

23 May 2016

ST GEORGE TO DISTRIBUTE TAX CREDITS TO SHAREHOLDERS

HIGHLIGHTS:

- **St George receives approval from the Federal Government for participation in the Exploration Development Incentive Scheme (“EDI”)**
- **Tax credits to be distributed to St George shareholders for use in their 2015/2016 tax year**
- **Record date for shareholder eligibility is 31 May 2016**

EDI TAX CREDITS TO BENEFIT ST GEORGE SHAREHOLDERS

St George Mining Limited (ASX: **SGQ**) (‘St George Mining’ or ‘the Company’) is pleased to confirm the Company has been approved for participation in the Exploration Development Incentive (EDI) which will entitle eligible shareholders to a tax credit for the tax year ending 30 June 2016.

The EDI is a Federal Government initiative that allows Australian resident shareholders to obtain a refundable tax offset for greenfield exploration undertaken by Australian junior exploration companies that do not derive any taxable income.

St George will participate in the EDI for the 2015/2016 tax year with \$379,830 of tax credits approved by the Federal Government for distribution to eligible shareholders of St George Mining.

RECORD DATE FOR ELIGIBLE SHAREHOLDERS

For shareholders to receive an EDI tax credit, they must be registered as holding ordinary shares in the Company as at 5pm (WST) on **Tuesday, 31 May 2016**. The EDI tax credit is available only to Australian resident shareholders.

Eligible shareholders will be notified of the EDI tax credit applicable to them by Computershare, which operates the St George share register. The tax credit will be available for use in the 2015/2016 tax year.

A total of \$379,830 of EDI tax credits are available for distribution to eligible shareholders of St George Mining on a pro rata basis. The Company currently has 207,193,095 shares on issue, equating to an EDI tax credit of approximately \$0.0018 per share.

Any shares issued upon exercise of options prior to the Record Date will be eligible for the EDI tax credit, and will impact on the final amount of the EDI tax credit distributed per share.

St George Mining Executive Chairman, John Prineas said:

“We are pleased to be able to provide a tax benefit to St George shareholders through the EDI scheme.

“Greenfields exploration is the lifeblood of the mining industry and the Federal Government is to be commended for the introduction of the EDI scheme and its continued support of junior exploration companies.”

St George is actively exploring three projects in Western Australia:

1. **Mt Alexander Project** – high grade nickel-copper sulphides have already been discovered at Mt Alexander with further drilling of targets for massive nickel-copper sulphides, including strong electromagnetic (EM) conductors, due to commence in late June 2016;
2. **East Laverton Project** – multiple high quality nickel sulphide and gold targets have been identified at East Laverton, with a gold focused drill programme planned to commence this week; and
3. **Hawaii Project** – an early stage project with recently recognised unexplored greenstones.

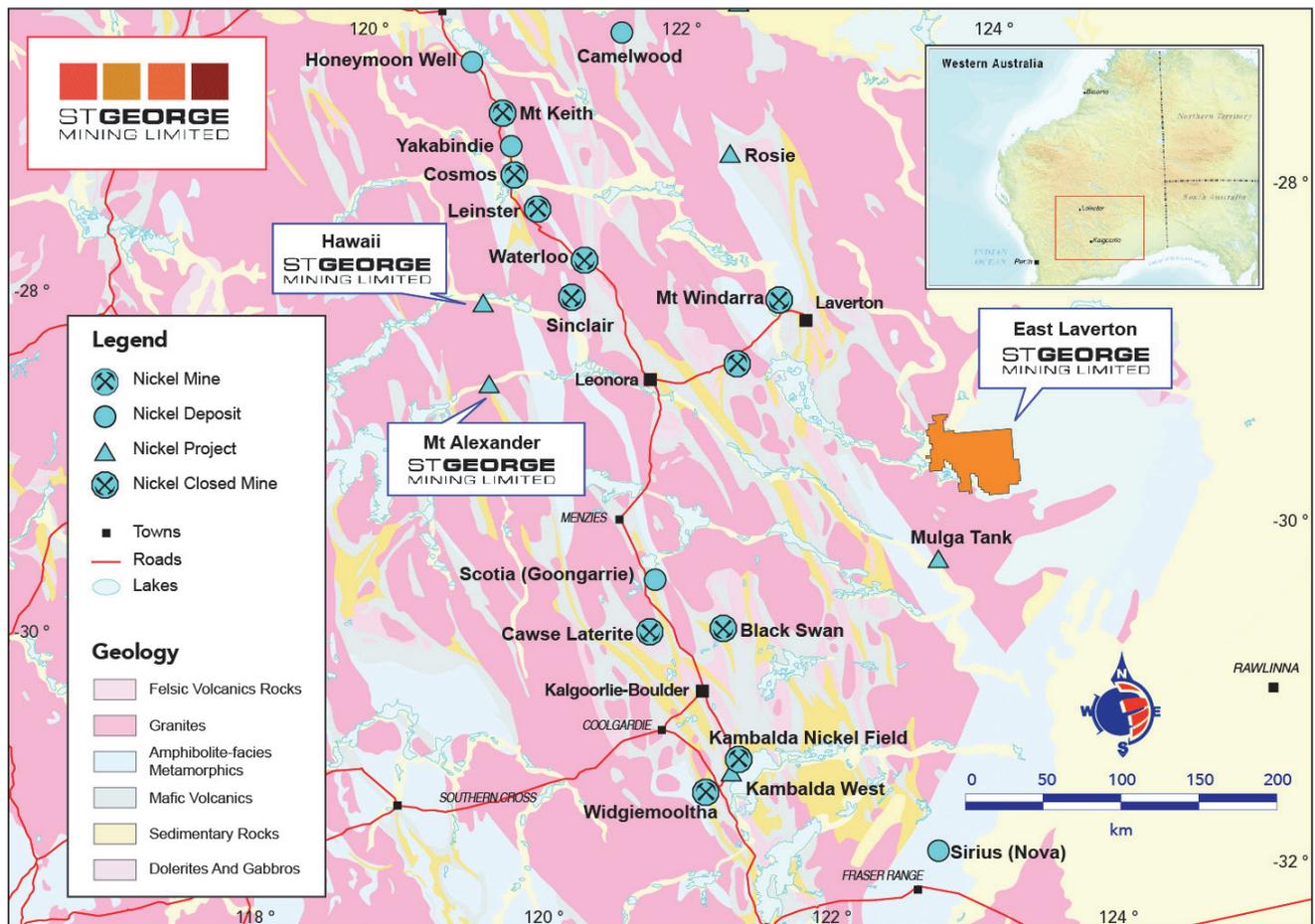


Figure 1 – a map of the NE Goldfields showing the location of St George’s three exploration projects

For further information, please contact:

John Prineas
 Executive Chairman
 St George Mining Limited
 (+61) 411 421 253
John.prineas@stgm.com.au

Colin Hay
 Professional Public Relations
 (+61) 08 9388 0944 mob 0404 683 355
colin.hay@ppr.com.au