

9 September 2014

ST GEORGE ESCALATES NICKEL SULPHIDE EXPLORATION AT EAST LAVERTON

HIGHLIGHTS:

- **Multiple drill-ready targets established for Phase 2 drilling in October 2014**
- **New prospect at Desert Dragon South covers optimal structural area for nickel sulphides**
- **Exploration expanded at Desert Dragon North with evidence of granite dome**
- **Exploration work at Cambridge North to be fast-tracked with MLEM (moving loop electromagnetic) survey identifying new EM targets**
- **EM conductors from ongoing regional MLEM survey are being prioritised in conjunction with Newexco for test drilling**
- **New nickel sulphide targets being added to strong pipeline of prospects**

ADVANCED EXPLORATION AT NICKEL SULPHIDE PROSPECTS

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') is pleased to provide an update on the Company's growing pipeline of nickel sulphide prospects at the Company's 100% owned East Laverton Property in Western Australia.

Exploration work at our high priority nickel sulphide prospects has intensified with multiple nickel sulphide drill targets – including electromagnetic (EM) conductors and geological targets - being generated ahead of the Phase 2 drilling programme, scheduled to commence in early October 2014.

Exploration is being escalated at the high-value Desert Dragon North, Desert Dragon South and Cambridge North prospects, situated on the fertile Stella Range belt. Follow-up work is also being conducted over a range of prospects only partially tested by previous drilling carried out by St George, as well as targets established by BHP Billiton Nickel West during the previous Project Dragon farm-in arrangement.

The ongoing target generation by St George's technical team highlights the large size and depth of the exploration potential at our East Laverton Property - which covers over 2,000 sq km and 3 ultramafic belts with a combined strike length of over 130km - and its potential to emerge as a new nickel field.

St George Mining Executive Chairman, John Prineas, said:

"We are actively continuing our systematic exploration of nickel sulphide targets at East Laverton.

"We have developed a comprehensive geological, geophysical and geochemical dataset, which is constantly being expanded with new drilling results and exploration data.

"This important knowledge is being used to generate new nickel sulphide prospects and to advance existing prospects to a drill-ready status.

"We have built a very strong pipeline of prospects with tremendous exploration upside."

Figure 2 highlights the key nickel sulphide prospects at the East Laverton Property and the widespread occurrence of magmatic nickel sulphides and komatiite ultramafic rocks.

NEW NICKEL SULPHIDE PROSPECT - DESERT DRAGON SOUTH

The Desert Dragon South prospect covers a geologically and structurally complex area where the district-scale “Churchill” lineament intersects the fertile Stella Range ultramafic belt. Magnetic data indicates intense folding, thrust faulting and shearing of the ultramafic belt in this area; see Figure 1.

The Churchill lineament is orientated normally (at ~90 degrees) to the NW trending rift structures, which control the orientation of the greenstone belts at East Laverton.

These rifts and the rift-normal (cross) structures are a setting where the komatiite channels host greater than normal volumes of magma, and higher flow rates of the hot turbulent MgO-rich ultramafic lava.

Exceptionally hot komatiite magmas are very favourable for the formation of high grade nickel sulphide mineralisation, which makes these cross-rift intersections priority exploration areas.

Desert Dragon South lies immediately east of the komatiite channel flow intersected by drill hole DRAC35 (18 m @ 0.41% Ni from 100m). This supports the potential for the presence of fertile channel flows within the local area of Desert Dragon South.

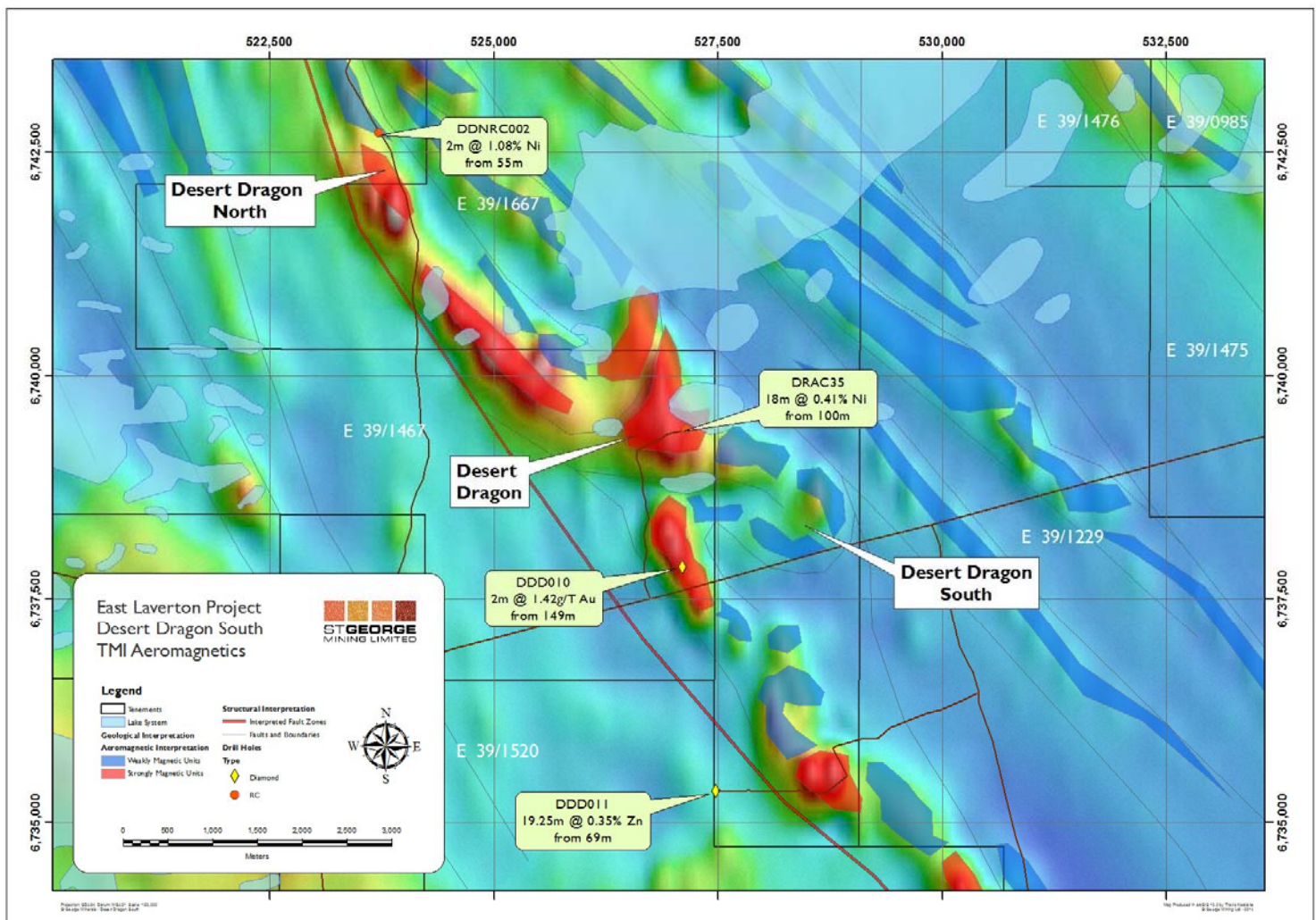


Figure 1 – the Desert Dragon South nickel sulphide prospect is situated on the Stella Range ultramafic belt where it is intersected by a cross-rift lineament, a favourable setting for massive nickel sulphides

The MLEM survey recently completed over Desert Dragon South detected a large and complicated EM response with a number of flat-lying EM horizons identified. The EM responses are superimposed on each other, and the number of stacked conductive horizons increase from the north to south of the survey area.

The EM responses are interpreted to represent sulphide-rich sedimentary units with potential for masked massive nickel sulphide mineralisation.

In settings like Desert Dragon South, a greater reliance is placed on exploratory drilling as an initial exploration tool, with use of down-hole EM (DHEM) surveys to investigate the EM responses at depth. The Flying Fox nickel deposit at Forrestania is underlain by sediment and is an example of a major discovery in this kind of scenario.

Exploration by drilling and geophysics is being designed for Desert Dragon South as part of Phase 2 of the 2014 drilling programme at East Laverton which will start next month.

DOMES STRUCTURE AT DESERT DRAGON NORTH

Ongoing field work at the Desert Dragon North prospect has indicated evidence of granite structures which are interpreted to represent a granite dome. Similar dome structures are found at the Kambalda and Widgiemooltha nickel camps.

A late-stage granite is interpreted to have intruded the base of the Stella Range ultramafic belt at the Desert Dragon North prospect. The uplift and deformation of the ultramafic belt results in the ultramafic sequences being draped over the granite, and the formation of distinct western and eastern ultramafic flanks.

Deformation of this nature can be favourable for nickel sulphide mineralisation. Folding and faulting can result in the thickening of the ultramafic sequences and the repetition of target basal contacts on the dome margins.

The original target area at the Desert Dragon North prospect, which includes the important DDNRC002 intersection of nickel sulphide veinlets (2m @ 1.08 % Ni), is the western flank of the Dome.

Drill hole DDD007 was drilled beneath the mineralised interval of DDNRC002 during Phase 1 of the 2014 drilling campaign and encountered granite.

Importantly, nickel deposits have been found below such granite layers after drilling through the granite and re-emerging in ultramafic. The Nepean nickel deposit at Coolgardie is one of the best examples of this.

The proximity of the nickel sulphide interval of DDNRC002 to the granite provides a strong case for further investigation of this shallow granite occurrence.

Further soil geochemistry and field mapping is planned for Desert Dragon North to better define the granite structures in this area.

St George is also using three-dimensional (3-D) inversions of magnetic data to map the magnetic ultramafic units and the non-magnetic granites. This will allow a better appreciation of the complicated geological relationships within the Dome, provide a means for identifying ultramafic sequences masked by the granite and enhance future drill target selection in this area.

The eastern flank of the Desert Dragon North Dome was not investigated by the MLEM survey completed at Desert Dragon North earlier this year. This under-explored area is now scheduled for coverage in the ongoing MLEM survey.

FIELD WORK INITIATED AT CAMBRIDGE NORTH PROSPECT

Cambridge North is one of the Company's very important nickel sulphide prospects, covering 15 strike km of the fertile Stella Range ultramafic belt.

A MLEM survey is currently being conducted over this area by Newexco. Preliminary data indicates that several strong EM anomalies have been detected. The modelling of data is continuing.

The GSWA (Geological Survey of Western Australia) has also reported a stand-out co-incident Ni-Cu soil anomaly in the prospect area with values of 171 ppm Ni and 93 ppm Cu (GSWA anomaly # 193412).

St George will complete a follow-up soil survey over this area to test the extent of the GSWA anomaly.

Previous explorers in this area carried out exploration for nickel laterite rather than nickel sulphides.

A small nickel laterite resource (0.19 Mt @ 0.6 % Ni) was established in 2001 by shallow drilling (less than 50m)¹. Drilling identified thin surficial cover (less than 20m) and intersected bedrock MgO values of up to 41%.

The presence of high-MgO ultramafics and thin cover sequences at Cambridge North, coupled with its location on the fertile Stella Range belt and very limited exploration to date of the bedrock, make Cambridge North a compelling and high priority prospect for nickel sulphide exploration.

The Cambridge North prospect is expected to provide multiple high-value drill targets.

PRIORITISING THE EM CONDUCTORS

The ongoing regional MLEM survey at the East Laverton Property has identified EM anomalies on each of the three ultramafic belts across the project area. Only a small number of these EM anomalies on the Stella Range belt were tested in the Phase 1 drilling programme earlier this year.

The assessment and interpretation of the remainder of the EM conductors is continuing, using all available geological, geochemical and geophysical information as well as data from the recent drilling programme.

The MLEM survey has now been completed at the Bristol and Athena nickel sulphide prospects. It is currently at Cambridge North, which will be followed by Aphrodite and the eastern flank of the Desert Dragon North Dome.

We expect the review of EM anomalies to result in the generation of additional nickel sulphide drill targets which will be prioritised for drilling.

A further announcement by the Company regarding EM drill targets will be made soon.

¹ NiWest Ltd reported an inferred mineral resource of 192,640 tonnes grading 0.60% Ni and 0.03% Co at a 0.50% Ni cut-off. This resource estimate is not compliant with the 2012 JORC Code and St George Mining has not independently verified it. Further information on historical exploration is contained in the attached 2012 JORC Section.

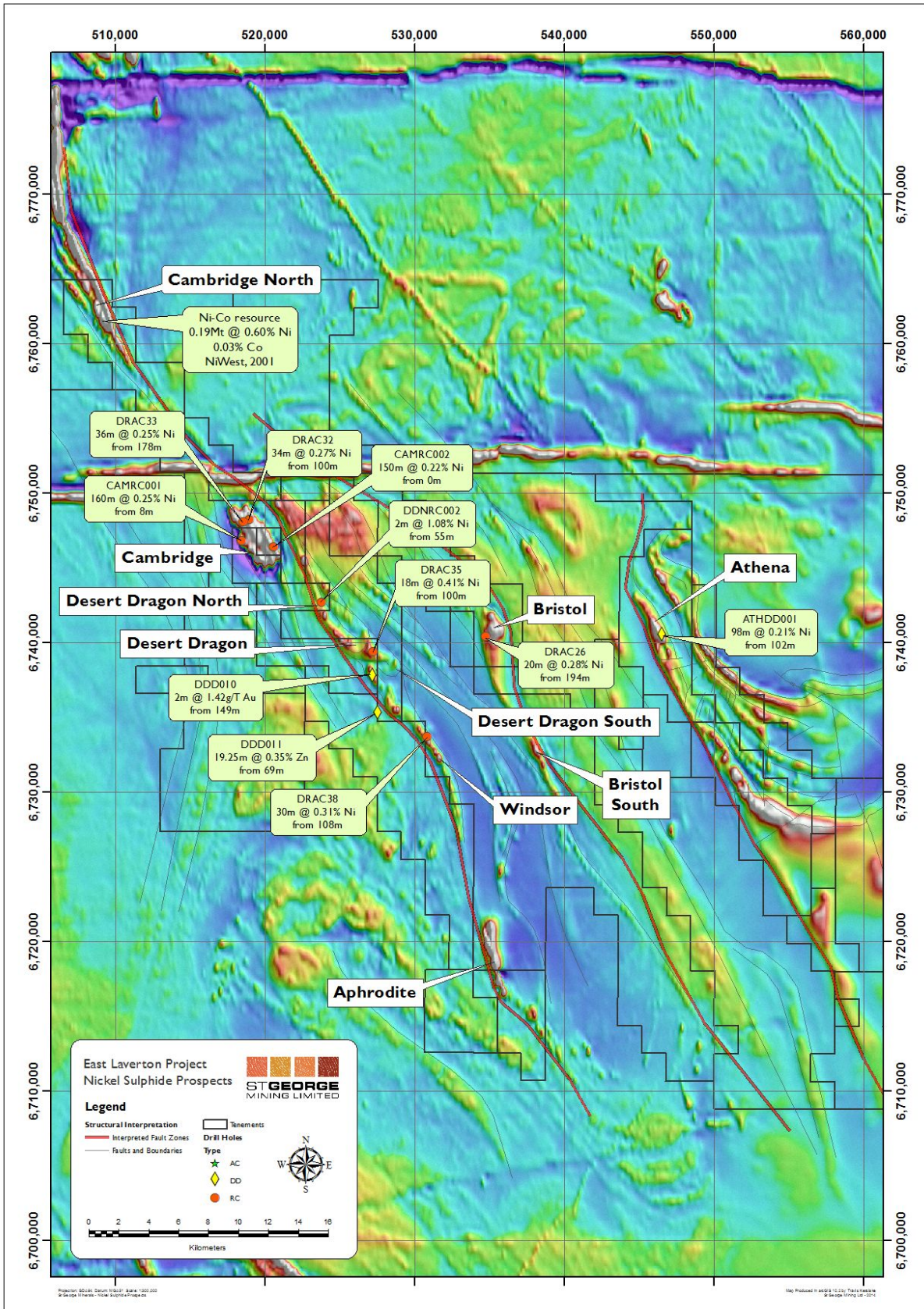


Figure 2 – the East Laverton Property with key nickel sulphide prospects and significant drill intersections across the project area.

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Competent Person Statement:

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

Mr Hronsky has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hronsky consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Exploration Results and Mineral Resources as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' is based on information compiled by Mr Hronsky. Mr Hronsky is a member of the Australasian Institute of Mining and Metallurgy has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking. This qualifies Mr Hronsky as a "Competent Person" as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hronsky consents to the inclusion of information in this announcement in the form and context in which it appears.

The following sections are provided for compliance with requirements for the reporting of exploration results under the JORC Code, 2012 Edition.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	<p>This ASX Release dated 9 September 2014 reports on the interim results of a moving loop electromagnetic (MLEM) survey being carried out at the Company's East Laverton Property in the NE Goldfields. The ASX Release does not report any new drilling, assay or other sampling exploration work.</p> <p>The MLEM survey is designed and managed by Newexco, with field work contracted to Bushgum Pty Ltd.</p> <p>Key specifications of the MLEM survey are:</p> <p>Stations Spacing: 100m</p> <p>Loop: 400m, 200m</p> <p>Line Spacing: 400m</p> <p>Components: x y z</p> <p>Orientation: X along line (local east - positive).</p> <p>Line direction: 58.35, 90 degrees</p> <p>Frequency: 0.5, 0.25 Hz</p> <p>Channels: SMARTem Standard.</p> <p>Receiver: Fluxgate</p> <p>Number turns: 1</p> <p>Current: Typically 50 A.</p> <p>Repeats: Minimum 3 consistent readings per station.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Field calibration of the survey instruments using standards is undertaken each day. A minimum of 3 consistent readings per station are taken to ensure accuracy of data collected.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	The ASX Release does not report any drilling or assay sampling exploration.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	The ASX Release does not report any drilling or assay sampling exploration.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>The total length and percentage of the relevant intersections logged.</i>	The ASX Release does not report any drilling or assay sampling exploration.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The ASX Release does not report any drilling or assay sampling exploration.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Specifications for the MLEM survey are noted above. Digital data was supplied by Bushgum. The recorded response (μV) was normalised by transmitter current (A) by the SMARTem. B-field data were converted from $\mu\text{V}/\text{A}$ into pT/A by a multiplication factor of 0.35.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	A minimum of 3 consistent readings per station are taken to ensure accuracy of data collected. Field data was inspected for repeatability and consistent decays. Where multiple recordings were made and differed significantly, the outlying record was deleted using Agent99 and other proprietary software.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	The ASX Release does not report any drilling or other sampling exploration work.
	<i>The use of twinned holes.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Discuss any adjustment to assay data.</i>	The ASX Release does not report any drilling or assay sampling exploration.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Specification of the grid system used.</i>	Each station for the MLEM survey was located using the GDA94, MGA Zone 51 coordinate system with a GPS programmed with this datum (+/- 5m). Stations were located with minimal flagging.
	<i>Quality and adequacy of topographic control.</i>	See above.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Data readings were taken at stations spaced 100m apart with 400m loops. Where required, infill readings were taken to enhance data collection.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The ASX Release does not report any drilling or assay sampling exploration.
	<i>Whether sample compositing has been applied.</i>	The ASX Release does not report any drilling or assay sampling exploration.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The ASX Release does not report any drilling or assay sampling exploration.

Criteria	JORC Code explanation	Commentary
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	The ASX Release does not report any drilling or assay sampling exploration.
Sample security	<i>The measures taken to ensure sample security.</i>	The ASX Release does not report any drilling or assay sampling exploration.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No detailed audits or reviews have been conducted at this stage.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral Tenement and Land Status	<p><i>Type, name/reference number, location and ownership including agreements or material issues with third parties including joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></p>	<p>The moving loop electromagnetic (MLEM) survey discussed in this ASX Release has covered areas that are within Exploration Licences E39/1461, E39/1066, E39/1667, E39/1467, E39/1520, E39/1229, E39/985, E39/981 and E39/1722 which are part of the Company's East Laverton Property in the NE Goldfields.</p> <p>Each tenement is 100% owned by Desert Fox Resources Pty Ltd, a wholly owned subsidiary of St George Mining. E39/985, E39/981, E39/1229 and E39/1467 are subject to a 2% Net Smelter Royalty in favour of a third party.</p> <p>None of the tenements are the subject of a native title claim. No environmentally sensitive sites have been identified at any of the tenements.</p> <p>The tenements are in good standing and no known impediments exist.</p>
Exploration Done by Other Parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>In 2012, BHP Billiton Nickel West Pty Ltd (Nickel West) completed a reconnaissance RC (reverse circulation) drilling programme at certain tenements at the East Laverton Property as part of the Project Dragon farm-in arrangement between Nickel West and the Company. That farm-in arrangement has been terminated.</p> <p>The results from the Nickel West drilling programme were reported by the Company in its ASX Release dated 25 October 2012 "Drill Results at Project Dragon". Drilling intersected primary nickel sulphide mineralisation and established the presence of fertile, high MgO ultramafic sequences at the East Laverton Property.</p> <p>Prior to the Project Dragon drilling programme, there was no systematic exploration for nickel sulphides at the East Laverton Property. Historical exploration in the region was dominated by shallow RAB and aircore drilling, much of which had been incompletely sampled, assayed, and logged. This early work was focused on gold rather than nickel sulphide exploration.</p> <p>The area comprised in E39/1722 was previously within tenement E39/851, held by Target Mineral Exploration Pty Ltd. NiWest Ltd managed exploration at this tenement for nickel laterites. In the 2001 Annual Report for the tenement (available on the WAMEX database of the Western Australian department of Mines and Petroleum), NiWest reported an inferred mineral resource of 192,640 tonnes grading 0.60% Ni and 0.03% Co at a 0.50% Ni cut-off. This resource estimate is not compliant with the 2012 JORC Code and St George has not independently verified it.</p>

Criteria	JORC Code explanation	Commentary
		Drilling completed by NiWest was mostly shallow RC drilling to approximately 50m. NiWest did not carry out any exploration of the bedrock for nickel sulphide mineralisation.
Geology	<i>Deposit type, geological setting and style of mineralisation</i>	<p>The East Laverton Property is located in the NE corner of the Eastern Goldfields Province of the Archean Yilgarn Craton of Western Australia.</p> <p>The project area is proximally located to the Burtville-Yarmana terrane boundary and the paleo-cratonic marginal setting is consistent with the extensive komatiites and carbonatite magmatism found on the property.</p> <p>The area is largely covered by Permian glaciogene sediments (Patterson Formation), which is subsequently overlain by a thinner veneer of more recent sediments and aeolian sands. As a result the geological knowledge of the belt has previously been largely inferred from gravity and magnetic data and locally verified by drill-hole information and multi-element soil geochemical surveys.</p> <p>The drilling at the East Laverton Property has confirmed extensive strike lengths of high-MgO olivine-rich rocks across three major ultramafic belts. Ultramafic rocks of this composition are known to host high grade nickel sulphides.</p>
Drill hole information	<p><i>A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> • <i>Easting and northing of the drill hole collar</i> • <i>Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar</i> • <i>Dip and azimuth of the hole</i> • <i>Down hole length and interception depth</i> • <i>Hole length</i> 	<p>This ASX Release relates to electromagnetic surveys currently underway at the East Laverton Property. There are no new drill holes to disclose.</p> <p>Information regarding exploration results from Project Dragon can be found in the Company's ASX Release dated 25 October 2012 "Drill Results at Project Dragon" which is available to view on www.stgm.com.au.</p> <p>Table 1 to this 2012 JORC Section contains drill hole information on DRAC35, DRAC38 and DDNRC002 which were the first drill holes at the East Laverton Property to identify nickel sulphides.</p> <p>Drill hole information on historical drill hole DDNRC002 is also found in the Company's ASX Release dated 11 April 2013 "St George Provides Exploration Update" and which is available to view on www.stgm.com.au.</p>
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p>	The ASX Release does not report any drilling or assay sampling exploration.
	<p><i>Where aggregated intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p>	The ASX Release does not report any drilling or assay sampling exploration.
	<p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	The ASX Release does not report any drilling or assay sampling exploration.
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of exploration results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect</i></p>	The ASX Release does not report any drilling or assay sampling exploration.

Criteria	JORC Code explanation	Commentary
	<i>(e.g. down hole length, true width not known).</i>	
Diagrams	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plane view of drill hole collar locations and appropriate sectional views.</i>	Relevant maps are included in the body of the ASX Release.
Balanced Reporting	<i>Where comprehensive reporting of all Exploration Results is not practical, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	The MLEM survey is ongoing and only interim results can be reported at this stage.
Other substantive exploration data	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observation; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	<p>In 2011, a regional, partial-leach, soil geochemical survey was completed on a staggered 500 m sample grid over a large part of the East Laverton Property. Samples were assayed at the SGS laboratory in Perth using a weak leach and XRF analysis. This identified elevated Ni-Cu soil values in a number of areas across the East Laverton Property.</p> <p>A regional geochemical survey conducted by the Geological Survey of Western Australia (GSWA) in the area also identified several highly anomalous and coincident Ni-Cu soil values as reported by the Company in its ASX Release dated 27 September 2012 “St George Accelerates Cambridge Nickel Prospect Exploration” and which is available to view on www.stgm.com.au.</p> <p>All other meaningful and material information has been included in the body of the ASX Release.</p>
Further Work	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large – scale step – out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	The MLEM survey is ongoing. Drill targets will be selected once the survey is completed and EM anomalies are modelled. Further discussion on future exploration is included in the body of the ASX Release.

HOLE ID	NORTHIN G (m)	EASTIN G (m)	DIP (deg)	AZM (deg)	DEPT H (m)	FROM (m)	TO (m)	WIDTH (m)	Ni (%)	Cu (ppm)	Pt+Pd (ppb)
DRAC35	6739401	527150	-60	250	244	100	118	18	0.40	342	197
						100	104	4	0.57	366	294
						112	114	2	0.51	584	281
DRAC38	6733696	530786	-60	250	298	108	138	30	0.31	10	31
						132	138	6	0.48	40	48
						132	134	2	0.62	92	53
DDNRC002	6742718	523717	-60	59	246	53	60	7	0.54		
						53	55	2	1.08		

Table 1 to 2012 JORC Section – Significant intersections in DRAC35, DRAC38 and DDNRC002

These historical holes are the first identification of nickel sulphides at the East Laverton Property. For further details on DRAC35 and DRAC38, see the ASX Release dated 25 October 2012 “Drill Results at Project Dragon”. For further details on DDNRC002, see the ASX Release dated 11 April 2013 “St George Provides Exploration Update”. These ASX Releases are available to view on the Company’s website at www.stgm.com.au