ASX / MEDIA RELEASE

9 April 2019

DRILLING OF NICKEL-COPPER SULPHIDE TARGETS – UPDATE

HIGHLIGHTS:

- **New strong conductive targets identified by downhole electromagnetic (DHEM) surveys:**
  - **Numerous off-hole EM conductors identified from DHEM surveys in recent drill holes**
  - **New EM conductors are located at the Fairbridge/Cathedrals, West End, Investigators and Stricklands Prospects**
  - **Several of the conductors are located down-plunge from known massive sulphide lenses, further supporting their potential to represent extensions of high-grade nickel-copper sulphide mineralisation**
  - **DHEM surveys are continuing**

- **Drilling at Fairbridge confirms continuity of the Cathedrals structural corridor:**
  - **All drill holes completed at Fairbridge have intersected the mineralised Cathedrals structure over a strike of 1,000m between the Stricklands and Cathedrals Prospects**
  - **DHEM surveys at Fairbridge are in progress, with strong off-hole EM conductors already identified west of the high-grade nickel-copper sulphide mineralisation at the Cathedrals Prospect**

- **Drill programme extended:**
  - **Additional drill holes planned to test new EM conductors**
  - **Geophysical surveys underway at West End ahead of drilling towards the Ida Fault**
  - **Further drilling to be planned following a review of ongoing DHEM survey results**
  - **Drilling of EM conductors will commence this week**

Emerging Western Australian nickel company St George Mining Limited (ASX: **SGQ**) ("**St George**" or "**the Company**") is pleased to provide an update on the nickel-copper sulphide drill programme in progress at the Mt Alexander Project, located near Leonora in the north-eastern Goldfields.

Numerous drill holes completed along the Cathedrals Belt have intersected the host ultramafic unit as well as nickel sulphides, supporting the potential for significant extensions of the known zones of nickel-copper sulphide mineralisation along the Cathedrals Belt.

DHEM surveys are being carried out in the completed drill holes with a number of strong off-hole EM conductors identified. Several of the new EM conductors are located down-plunge of known high-grade nickel-copper sulphides, towards the north-northwest. This is the interpreted down-dip direction of the host ultramafic unit and a priority target area for potential massive sulphides at depth.

The new conductors are excellent targets for further massive sulphide mineralisation. Drilling of the conductors has been prioritised to commence later this week.

St George Mining Executive Chairman, John Prineas said:
"Infill and extensional drilling in the current drill programme has successfully increased the continuity of the mineralised horizon at the Cathedrals Belt, where high-grade discoveries at Investigators, Stricklands and Cathedrals have been made over a strike of 4.5km.

"Results at Cathedrals West are particularly pleasing with multiple intersections of ultramafic and nickel sulphide mineralisation extending into the Fairbridge area, where numerous known nickel-copper gossans are located.

"The new conductors identified from the downhole EM surveys are very exciting and have the potential to significantly increase the down-plunge extent of the high-grade nickel-copper sulphides.

"Mineralisation remains open in the down-dip direction to the north-northwest and we will continue to scope out the extent of the mineralisation in this area with deeper drilling.

"The ongoing results from the drilling and downhole EM surveys indicate strong potential for further mineralisation to be discovered at the extensive mineral system at the Mt Alexander Project, and we are pleased to extend the current drill programme to further test the high-priority targets evolving from the ongoing exploration programmes."

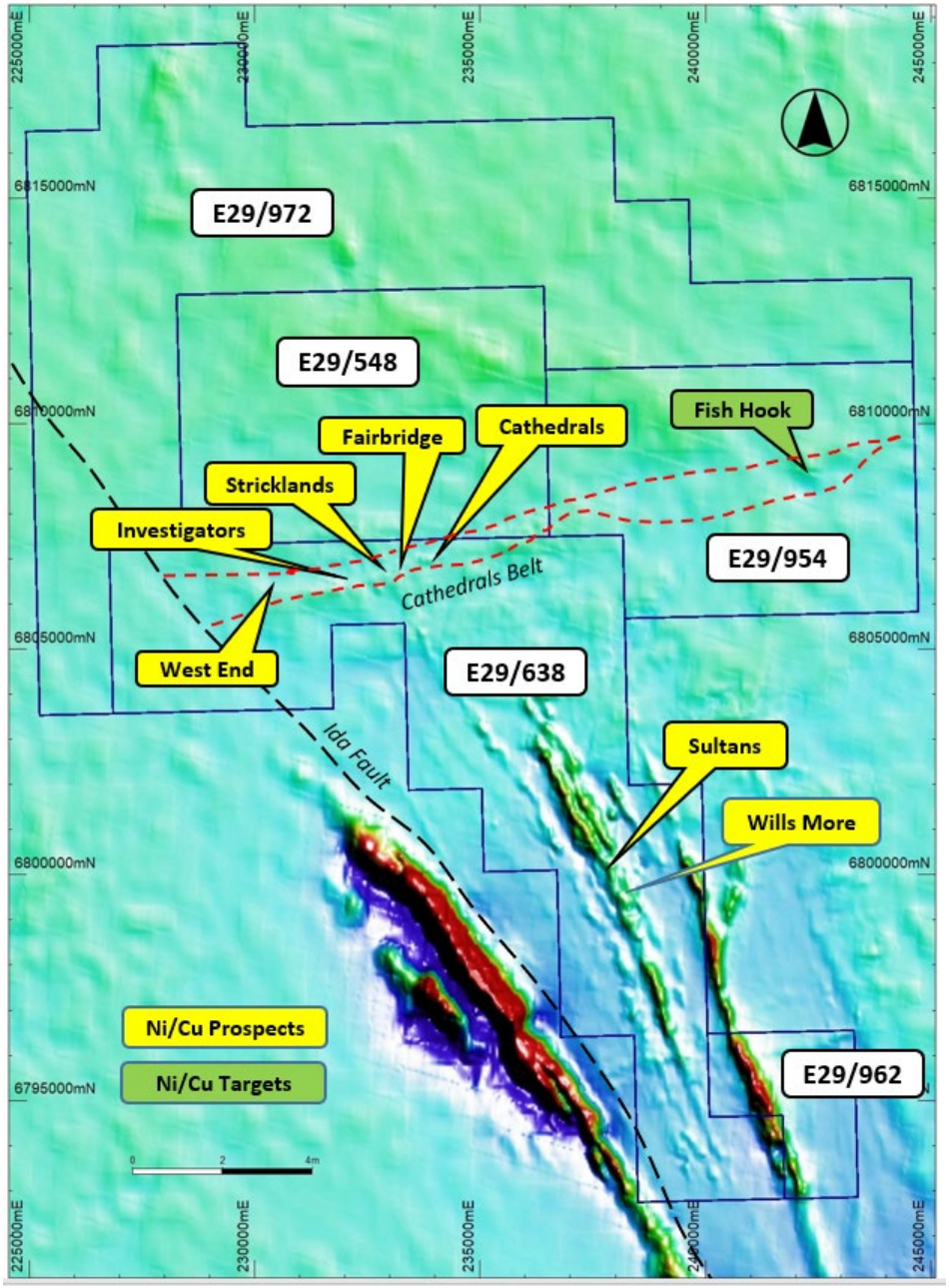

Figure 1 - map of the tenement package at Mt Alexander set against RTP magnetic data, showing the key prospects and targets under exploration.

FAIRBRIDGE PROSPECT – DRILLING CONFIRMS CONTINUITY OF MINERALISED CORRIDOR

Twelve drill holes have been completed at the Fairbridge Prospect, a previously undrilled 1,000m east-west strike of the Cathedrals Belt between the Stricklands Prospect in the west and the Cathedrals Prospect in the east; see Figure 2. Details of the completed drill holes are contained in Table 1.

The drill holes at Fairbridge were designed to serve as platforms for DHEM surveys to investigate the potential for conductive sulphide mineralisation below the numerous nickel-copper sulphide gossans across the surface at Fairbridge and test the continuation of the Cathedrals ultramafic to the west.

All the completed drill holes intersected the mineralised structure with several holes intersecting ultramafic and nickel sulphide mineralisation, successfully confirming that the mineralised corridor extends into the Fairbridge area. DHEM surveys are underway with off-hole EM conductors already identified in MARC093 and MARC094.

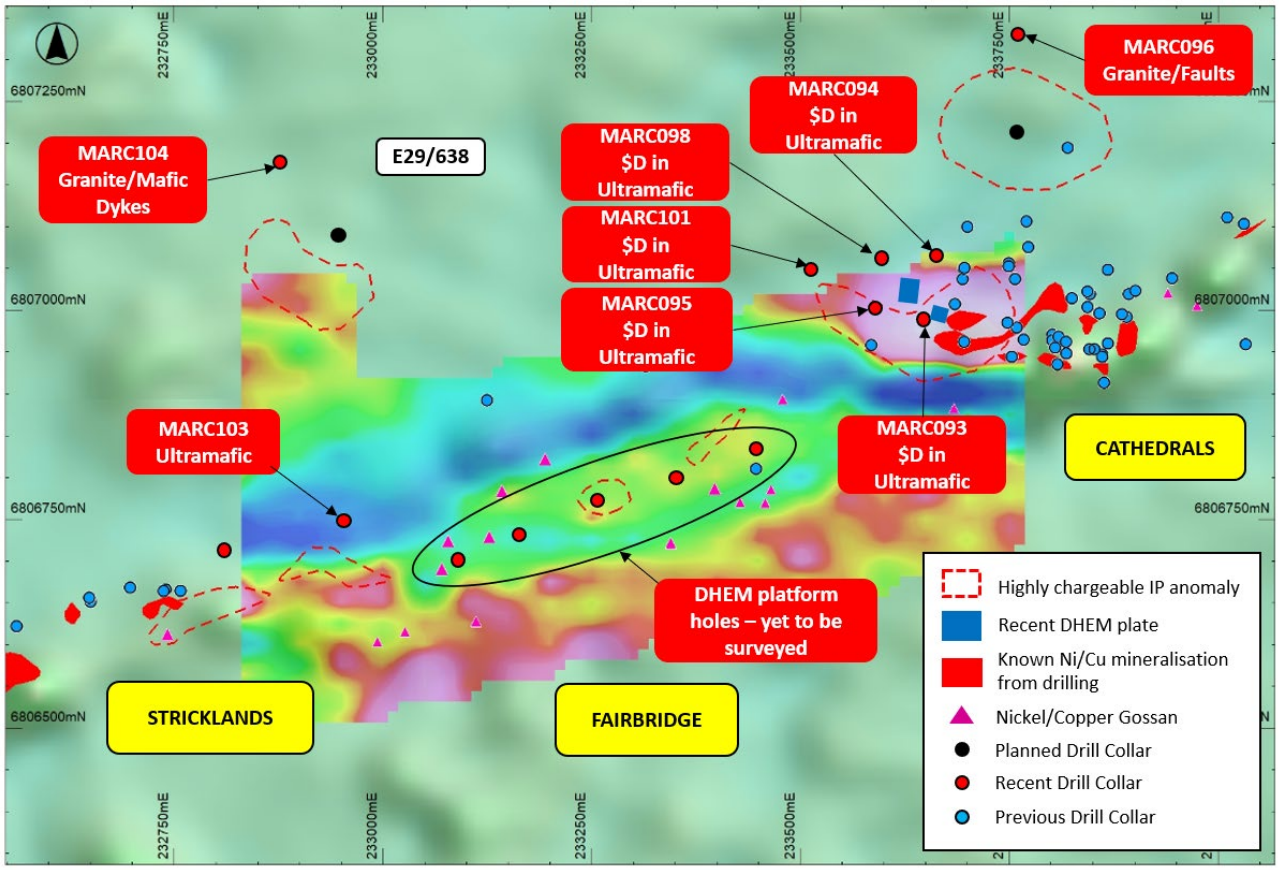

Figure 2 – map of the Fairbridge Prospect highlighting drill targets (set against X component Channel 28 MMR data overlaying RTP magnetics).

Other targets tested in this area included the large IP anomaly to the north of the Cathedrals Prospect, which was drilled by MARC096. The drill hole was completed to a downhole depth of 300m and intersected mostly granite.

There was no material in the drill hole that could explain the source of IP anomalism. A number of faults were intersected and indicate a complex architecture down-dip of the Cathedrals Prospect. DHEM and downhole IP surveys will be carried out in MARC096 to further investigate the source of the chargeable response.

Potentially, the conductive target may be situated deeper than initial modelling indicated. The limited drilling in this area has identified potential thrust stacking of ultramafic units associated with the north dipping shear zone. Further drilling at this target will be planned once the results from the new geophysical surveys are reviewed.

INVESTIGATORS AND STRICKLANDS – LARGE STEP-OUT TARGETS IDENTIFIED

Drilling designed to test for extensions to the known mineralisation at the Investigators and Stricklands Prospects has intersected ultramafic rocks and nickel sulphide mineralisation along strike from known lenses of high-grade nickel-copper sulphides.

DHEM surveys in some of these drill holes have identified strong off-hole conductors that point to targets that are likely to represent massive sulphide mineralisation. Figure 3 below illustrates the location of two priority EM plates identified for drilling at Investigators, as well as the additional planned drilling.

Significantly, the EM plate in the western part of the Investigators Prospect is located approximately 80m to the north of the high-grade mineralisation intersected in **MAD126: *7.86m @ 5.70% Ni, 2.11% Cu, 0.18% Co and 2.65g/t total PGEs from 184m*** and **MAD127: *8.49m @ 5.78% Ni, 2.64% Cu, 0.18% Co and 3.61g/t total PGEs from 183.9m.***

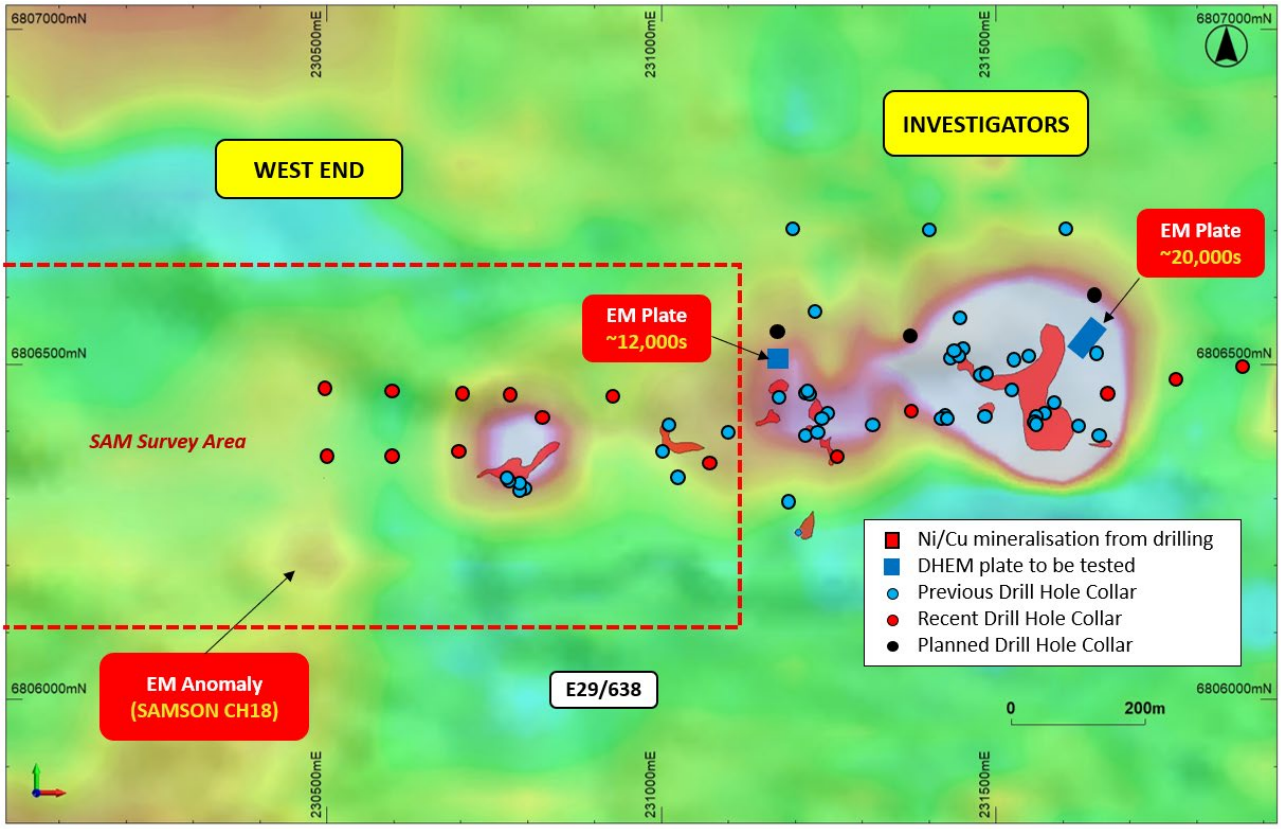

Figure 3 – map of the Investigators Prospect highlighting new EM plates and planned drilling (set against SAMSON FLEM Channel 18 data overlaying 1VD RTP magnetics). The extensional drilling at West End is also shown, with further MMR surveys underway in this area ahead of further drilling.

Three drill holes completed in a previously undrilled area between the Stricklands and Investigators Prospects have also been successful in identifying further ultramafic and nickel sulphide mineralisation. DHEM surveys of these holes have identified additional EM conductors for drilling. Figure 4 below highlights the drilling completed between Stricklands and Investigators, as well as the new off-hole EM conductors to be tested.

Some of the new EM targets are down-plunge from known high-grade mineralisation and re-affirm the prospectivity for additional mineralisation at depth. Importantly, these strong DHEM conductors are located outside the areas of EM anomalism detected by surface-based surveys suggesting that these previous EM surveys have not effectively identified the potential of these down-plunge areas which are associated with known near-surface massive sulphide lenses.

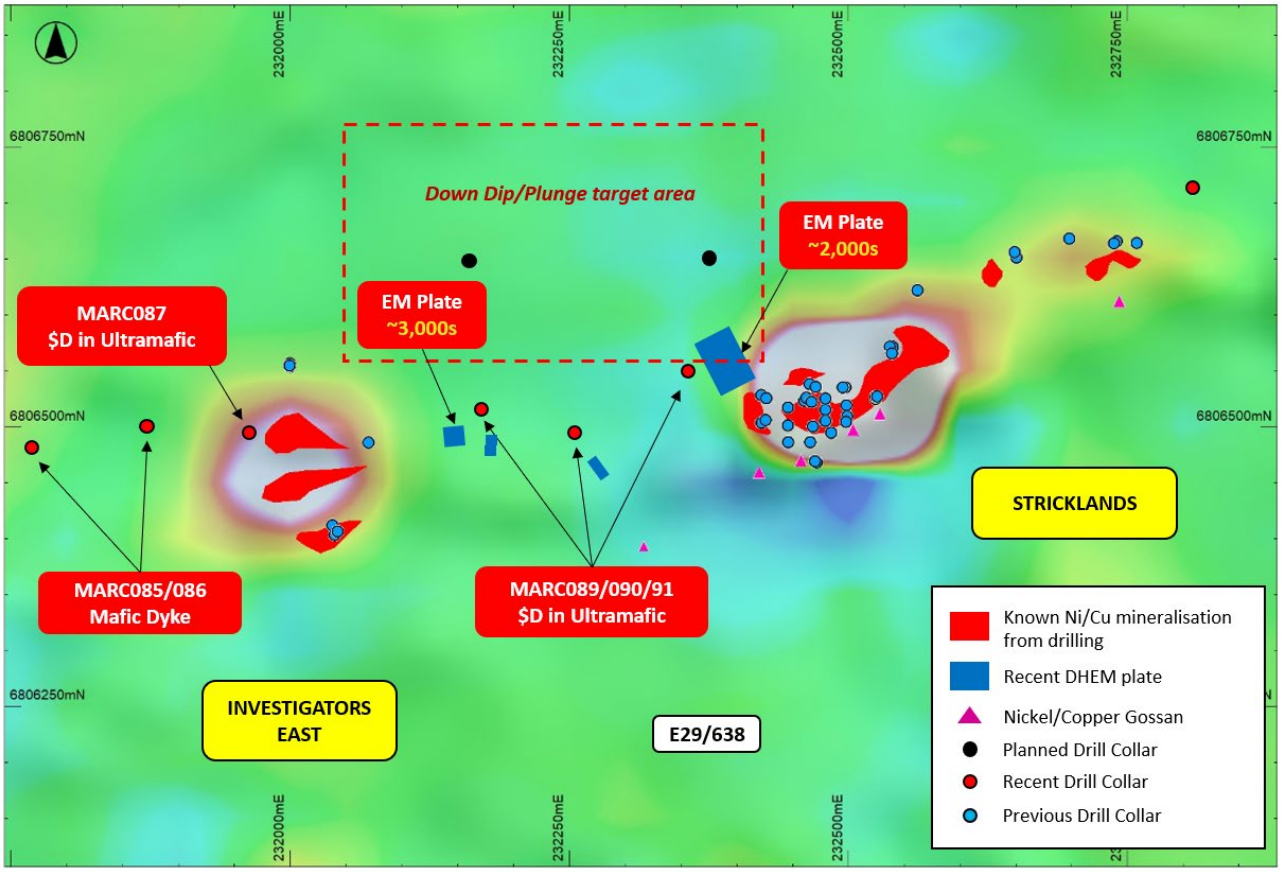

Figure 4 – map of the Stricklands and Investigators Prospects highlighting the successful extensional drilling, new EM plates and planned drilling (set against SAMSON FLEM Channel 18 data overlaying 1VD RTP magnetics).

WEST END – POTENTIAL INCREASES WITH DRILLING RESULTS

The recent drilling at the West End Prospect is highlighted in Figure 3 above. The Prospect covers the potential extension of the Cathedrals Belt from Investigators towards the Ida Fault in the west.

Initial drilling at West End has successfully intersected the Cathedrals structure. Further, DHEM surveys in two drill holes – MARC078 and MARC079 – identified off-hole EM conductors that are consistent with nickel sulphide signatures. These encouraging results warrant further exploration at West End. The area is interpreted to have potential for blind deposits due to the presence of palaeochannel cover.

At Fairbridge, high-resolution Magneto-Metric Resistivity (MMR) was successfully used to define the Cathedrals structure and ultramafic stratigraphy. A similar survey will now be completed at West End to map the potential western extension of the mineralised corridor and assist in focusing the location for further drilling.

DRILLING CONTINUES

To date, 32 drill holes have been completed in the current programme for a total of 5,795m. A further 13 drill holes have been planned to test the additional compelling targets identified to date. It is expected that more drill holes may be added to the programme as DHEM survey results are reviewed and further drill targets are prioritised for testing.

Table 1 lists the completed holes. Table 2 lists the remaining planned drill holes for the RC drill programme. These planned holes may change in response to ongoing exploration results.

All completed drill holes are cased with PVC to allow completion of DHEM surveys to assist with the identification of any massive or network-textured sulphide mineralisation around the drill hole.

Planned Hole ID	Prospect	East	North	RL	Depth	Azimuth	Dip
MARC074	West End	230700	6806368	420	144	180	-60
MARC075	West End	230701	6806454	418	197	170	-60
MARC076	West End	230600	6806360	420	148	170	-60
MARC077	West End	230600	6806460	414	197	170	-60
MARC078	West End	230500	6806360	419	155	170	-60
MARC079	West End	230500	6806461	419	212	170	-60
MARC080	Investigators	230827	6806419	419	148	170	-60
MARC081	Investigators	230930	6806453	420	148	170	-60
MARC082	Investigators	231260	6806364	420	148	170	-60
MARC083	Investigators	231375	6806430	422	148	170	-60
MARC084	Investigators	231666	6806458	426	148	170	-60
MARC085	Investigators	231768	6806480	428	148	170	-60
MARC086	Investigators	231871	6806500	429	148	170	-60
MARC087	Investigators	231964	6806494	429	148	170	-60
MARC088	Investigators	230775	6806452	423	200	170	-60
MARC089	Investigators	232174	6806516	434	148	170	-70
MARC090	Investigators	232256	6806494	435	148	170	-70
MARC091	Investigators	232355	6806548	440	148	170	-70
MARC092	Fairbridge	232808	6806711	437	118	145	-65
MARC093	Cathedrals West	233645	6806987	420	178	180	-70
MARC094	Cathedrals West	233661	6807064	420	226	180	-70
MARC095	Cathedrals West	233590	6807003	420	202	180	-70
MARC096	Cathedrals	233758	6807328	422	300	170	-70
MARC097	Fairbridge	233446	6806834	428	202	335	-50
MARC098	Cathedrals West	233599	6807060	420	268	190	-70
MARC099	Fairbridge	233352	6806800	430	196	335	-50
MARC100	Fairbridge	233090	6806700	439	196	335	-50
MARC101	Cathedrals West	233515	6807048	420	244	190	-70
MARC102	Fairbridge	233163	6806731	436	196	335	-50
MARC103	Fairbridge	232953	6806751	433	124	180	-60
MARC104	Stricklands	232879	6807176	420	250	180	-65
MARC105	Fairbridge	233255	6806770	433	214	335	-50

Table 1 – Table of completed drill holes

Summaries of drill hole results in this report are based on geological logging and represent preliminary results only. A conclusive determination of any significant intersection, including the nickel, copper, cobalt and PGE values of the sulphide mineralisation intersected, will be confirmed when laboratory assays are available.

Hole ID	Prospect	East	North	RL	Depth	Azimuth	Dip
CTRC2	Cathedrals	233759	6807191	422	270	177	-70
IVRC14	Investigators	231378	6806534	421	240	177	-70
IVRC15	Investigators	231637	6806577	426	240	177	-75
IVRC16	Investigators	232173	6806584	436	210	177	-70
IVRC17	Investigators	232354	6806620	444	210	177	-70
IVRC18	Investigators	231012	6806503	418	210	177	-75
SLRC1	Sultans	238491	6799020	460	250	250	-60
SLRC4	Sultans	238419	6799041	461	202	250	-60
SLRC7	Sultans	238529	6798923	460	300	250	-60
SLRC8	Sultans	238497	6798811	460	200	250	-60
STRC1	Stricklands	232612	6806631	450	150	177	-75
WMRC6	Wills More	239032	6797610	459	350	250	-60
WMRC7	Wills More	238991	6797684	459	300	250	-60

Table 2 – Summary of drill hole details for planned drilling in remainder of the RC program.

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 Mining Limited (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.

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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 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.