

20 April 2021

Reference: 33494

ASX Limited
Level 40 Central Park
152-158 St Georges Terrace
PERTH WA 6000

Attention: Dale Allen

St George Mining Limited (“Company” or (“SGQ”)

The Company refers to your aware letter dated 16 April 2021 and provides the following responses.

1. Does SGQ consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Yes. SGQ made the Trading Halt Request on 13 April 2021 because information regarding the high-grade nickel-copper sulphide intercept in drill hole MAD199 is considered important to the prospectivity of the Mt Alexander Project to host significant nickel-copper sulphide mineralisation.

2. If the answer to question 1 is “no”, please advise the basis for that view.

Not applicable.

3. When did SGQ first become aware of the Information?

SGQ first became aware of the information on 13 April 2021.

4. If the answer to question 1 is “yes” and SGQ first become aware of the Information before the relevant date, did SGQ make any announcements prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe SGQ was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps SGQ took to ensure that the information was released promptly and without delay.

The information regarding the results of drill hole MAD199 could not be released to the market immediately as further analysis of the results was required prior to preparing an announcement to the market. Accordingly, SGQ immediately made the Trading Halt Request once it became aware of the information.

Portable XRF analysis of drill core is carried out at site to estimate metal values. Raw data regarding the XRF analysis for the sulphide intercept of MAD199 was sent by email from site to Dave Mahon (Senior Exploration Manager of SGQ) at 9.47am AEST on 13 April 2021. The raw data shows XRF readings taken at intervals of 10cm along the drill core. Further analysis of the raw data was completed by our technical team during the course of the morning of 13 April 2021 including the compilation of average XRF readings to determine if the sulphide intercept was a significant intersection of high-grade mineralisation.

As the analysis of the XRF data was continuing in the morning of 13 April 2021, Dave O’Neill (Exploration Manager at SGQ) contacted John Prineas (Executive Chairman of SGQ) by telephone to communicate that MAD199 had intersected sulphide mineralisation that was likely to be confirmed by XRF analysis as high-grade nickel-copper sulphides.

John Prineas then promptly contacted the remainder of the Board of SGQ to inform them of the drill results and to recommend that SGQ enter a Trading Halt.

At 1:46pm AEST on 13 April 2021, SGQ sent to ASX a Trading Halt Request. The Trading Halt was imposed at 2.04pm AEST.

The team at SGQ then worked on preparing an announcement to the market prior to expiry of the Trading Halt on 15 April 2021. An announcement regarding the drill hole information in MAD199 requires preparation of geological logging, compilation of average XRF readings, preparation of relevant graphics and maps to provide context to the drill results and other information that must be prepared through consultation between the SGQ management team and technical team.

A compilation of average XRF readings, which is considered a reliable estimate of metal values that will be conclusively determined by laboratory assays, was sent by email at 2.02pm AEST by Dave Mahon to Dave O'Neill. A first draft of the Announcement was circulated to the Board at 5.38pm AEST on 13 April 2021.

The Announcement with the results from MAD199 was released to the market at 9.43am AEST on 14 April 2021.

Until release of the Announcement, no third party was privy to the information.

- 5. At the time of the HotCopper Post, was SGQ aware of any information concerning it that had not been announced to the market but was required to be announced pursuant to its continuous disclosure obligations under Listing Rule 3.1?**

Yes. SGQ was in Trading Halt at the time of the HotCopper Post.

- 6. If the answer to question 5 is “yes”, please:**

6.1. detail that information

Information that MAD199 had intersected a thick interval of high-grade nickel-copper sulphides. This has important implications for ongoing exploration as it is the deepest intersection of massive sulphide mineralisation in the Cathedral Belt and supports the presence of further significant mineralisation at depth, beyond the penetration reach of surface electromagnetic surveys.

6.2 explain the basis by which SGQ is entitled to reply on Listing Rule 3.1A not to announce that information.

The Company was in a Trading Halt.

- 7. Please explain the basis for the email purportedly sent by John Prineas regarding the drill results which was posted to HotCopper.**

John Prineas received an email from a longstanding shareholder at 5.36pm AEST on 13 April 2021 with a query as to the reasons for the Trading Halt. An email replying to that shareholder was sent by John Prineas at 5.41pm AEST on 13 April 2021. That email did not contain any information regarding the nature of the drill results or any details of the drill results.

The email did not contain any price sensitive information regarding the drill results that triggered the Trading Halt.

A copy of that email was subsequently posted on Hot Copper by the relevant shareholder. SGQ did not request for the HotCopper Post to be made.

8. When did SGQ receive the MAD199 drill hole information referred to in the Announcement?

See the response to question 4 above.

9. Please confirm that SGQ is complying with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms that it is in compliance with ASX Listing Rules and, in particular, Listing Rule 3.1 (when read in conjunction with Listing Rule 3.1A).

10. Please confirm that SGQ's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its Board or an officer of SGQ with delegated authority from the Board to respond to ASX on disclosure matters.

The Company confirms that SGQ's responses have been authorised and approved in accordance with the Company's continuous disclosure policy and have been approved by the Board.

Yours sincerely

Sarah Shipway
Company Secretary
ST GEORGE MINING LIMITED



16 April 2021

Reference: 33494

Ms Sarah Shipway
Company Secretary
St George Mining Limited

By email: sarah.shipway@stgm.com.au

Dear Ms Shipway

St George Mining Limited ('SGQ'): ASX Aware Letter

ASX refers to the following:

- A. SGQ's request for a trading halt in its securities entitled "Trading Halt" lodged on the ASX Market Announcements Platform ('MAP') and released at 2:04 PM AEST on 13 April 2021 (the 'Trading Halt Request'), pending the release of significant drill results ('Information').
- B. An extract of an email purportedly sent by SGQ's Executive Chairman, John Prineas posted to the 'HotCopper' website at 6:04 PM AEST on 13 April 2021 ('HotCopper Post') which stated the following:

'...the hole has now been completed. We will be working hard tonight to try and surprise the market with an announcement tomorrow morning. It's a great result. Still more work to do but we have taken a huge leap forward.

Regards

John Prineas'

- C. SGQ's announcement entitled "New Discovery of Nickel-Copper Sulphides at Mt Alexander" ('Announcement') lodged on the MAP and released at 9:43 AM AEST on 14 April 2021, disclosing that SGQ had made a new discovery of high grade nickel-copper sulphides at its Mt Alexander project and copper sulphides had been intersected in MAD199.
- D. The change in the price in SGQ's shares from a closing price of \$0.074 at the time the Trading Halt Request was applied on 13 April 2021 to the opening price of \$0.11 on 14 April 2021 following the release of the Announcement.
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- F. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:
"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."

- G. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- It would be a breach of a law to disclose the information;
- The information concerns an incomplete proposal or negotiation;
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;
- The information is generated for the internal management purposes of the entity; or
- The information is a trade secret; and

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

H. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks SGQ to respond separately to each of the following questions and requests for information:

1. Does SGQ consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did SGQ first become aware of the Information?
4. If the answer to question 1 is “yes” and SGQ first became aware of the Information before the relevant date, did SGQ make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe SGQ was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps SGQ took to ensure that the information was released promptly and without delay.
5. At the time of the HotCopper Post, was SGQ aware of any information concerning it that had not been announced to the market but was required to be announced pursuant to its continuous disclosure obligations under Listing Rule 3.1?
6. If the answer to question 5 is “yes”, please:
 - 6.1 detail that information;
 - 6.2 explain the basis by which SGQ is entitled to rely on Listing Rule 3.1A not to announce that information.
7. Please explain the basis for the email purportedly sent by John Prineas regarding the drill results which was posted to HotCopper.

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8. When did SGQ receive the MAD199 drill hole information referred to in the Announcement?
 9. Please confirm that SGQ is complying with the Listing Rules and, in particular, Listing Rule 3.1.
 10. Please confirm that SGQ's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of SGQ with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2 PM AWST Wednesday, 21 April 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, SGQ's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require SGQ to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in SGQ's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in SGQ's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to SGQ's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that SGQ's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Dale Allen
Principal Adviser, Listings Compliance (Perth)