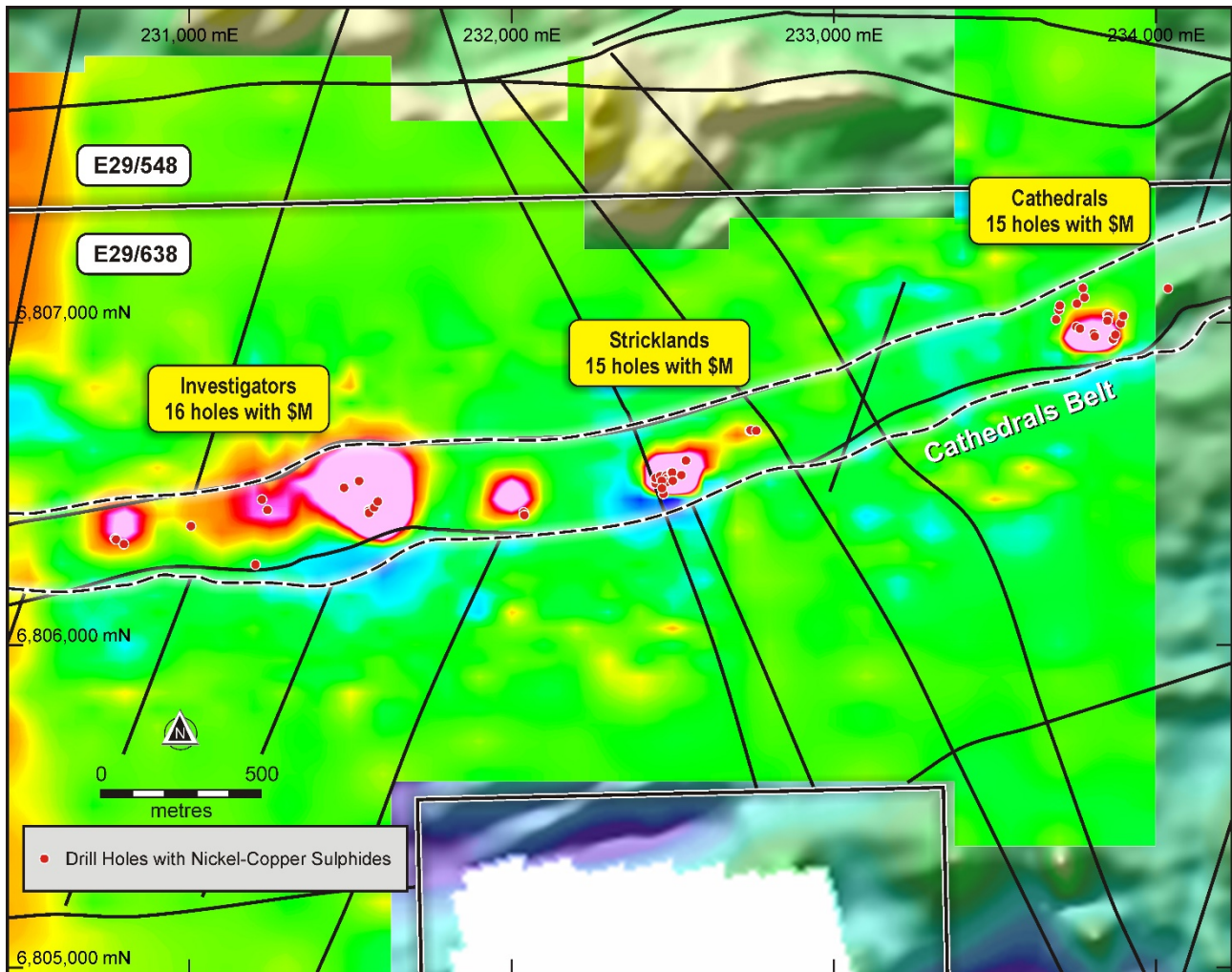


Figure 3 – plan view map of the Cathedrals Belt (over SAMSON FLEM Channel 18 (mid-time) image) showing the multiple intersections of massive nickel-copper-cobalt-PGE sulphides (“\$M”) within the large SAMSON EM anomalies at the Investigators, Stricklands and Cathedrals Prospects. Additional drill holes in the drill programme underway have intersected nickel-copper sulphides at Stricklands with assays pending.

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 (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.

EAST LAVERTON PROJECT – NICKEL SULPHIDE DRILLING

Drill hole WINDD013 was completed during the quarter. WINDD013 was drilled to a downhole depth of 530m and was designed to test the Windsor X3 conductor at a modelled target depth of 500m downhole.

For further details on the Windsor X3 conductor, please see our ASX Release dated 30 January 2018 ‘Drilling of Windsor X3 Conductor – Update’.

WINDD013 intersected a thick ultramafic unit and then an interval of semi-massive to moderate sulphides between 397m and 431.5m downhole. Semi-massive sulphides were also intersected between 512m to 522m downhole.

Geological logging of the drill core indicates that sulphides are associated with pyrrhotite and pyrite dominant interflow sediments. No visible nickel sulphides were noted in the drill core.

Assays for WINDD013 are pending.

TENEMENT INFORMATION

There were no changes to the Company's tenement holdings during the quarter except as outlined below.

East Laverton Project

St George Mining has 100% ownership of 31 granted Exploration Licences at the East Laverton Project.

Mt Alexander Project

St George has 100% ownership of four granted Exploration Licences (E29/548, E29/962, E29/954 and E29/972). Exploration Licence E29/972 at Mt Alexander was granted on 4 January 2018.

A further granted Exploration Licence, E29/638, is held in joint venture between Western Areas (25%) and St George (75%).

Hawaii Project

St George has 100% ownership of one granted Exploration Licence at the Hawaii Project.

CORPORATE UPDATE

Capital Raising

In March 2018, St George completed a private placement of ordinary shares to raise new funds.

A total of 22,360,002 ordinary shares were issued by the Company to raise \$4,024,800.

Private Series Options

In February 2018, St George completed a bonus issue to shareholders of Private Series Options.

A total of 12,442,406 options were issued with an exercise price of \$0.25 and an expiry date on 23 April 2018.

COMPETENT PERSON STATEMENT:

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves regarding the East Laverton Project is based on information compiled by Mr Tim Hronsky, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Tim Hronsky is employed by Essential Risk Solutions Ltd which has been retained by St George Mining Limited to provide technical advice on mineral projects.

The information in this report that related to Exploration Targets, Exploration Results, Minerals Resources or Ore Reserves regarding the Mt Alexander Project is based on information compiled by Mr Matthew McCarthy, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr McCarthy is employed by St George Mining Limited.

This ASX announcement contains information extracted from the following reports which are available on the Company's website at www.stgm.com.au:

- 5 July 2017 *High Grade Nickel-Copper-Cobalt-PGEs at Investigators*
- 6 July 2017 *Nickel Sulphide Exploration at Windsor is Escalated*
- 19 July 2017 *High Grade Nickel-Copper-Cobalt-PGEs at Investigators*
- 12 September 2017 *Mt Alexander – Exploration Update*
- 20 September 2017 *Nickel Sulphide Exploration at Windsor*
- 26 October 2017 *Drilling Commences at Mt Alexander*
- 30 October 2017 *New EM Conductors at Windsor Nickel Sulphide Prospect*
- 13 November 2017 *Further High Grade Mineralisation at Mt Alexander*
- 20 November 2017 *Outstanding Intersection of Nickel-Copper Sulphides*
- 30 November 2017 *Drilling at Mt Alexander – Update*
- 7 December 2017 *Further Nickel-Copper Sulphides Intersected at Mt Alexander*
- 11 December 2017 *Drilling of EM Conductors at Windsor – Update*
- 15 December 2017 *Assays Confirm Best Ever Intersection at Mt Alexander*
- 21 December 2017 *Drilling Continues to Extend Mineralisation at Mt Alexander*
- 9 January 2018 *Assays Confirm Further High Grades at Mt Alexander*
- 26 March 2018 *St George Intersects Thick Nickel-Copper Sulphides*
- 4 April 2018 *Nickel-Copper Sulphide Drilling at Mt Alexander – Update*
- 10 April 2018 *Drill Hole MAD88 at Mt Alexander – Update*
- 11 April 2018 *Further Nickel-Copper Sulphides intersected at Mt Alexander*
- 19 April 2018 *Nickel-Copper Sulphide Drilling at Mt Alexander – Update*

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in any original market announcements referred to in this report and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

TENEMENT INFORMATION AS REQUIRED BY LISTING RULE 5.3.3

Other than as detailed in the body of the Quarterly Activities Report and in the Table below, no tenements, in part or whole, were relinquished, surrendered or otherwise divested during the quarterly period ended 31 March 2018.

EAST LAVERTON:

Tenement ID	Registered Holder	Location	Ownership (%)	Change in Quarter
E39/0981	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/0982	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/0985	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1066	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1229	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1461	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1472	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1473	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1474	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1475	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1476	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1467	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1492	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1518	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1519	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1520	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1521	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1549	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1572	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1608	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1666	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1667	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1722	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1779	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1852	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/2026	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/2027	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/2028	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/2029	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/2030	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/2031	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A

MT ALEXANDER/HAWAII:

Tenement ID	Registered Holder	Location	Ownership (%)	Change in Quarter
E29/638	Blue Thunder Resources Pty Ltd	Mt Alexander	75	N/A
E29/548	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/954	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/962	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/972	Blue Thunder Resources Pty Ltd	Mt Alexander	100	Granted 4 Jan 2018
E36/741	Blue Thunder Resources Pty Ltd	Hawaii	100	N/A

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

St George Mining Limited

ABN

21 139 308 973

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,884)	(5,123)
(b) development	-	-
(c) production	-	-
(d) staff costs	(133)	(382)
(e) administration and corporate costs	(147)	(641)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	39
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	1,887
1.8 Other (provide details if material)	(10)	21
1.9 Net cash from / (used in) operating activities	(2,164)	(4,199)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(4)
(b) tenements (see item 10)	-	-
(c) investments	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	(4)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	4,070	4,070
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	23	41
3.4 Transaction costs related to issues of shares, convertible notes or options	(261)	(294)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	3,832	3,817

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,720	4,774
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,164)	(4,199)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	(4)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	3,832	3,817
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	4,388	4,388

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	41	72
5.2 Call deposits	4,347	2,648
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,388	2,720

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	164
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
N/A	

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
N/A	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
N/A		

Mining exploration entity and oil and gas exploration entity quarterly report

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	(600)
9.2	Development	-
9.3	Production	-
9.4	Staff costs	(133)
9.5	Administration and corporate costs	(150)
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	(833)

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A	N/A	N/A	N/A
10.2	Interests in mining tenements and petroleum tenements acquired or increased	E29/0972, Mt Alexander	Exploration Licence	0%	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Sarah Shipway
Non-Executive Director/Company secretary

Date: 30 April 2018

Print name: Sarah Shipway

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.