31 January 2019

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

MT ALEXANDER NICKEL SULPHIDE PROJECT:

- **Best ever intersections of high-grade nickel-copper sulphides at Investigators:**
  - **MAD126 which returned *7.86m @ 5.70%Ni, 2.11%Cu, 0.18%Co and 2.65g/t total PGEs from 184m***
  - **MAD127 which returned *8.49m @ 5.78%Ni, 2.64%Cu, 0.18%Co and 3.61g/t total PGEs from 183.9m***
- **Down-plunge of high-grade mineralisation at Investigators extended to 380m**
- **Strong conductors identified by downhole electromagnetic (DHEM) surveys for follow-up drilling**
- **Extensional drilling continues to scope out the scale of the discoveries with mineralisation at the Cathedrals Belt open in all directions**

EAST LAVERTON GOLD PROJECT:

- **More than 2,200m of drilling completed**
- **Multiple intersections of quartz dolerite with quartz / carbonate veining and disseminated pyrite – highly prospective for gold**
- **Assays return anomalous gold in multiple drill holes including very encouraging intersections: ATHD005 returned *2m @ 3.32g/t from 204m***
- **Results support the potential for a large gold bearing mineral system**
- **Follow-up drill programme being planned**

Figure 1 (above) - photo of drill core from MAD136 at Investigators which intersected over 20m of mineralised ultramafic; core shown is massive sulphides between 149.55m to 151.93m with average XRF readings of 8.1%Ni and 3.21%Cu (assays pending) – see ASX Release dated 30 November 2018 'Assays Confirm Best Ever Intercepts at Mt Alexander'

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 December 2018.

MT ALEXANDER PROJECT:

Cathedrals Belt:

Extensional and definition drilling continued at the Cathedrals Belt during the December 2018 quarter.

Drilling was focused at the Investigators Prospect where 25 drill holes were completed for 5,049 metres of drilling. Drill holes tested the east-west extension of mineralisation as well as the down-plunge of mineralisation to the north and north-northwest.

Numerous drill holes intersected thick high-grade nickel-copper sulphides. Laboratory assays have been received for some of these drill holes, and have confirmed MAD126 and MA127 as the best intersections at Investigators to date:

- **MAD126: 7.86m @ 5.70%Ni, 2.11%Cu, 0.18%Co and 2.65g/t total PGEs from 184m,** *including* **5.25m @ 6.95%Ni, 2.67%Cu, 0.23%Co and 3.10g/t total PGEs from 185m**

- **MAD127: 8.49m @ 5.78%Ni, 2.64%Cu, 0.18%Co and 3.61g/t total PGEs from 183.9m,** *including* **6.39m @ 6.48%Ni, 2.77%Cu, 0.21%Co and 3.68g/t total PGEs from 184.42m**

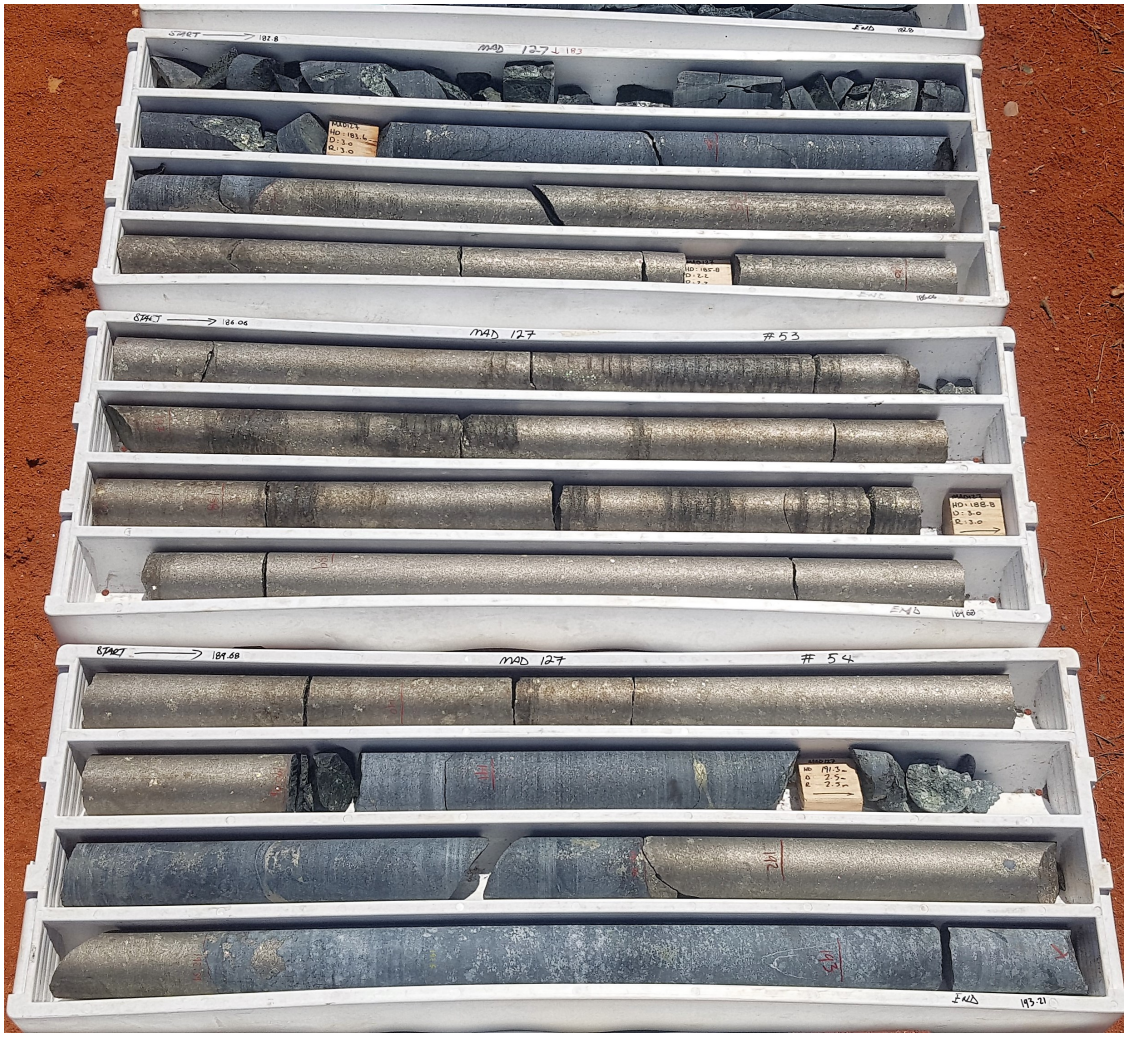

Figure 2 – photo of drill core tray for MAD127 showing the massive sulphide interval from 183.9m downhole

Figure 3 (below) is a plan view map of the Investigators Prospect. The blue drill hole labels are drill holes completed in 2018, and illustrate the numerous intersections of sulphide mineralisation made during the year. Infill drilling has increased the known continuity of mineralisation across the 1.5km east-west strike of the prospect area.

Drilling has also successfully tested the down-plunge extent of mineralisation, with significant extensions confirmed on each of the MAD60, MAD111 and MAD112 Lines. These are marked on Figure 1 as north-south trending lines.

On the MAD60 Line, the down-plunge extent has been increased to 380m and remains open in the down-dip direction (north-northwest) of the ultramafic unit.

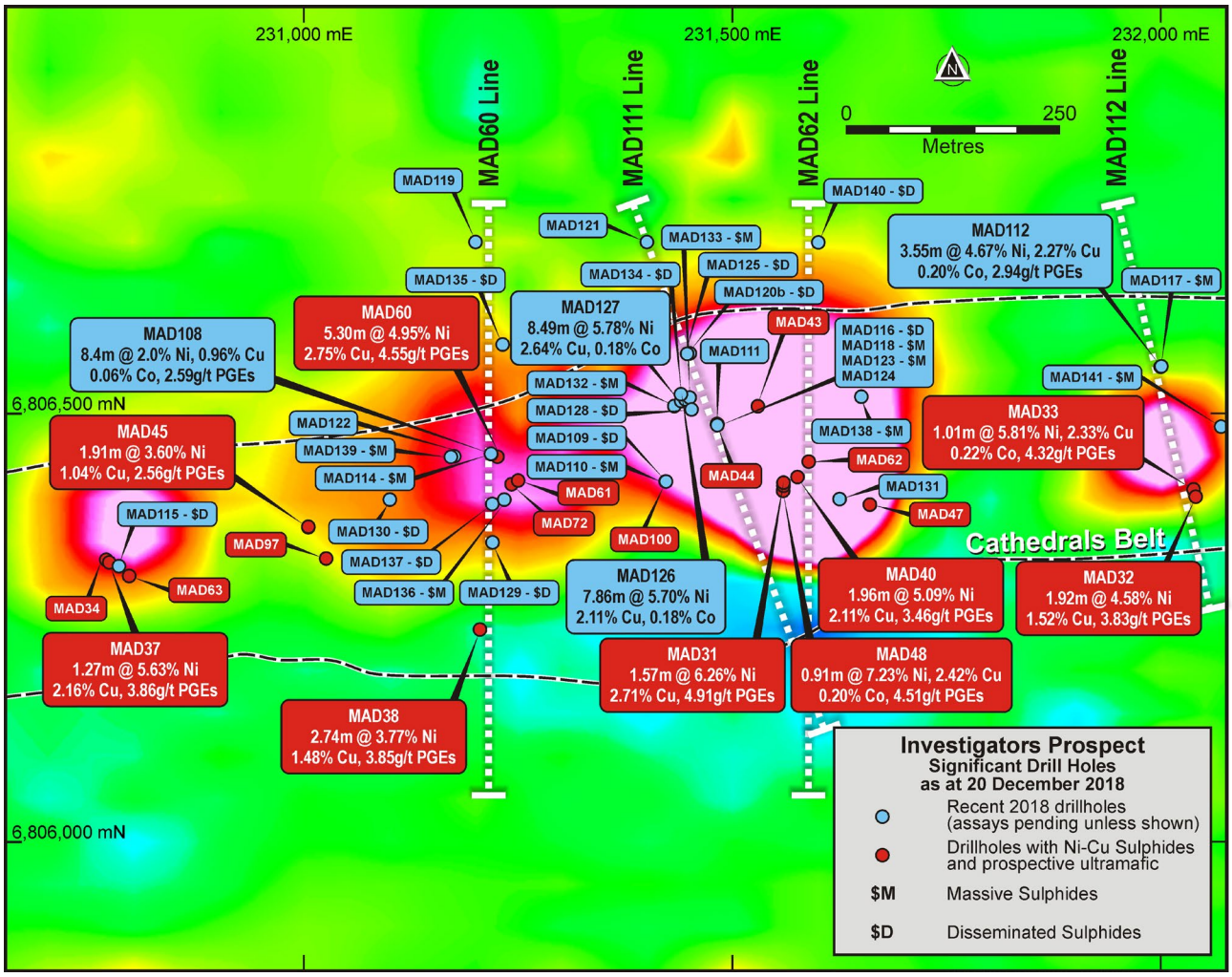

Figure 3 - plan view of Investigators Prospect with drill hole collar locations over the large SAMSON total field EM anomalies (red/pink colours). SAMSON EM image is shown in Channel 18 (44ms).

DHEM surveys were used concurrently with drilling to successfully identify conductive material at depth. Several DHEM conductors were drilled and confirmed as high-grade nickel-copper sulphide mineralisation.

A number of DHEM conductors have yet to be drilled, and they will be prioritised for testing when diamond drilling resumes at Mt Alexander in Q1 2019. For further details of DHEM conductors, see our ASX Release dated 31 January 2019 *'More Outstanding Nickel-Copper Sulphide Targets*'.

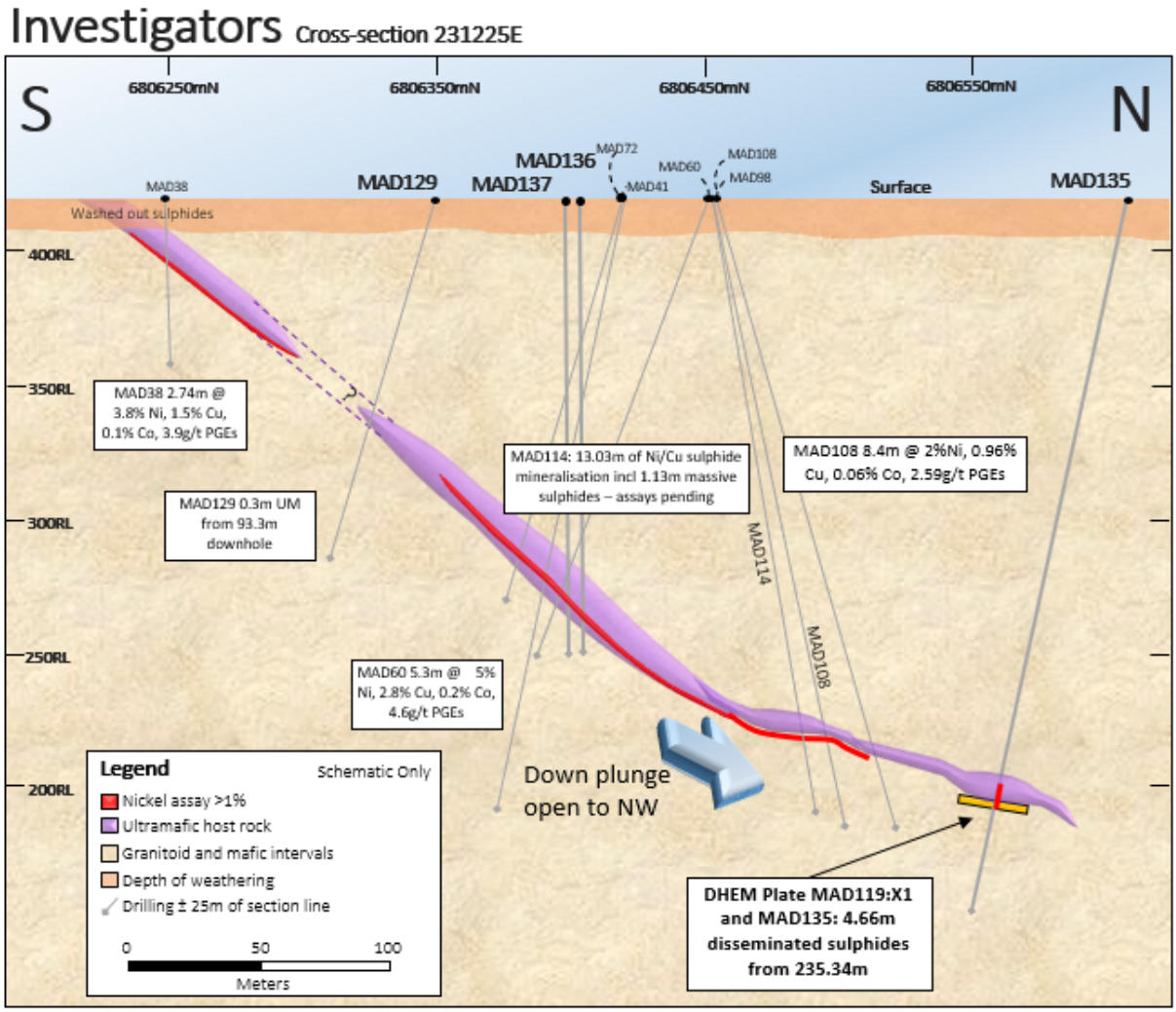

Figure 4 – schematic cross section of the MAD60 Line (facing west) at Investigators based on interpretation of drill hole data. The mineralised ultramafic dips to the north-west, with mineralisation in the south intersected at 30m below surface and mineralisation continuing down-dip. Drilling has confirmed the down-plunge of mineralisation to 380m.

Regional Exploration at Mt Alexander:

Existing exploration has been focused on a 4.5km strike of the Cathedrals Belt, where high-grade discoveries have been made at the Investigators, Stricklands and Cathedrals Prospects.

A number of other areas at the Mt Alexander tenement package are also prospective for nickel-copper sulphides. The following areas, in particular, have been prioritised for exploration in 2019 (see Figure 5):

1. The western extension of the Cathedrals Belt, named the West End Target. This area has a 2.5km east-west strike from the Investigators Prospect to the Ida Fault, and is undrilled.
2. The eastern extension of the Cathedrals Belt, named the Fish Hook Target, with a potential 8km east-west strike.
3. The area to the north of the Cathedrals Belt where east-northeast trending structures similar to the Cathedrals Belt have been observed in magnetic data.
4. A 1,000m undrilled section of the Cathedrals Belt between the high-grade discoveries at the Stricklands and Cathedrals Prospects, named the Fairbridge Target.
5. The Mt Alexander Belt where historical wide-spaced drilling has intersected massive nickel-copper sulphides with very little follow-up exploration, including at the priority Sultans Prospect.

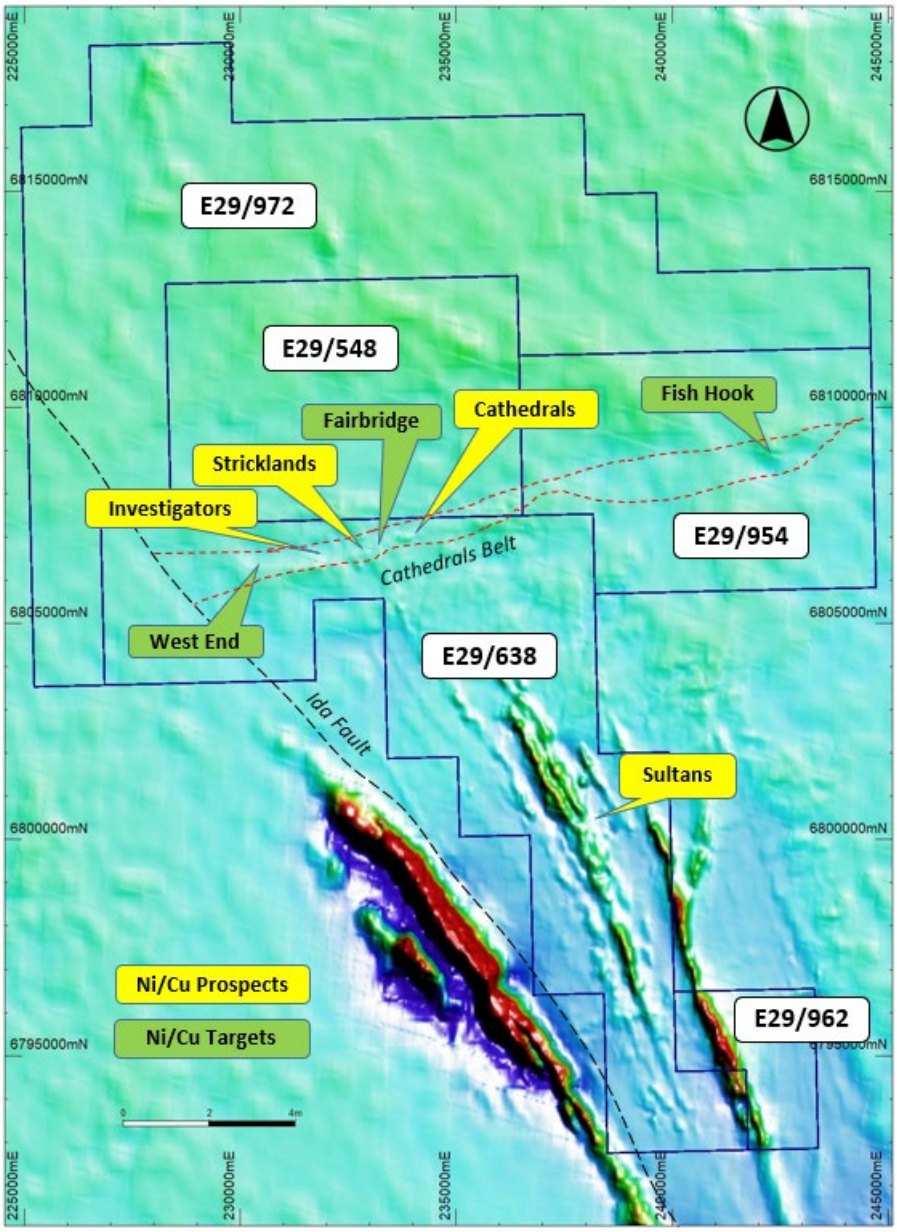

Figure 5 - map of the tenement package at Mt Alexander set against RTP magnetic data, showing the key prospects and targets under exploration.

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:

Large Gold Bearing Mineral System:

A major diamond drilling programme was completed in Q3 2018 to test a number of new gold targets at the East Laverton Project. The drilling targeted structural breaks within the prospective lithologies (strongly magnetic dolerite units), as indicated by low magnetic responses.

Laboratory assays have now been received and confirm the presence of anomalous gold values in multiple drill holes. Table 1 lists the 14 drill holes completed in the programme together with details of anomalous gold intersections.

Anomalous results include:

- 2m @ 3.32g/t Au from 204m in ATHD005,
- 0.035m @ 0.23g/t Au from 42.2m in ASCD005, and
- 14m @ 0.12g/t Au from 116m in ASCD003.

Gold mineralisation appears to be associated with occurrence of sulphides, with a review ongoing to determine the extent of this connection.

The widely spaced drill programme intersected favourable host rocks - dolerite with quartz veining and sulphide occurrences – over a broad area. Confirmation by assays of anomalous gold value in multiple drill holes is a positive indicator of a large mineral system that is prospective for gold mineralisation.

Further work is planned to follow up the anomalous responses returned from the drilling, particularly at Ascalon.

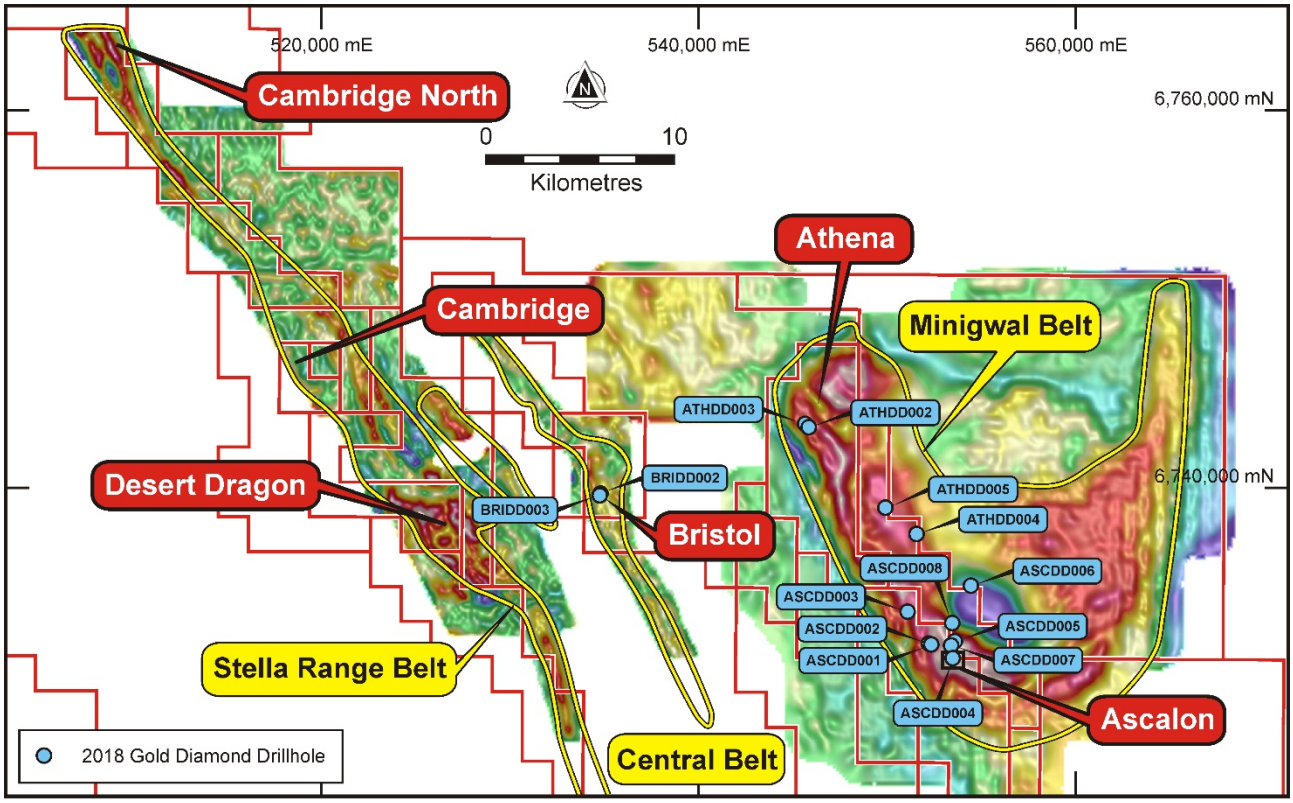

Figure 6 – gold targets at the East Laverton Project set against gravity data, showing the recent drill holes completed

Hole_ID	Easting	Northing	Dip	Azimuth	Depth	From	To	Width	Au ppm
ASCDD008	553440	6732840	-60	125	151.1	NSI			
ATHDD005	549900	6738950	-60	145	213.9	204	206	2	3.79
ATHDD004	551555	6737555	-60	270	139.1	NSI			
ASCDD007	553380	6731660	-60	45	121.1	NSI			
ASCDD006	554430	6734820	-70	245	199.1	NSI			
ASCDD005	553580	6731880	-60	155	106.1	Pending			
ASCDD004	553460	6730980	-60	155	175.1	NSI			
ASCDD003	551074	6733443	-60	270	199.1	138	139	1	0.41
BRIDD003	534765	6739610	-60	205	150.1	NSI			
BRIDD002	534810	6739700	-60	205	179.8	16	29	13	10g/tAg*
ATHDD003	545640	6743390	-60	40	120	62	63	1	0.28
ATHDD002	545840	6743210	-60	310	120	NSI			
ASCDD002	552200	6731759	-60	150	202.1	NSI			
ASCDD001	552330	6731710	-60	200	202.1	NSI			

*Table 1 – anomalous gold values for the 2018 gold diamond drill programme at East Laverton. (*BRIDD002 had poor core recovery of 30-50% due to paleochannel material, and the assay is not reliable; it is used as a guide only as to anomalism).*

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

Hawaii Project

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

TECHNICAL TEAM IS BOOSTED

Dave O'Neill joined the Company's technical team in November 2018 as Exploration Manager. Mr O'Neill has more than 20 years' experience as a geologist in the mining industry with particular expertise in nickel sulphide exploration gained in senior roles with WMC Resources, BHP and Western Areas.

At Western Areas, Mr O'Neill worked with Charles Wilkinson, currently Technical Consultant to St George and previously the General Manager Exploration for Western Areas.

During his term at BHP and Western Areas respectively, Mr O'Neill managed and supervised exploration programmes at the Mt Alexander Project for each of those companies.

In December 2018, Dave Mahon also joined the Company's technical team. Mr Mahon is a geologist with over 7 years' experience in the mining industry. He has specialist expertise in nickel sulphides gained from 6 years employment at Western Areas where his roles included exploration geologist and mine geologist at Forrestania.

BOARD CHANGES

On 2 January 2018, Tim Hronsky retired as a director of the Company and John Dawson was appointed a non-executive director of St George Mining.

Mr Dawson has over 30 years' experience in the finance and mining sectors where he occupied very senior roles with global investment banks including Goldman Sachs and Dresdner Kleinwort Wasserstein.

At Goldman Sachs, Mr Dawson was a Managing Director of FICC (Fixed Income, Currency and Commodities) for Australia. At Dresdner Kleinwort Wasserstein, Mr Dawson was Global Head of Commodities as well as the Country Head for Australia.

COMPETENT PERSON STATEMENT:

Mt Alexander Project:

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves for the Mt Alexander Project is based on information compiled by Mr Dave O'Neill, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr O'Neill is employed by St George Mining Limited to provide technical advice on mineral projects, and he holds performance rights issued by the Company.

Mr O'Neill 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 O'Neill consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

East Laverton Project:

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

Mr Pollard 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 Pollard consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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*
- 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*
- 11 April 2018 *Further Nickel-Copper Sulphides intersected at Mt Alexander*
- 19 April 2018 *Nickel-Copper Sulphide Drilling at Mt Alexander – Update*
- 21 May 2018 *Nickel-Copper Sulphide Mineralisation Continues to Grow*
- 4 June 2018 *Assays Confirm High Grades at Mt Alexander*
- 19 June 2018 *New EM Conductors Ready for Drilling at Mt Alexander*
- 21 June 2018 *Assays Confirm Further High Grades at Mt Alexander*
- 25 June 2018 *Drill Programme Expanded at Mt Alexander*
- 23 July 2018 *High-Grade Nickel-Copper Sulphides in First Drill Hole*
- 15 August 2018 *Further High-Grade Nickel-Copper Sulphides*
- 24 August 2018 *Mt Alexander Continues to Deliver Outstanding Results*
- 5 September 2018 *Mt Alexander – Drilling Update*
- 18 September 2018 *More Strong Results at Mt Alexander*
- 3 October 2018 *Downhole EM Surveys Light Up Strong Conductors*
- 19 October 2018 *Extension to High-Grade Mineralisation at Mt Alexander*
- 25 October 2018 *Best Ever Intercept at Investigators*
- 1 November 2018 *More Massive Nickel-Copper Sulphides at Investigators*
- 20 November 2018 *Further Extensions to Nickel-Copper Sulphides At Mt Alexander*
- 30 November 2018 *Assays Confirm Best Ever Intercepts*
- 20 December 2018 *Strong Results Continue at Mt Alexander*
- 31 January 2019 *More Outstanding Nickel-Copper Sulphide Targets*

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.

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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 December 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	N/A
E36/741	Blue Thunder Resources Pty Ltd	Hawaii	100	N/A

The following section is 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	*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.*	This section relates to exploration results for the East Laverton Project reported in the Activities Report for the quarter ended 31 December 2018. The airborne magnetic survey was conducted by MAGSPEC Airborne Surveys using a Cessna 210 and the following flight specifications: • Sensor height – 30m • Traverse line spacing – 40m • Tie line spacing – 400m Drilling programmes are completed by reverse circulation (RC) drilling and diamond core drilling. The drill programme planned for November 2017 will be a diamond drill programme. *Diamond Core Sampling:* The core is removed from the drill rig and laid out for initial analysis in the field. The core is measured and marked up at 1m intervals against the drillers blocks, which are themselves checked against the drillers log books where required.. *RC Sampling:* All samples from the RC drilling are taken as 1m samples. Samples are sent to Intertek Laboratories for assaying. Appropriate QAQC samples (standards, blanks and duplicates) are inserted into the sequences as per industry best practice. Samples are collected using cone or riffle splitter. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays. Onsite XRF analysis is conducted on the fines from RC chips using a hand-held Olympus Innov-X Spectrum Analyser. These results are only used for onsite interpretation and preliminary assessment subject to final geochemical analysis by laboratory assays.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	*RC Sampling:* The RC drilling rig has a cone splitter built into the cyclone on the rig. Samples are taken on a one meter basis and collected directly from the splitter into uniquely numbered calico bags. The calico bag contains a representative sample from the drill return for that metre. This results in a representative sample being taken from drill return, for that metre of drilling. The remaining majority of the sample return for that metre is collected and stored in a green plastic bag marked with that specific metre interval. The cyclone is blown through with compressed air after each plastic and calico sample bag is removed. If wet sample or clays are encountered then the cyclone is opened and cleaned manually and with the aid of a compressed air gun. A large auxiliary compressor ("air-pack") is mounted on a separate truck and the airstream is connected to the rig. This provides an addition to the compressed air supplied by the in-built compressors mounted on the drill rig itself. This auxiliary compressor maximises the sample return through restricting air pressure loss, especially in deeper holes. In addition, the high and consistent levels of air pressure minimise the number of drill samples. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays. Downhole surveys of dip and azimuth are conducted using a single shot camera every 30m to detect deviations of the hole from the planned dip and azimuth. The drill-hole collar locations were recorded using a hand held GPS, which

Criteria	JORC Code explanation	Commentary
		has an accuracy of +/- 5m. At a later date the drill-hole collar will be surveyed to a greater degree of accuracy. *Diamond Core Sampling:* For diamond core samples, certified sample standards were added as every 25th sample. Core recovery calculations are made through a reconciliation of the actual core and the driller's records. Downhole surveys of dip and azimuth were conducted using a single shot camera every 30m to detect deviations of the hole from the planned dip and azimuth. The drill-hole collar locations were recorded using a hand held GPS, which has an accuracy of +/- 5m. At a later date the drill-hole collar will be surveyed to a greater degree of accuracy.
	Aspects of the determination of mineralisation that are Material to the Public Report. *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.*	*RC Sampling:* A 1m composite sample is taken from the bulk sample of RC chips that may weigh in excess of 40 kg. Assay preparation is for the current drilling program will be completed by Intertek. *Diamond Core Sampling: C*ore is drilled with HQ and NQ2 size and sampled as half core to produce a bulk sample for analysis. Intervals vary from 0.3 – 1m maximum and are selected with an emphasis on geological control. Assays are undertaken at Intertek in Kalgoorlie and Perth. Samples are sent to Intertek where they are crushed to 6 mm and then pulverised to 75 microns. A 30 g charge of the sample is fire assayed for gold, platinum and palladium. The detection range for gold is 1 – 2000 ppbAu, and 0.5 – 2000 ppb for platinum and palladium. This is believed to be an appropriate detection level for these elements within this specific mineral environment. However, should Au, Pt or Pd levels reported exceed these levels an additional assay method will be used to re-test samples. All other metals will be analysed using an acid digest and an ICP finish. The sample is digested with nitric, hydrochloric, hydrofluoric and perchloric acids to effect as near to total solubility of the sample as possible. The solution containing samples of interest, including those that need further review, will then be presented to an ICP-OES for the further quantification of the selected elements.
Drilling techniques	*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).*	*Diamond Core Sampling:* The collars of the diamond holes were drilled using RC drilling down through the regolith to the point of refusal or to a level considered geologically significant to change to core. The hole was then continued using HQ diamond core until the drillers determined that a change to NQ2 coring was required. The core is oriented and marked by the drillers. The core is oriented using ACT Mk II electric core orientation. *RC Sampling:* The RC drilling uses a 140 mm diameter face hammer tool. High capacity air compressors on the drill rig are used to ensure a continuously sealed and high pressure system during drilling to maximise the recovery of the drill cuttings, and to ensure chips remain dry to the maximum extent possible.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	*Diamond Core Sampling: Diamond core recoveries/core loss are recorded during drilling and reconciled during the core processing and geological logging. No significant sample recovery problems are thought to have occurred in any holes drilled to date. There has been a notable and consistent competency encountered in the rocks during drilling.*

Criteria	JORC Code explanation	Commentary
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	*RC Sampling:* RC samples are visually checked for recovery, moisture and contamination. Geological logging is completed at site with representative RC chips stored in chip trays. *RC Sampling:* Samples are collected using cone or riffle splitter. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays. *Diamond Core Sampling: Depths are checked against the depth on the core blocks and rod counts are routinely carried out by the drillers. Core loss was recorded by St George geologists and sampling intervals were not carried through core loss.*
	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.	To date, no detailed analysis to determine the relationship between sample recovery and grade has been undertaken for any drill program. This analysis will be conducted following any economic discovery. The nature of magmatic sulphide distribution hosted by the competent and consistent rocks hosting any mineralised intervals are considered to significantly reduce any possible issue of sample bias due to material loss or gain.
Logging	*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.*	Geological logging is carried out on all drill holes with lithology, alteration, mineralisation, structure and veining recorded.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of diamond core and RC samples records lithology, mineralogy, mineralisation, structures (core only), weathering, colour and other noticeable features. Core was photographed in both dry and wet form.
	The total length and percentage of the relevant intersections logged.	All drill holes are geologically logged in full and detailed litho-geochemical information is collected by the field XRF unit. The data relating to the elements analysed is used to determine further information regarding the detailed rock composition.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	*Diamond Core Sampling:* Diamond core was drilled with HQ and NQ2 size and sampled as complete half core to produce a bulk sample for analysis. Intervals selected varied from 0.3 – 1m (maximum) with a strong geological control (as is possible in diamond core) to ensure grades are representative, i.e. remove any bias through projecting assay grades beyond appropriate geological boundaries. Assay preparation procedures ensure the entire sample is pulverised to 75 microns before the sub-sample is taken. This removes the potential for the significant sub-sampling bias that can be introduced at this stage.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC samples are collected in dry form. Samples are collected using cone or riffle splitter when available. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	*RC Sampling*: Sample preparation for RC chips follows a standard protocol. Assay preparation procedures ensure the entire sample is pulverised to 75 microns before the sub-sample is taken. This removes the potential for the significant sub-sampling bias that can be introduced at this stage.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</td><td>RC Sampling: Field QC procedures maximise representivity of RC samples and involve the use of certified reference material as assay standards, along with blanks, duplicates and barren washes.

Diamond Core Sampling: Drill core is cut in half lengthways and the total half-core submitted as the sample. This meets industry standards where 50% of the total sample taken from the diamond core is submitted.</td></tr>
<tr><td></td><td>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.</td><td>RC Sampling: Field duplicates were taken on 1m composites for RC samples.</td></tr>
<tr><td></td><td>Whether sample sizes are appropriate to the grain size of the material being sampled.</td><td>The sample sizes are considered to be appropriate to correctly represent the sulphide mineralisation at the East Laverton Property based on: the style of mineralisation (massive and disseminated sulphides), the thickness and consistency of the intersections and the sampling methodology.</td></tr>
<tr><td>Quality of assay data and laboratory tests</td><td>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</td><td>For RC sampling, a 30 gram sample will be fire assayed for gold, platinum and palladium. The detection range for gold is 1 – 2000 ppbAu, and 0.5 – 2000 ppb for platinum and palladium. This is believed to be an appropriate detection level for the levels of these elements within this specific mineral environment. However, should Au, Pt or Pd levels reported exceed these levels; an alternative assay method will be selected.

All other metals will be analysed using an acid digest and an ICP finish. The sample is digested with nitric, hydrochloric, hydrofluoric and perchloric acids to effect as near to total solubility of the sample as possible. The solution containing samples of interest, including those that need further review, will then be presented to an ICP-OES for the further quantification of the selected elements.</td></tr>
<tr><td></td><td>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.</td><td>A handheld XRF instrument (Olympus Innov-X Spectrum Analyser) is used to systematically analyse the drill core and RC chips onsite. Reading time was 60 seconds. The instruments are serviced and calibrated at least once a year. Field calibration of the XRF instrument using standards is undertaken each day.

The airborne magnetic survey used the following primary equipment configuration:

<table><tr><td>Channel</td><td>Frequency</td><td>Distance</td></tr><tr><td>Magnetics</td><td>20Hz</td><td>~3.5 metres</td></tr><tr><td>Spectrometer</td><td>2Hz</td><td>~35 metres</td></tr></table></td></tr>
<tr><td></td><td>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.</td><td>Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of in house procedures. The Company will also submit an independent suite of CRMs, blanks and field duplicates (see above).</td></tr>
<tr><td>Verification of sampling and assaying</td><td>The verification of significant intersections by either independent or alternative company personnel.</td><td>Significant intersections are verified by the Company’s Technical Director and Consulting Field Geologist.</td></tr>
<tr><td></td><td>The use of twinned holes.</td><td>No twinned holes have been completed.</td></tr>
<tr><td></td><td>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</td><td>Geological data was collected using handwritten log sheets and imported in the field onto a laptop detailing geology (weathering, structure, alteration, mineralisation), sampling quality and intervals, sample numbers, QA/QC and survey data. This data, together with the assay data received from the laboratory and subsequent survey data was entered into the Company’s database.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	Discuss any adjustment to assay data.	No adjustments or calibrations will be made to any primary assay data collected for the purpose of reporting assay grades and mineralised intervals. For the geological analysis, standards and recognised factors may be used to calculate the oxide form assayed elements, or to calculate volatile free mineral levels in rocks.
Location of data points	*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.*	Drill hole collar locations are determined using a handheld GPS with an accuracy of +/- 5m. Down hole surveys of dip and azimuth were conducted using a single shot camera every 30m to detect deviations of the hole from the planned dip and azimuths.
	Specification of the grid system used.	The grid system used is GDA94, MGA Zone 51.
	Quality and adequacy of topographic control.	Best estimated RLs were assigned during drilling and are to be corrected at a later stage.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The spacing and distribution of holes is not relevant to the drilling programs which are at the exploration stage. The spacing for the airborne magnetic survey is discussed in the Activities Report and above.
	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.	Drilling at the East Laverton Project is at the exploration stage and mineralisation has not yet demonstrated to be sufficient in both geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications to be applied.
	Whether sample compositing has been applied.	Samples are taken at one metre lengths and adjusted where necessary to reflect local variations in geology or where visible mineralised zones are encountered, in order to preserve the samples as representative.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The drill holes are drilled towards 060 at an angle of -60 degrees (unless otherwise stated) to intersect the modelled mineralised zones at a near perpendicular orientation. However, the orientation of key structures may be locally variable and any relationship to mineralisation has yet to be identified.
	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.	No orientation based sampling bias has been identified in the data to date.
Sample security	*The measures taken to ensure sample security.*	Chain of Custody is managed by the Company until samples pass to a duly certified assay laboratory for subsampling and assaying. The RC sample bags are stored on secure sites and delivered to the assay laboratory by the Company or a competent agent. When in transit, they are kept in locked premises. Transport logs have been set up to track the progress of samples. The chain of custody passes upon delivery of the samples to the assay laboratory.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Sampling techniques and procedures are regularly reviewed internally, as is data. To date, no external audits have been completed on the drilling programme.

Section 2 Reporting of Exploration Results (Criteria listed in section 1 will also apply to this section where relevant)

Criteria	JORC Code explanation	Commentary
Mineral Tenement and Land Status	*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.* *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.*	The East Laverton Project comprises 31 exploration licences, and details are available in the Company's Quarterly Activities Report which can be found on our website at www.stgm.com.au. Each tenement is 100% owned by Desert Fox Resources Pty Ltd, a wholly owned subsidiary of St George Mining. Certain tenements are subject to a 2% Net Smelter Royalty in favour of a third party. None of the tenements are the subject of a native title claim. No environmentally sensitive sites have been identified at any of the tenements. The tenements are in good standing; no known impediments exist.
Exploration Done by Other Parties	*Acknowledgment and appraisal of exploration by other parties.*	*Gold Exploration:* Historical exploration drilling targeting gold was completed mainly by WMC Resources in the early 1990s. This drilling was relatively shallow, mostly less than 100m. The historical drilling along the Minigwal belt defined linear zones of anomalous gold and copper in the regolith that extend over 1,300m and are open to the south towards the Ascalon target. The Bristol gold target is situated along the Central Belt within the East Laverton Project. Widespread anomalous gold (>0.5g/t Au) was encountered over a 1km strike length from shallow drilling in this area completed in the 1990s by previous exploration. The average hole-depth for the past drilling at Bristol was approximately 40m and identified anomalous gold in the lower regolith. Significantly, gold anomalism in seven of the eight drill holes occurs at the end of hole. The continuation of this gold mineralisation, or the presence of bedrock gold mineralisation, has never been tested. The gold anomalism is situated on the contact of the Bristol ultramafics/mafics with granites, as defined by a distinct magnetic and gravity gradient. This is a favourable setting for gold mineralisation. Savanna Mineral Resources Pty Ltd completed a number of shallow drill programmes across the Stella Range Belt during the 1990's including the series of drill holes designated SRAB001 to 176. Anomalous gold was identified in numerous drill holes, interpreted to be supergene gold. The presence of bedrock gold mineralisation at St George's gold targets has never been tested. *Nickel Exploration:* In 2012, BHP Billiton Nickel West Pty Ltd (Nickel West) completed a reconnaissance RC (reverse circulation) drilling programme 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. The drilling programme comprised 35 RC holes for 8,560m drilled. 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.

Criteria	JORC Code explanation	Commentary
		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.
Geology	*Deposit type, geological setting and style of mineralisation*	The Company's East Laverton Property located in the NE corner of the Eastern Goldfields Province of the Archean Yilgarn Craton. Reconnaissance drilling has identified extensive greenstones at the Property, which is interpreted to be prospective for Orogenic gold mineralisation.
Drill hole information	*A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:* *• Easting and northing of the drill hole collar* *•Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar* *• Dip and azimuth of the hole* *• Down hole length and interception depth* *• Hole length*	Refer to information in the body of this announcement.
Data aggregation methods	*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.*	No top-cuts have been applied unless otherwise indicated.
	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.	High grade intervals internal to broader zones of mineralisation are reported as included intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of exploration results. 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.*	The geometry of the mineralisation is not yet known due to insufficient deep drilling in the targeted area.
Diagrams	*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.*	Maps are included in the body of the ASX Release.
Balanced Reporting	*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.*	Reports on recent exploration can be found in ASX Releases that are available on our website at www.stgm.com.au: The exploration results reported are representative of the mineralisation style with grades and/or widths reported in a consistent manner.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	*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.*	All meaningful and material information has been included in the body of the text. No metallurgical or mineralogical assessments have been completed.
Further Work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large – scale step – out drilling).Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	A discussion of further exploration work is contained in the Quarterly Report and associated ASX Releases.

+Rule 5.5

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	**Quarter ended ("current quarter")**
21 139 308 973	31 December 2018

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(1,687)	(3,213)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(208)	(412)
	(e) administration and corporate costs	(189)	(573)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	14	35
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	524	524
1.8	Other (provide details if material)	6	(7)
1.9	**Net cash from / (used in) operating activities**	**(1,540)**	**(3,646)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) plant and equipment	(32)	(32)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 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**	**(32)**	**(32)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares net of costs	-	(95)
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
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**	**-**	**(95)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,748	5,949
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,540)	(3,646)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(32)	(32)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(95)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,176**	**2,176**

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	668	24
5.2	Call deposits	1,508	3,724
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)**	**2,176**	**3,748**

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	314
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** *Add notes as necessary for an understanding of the position*	**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

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	800
9.2	Development	-
9.3	Production	-
9.4	Staff costs	202
9.5	Administration and corporate costs	200
9.6	Other (provide details if material)	-
9.7	**Total estimated cash outflows**	**1,202**

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	-	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

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 Date: 31 January 2019
Non-Executive Director/Company Secretary

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.