

14 February 2018

PRIVATE SERIES OPTIONS – UPDATE ON BONUS ISSUE

HIGHLIGHTS:

- **12,524,500 Private Series options to be issued to shareholders based on entitlements as at the Record Date of 12 February 2018**
- **Drilling at Mt Alexander Project is scheduled to commence next week**

Emerging West Australian nickel company St George Mining Limited (ASX: **SGQ**) (“St George Mining” or “the Company”) is pleased to confirm that a total of 12,524,500 unlisted Private Series Options will be issued to eligible shareholders, being those shareholders registered as at the Record Date of 12 February 2018.

If you are an eligible shareholder, you will receive a Holding Statement confirming your allocation of Private Series Options on or around 19 February 2018. The Company will contact option holders prior to the expiry date to outline the courses of action available.

The Private Series Options have an exercise price of \$0.25 per St George Mining share and will expire on 23 April 2018 – St George’s Day 2018. Further details of the Private Series Options are contained in the Prospectus, which will be mailed to eligible shareholders tomorrow.

Drilling at the Company’s flagship Mt Alexander Project, west of Leonora in the Eastern Goldfields, is scheduled to commence next week. Adverse weather conditions throughout the Eastern Goldfields over the past few weeks have delayed the arrival of the drill rig to site. Arrangements are now on track for arrival of the rig next week.

Late last year, drilling at Mt Alexander returned the best high-grade intersections to date with MAD71 intersecting:

- **17.45m @ 3.01%Ni, 1.31%Cu, 0.13%Co and 1.68g/t total PGEs from 37.45m including the massive sulphide zones of:**
 - **5.3m @ 4.39%Ni, 1.45%Cu, 0.21%Co and 2.09g/t total PGEs from 39.3m;**
 - **2.02m @ 5.05%Ni, 2.01%Cu, 0.21%Co and 3.31g/t total PGEs from 50.6m; and**
 - **0.5m @ 3.68%Ni, 3.9%Cu, 0.17%Co and 2.68g/t total PGEs from 54.4m.**

The upcoming drill programme will focus on testing for extensions of this thick, high-grade mineralisation. Further details of the drill programme will be announced shortly.

For further information, please contact:

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COMPETENT PERSON STATEMENT:

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

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

- 15 December 2017 *Assays Confirm Best Ever Intersection at Mt Alexander*

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.