

13 August 2020

MT ALEXANDER NICKEL-COPPER SULPHIDE PROJECT – DRILLING UPDATE

Deep drilling intersects intrusive rocks at both the Investigators and Cathedrals Prospects, confirming the prospectivity for nickel-copper sulphides at depth:

- MAD180W1 at Investigators has been completed as a wedge hole from 520.5m to 877m and intersected intrusive-style rocks intercalated within a structural zone
- MAD182 at Cathedrals has been completed to 700.4m downhole and intersected multiple mafic-ultramafic intrusive units, which are interpreted to confirm the continuation of the Cathedrals Belt at depth
- Drilling has confirmed the down-dip continuity of the Cathedrals Belt intrusive system that is known to host the shallow high-grade nickel-copper sulphide mineralisation, significantly extending the prospective area for potential nickel-copper sulphide deposits

Diamond drilling continues at Investigators and underway at the Fairbridge Prospect:

- MAD181 is being drilled at Investigators to a planned depth of 800m to test a large conductive anomaly identified from the magnetotelluric (MT) and audio-magnetotelluric (AMT) surveys
- MAD183 is being drilled at Fairbridge to a planned depth of 700m to test a large MT/AMT conductive anomaly identified from the MT/AMT surveys and located below numerous nickel-copper sulphide gossans
- Both diamond rigs are operating on a 24/7 basis

Downhole electromagnetic (DHEM) survey identifies new conductor at Investigators:

- DHEM survey of MAD179 identifies two strong off-hole anomalies that have an electrical signature consistent with high grade nickel-copper sulphides
- DHEM crew is scheduled to commence surveys on MAD180 and MAD182 next week

Growth focused Western Australian nickel company St George Mining Limited (ASX: SGQ) (“St George” or “the Company”) is pleased to provide an update on the drilling programme underway at its flagship high-grade nickel-copper sulphide Mt Alexander Project, located in the north-eastern Goldfields.

INTRUSIVE NETWORK IDENTIFIED AT DEPTH

The first two deep holes completed in the current campaign have successfully intersected the Cathedrals Belt structure at depth. This structure is interpreted to be the conduit through which intrusive rocks and nickel-copper sulphide mineralisation has travelled from the Earth’s mantle to the surface.

Figure 1 below shows the interpreted Cathedrals structure present near surface and continuing in the down-dip direction for more than 800m. MAD180 and MAD182 have confirmed the continuity of the structure and intrusive geology at depth, opening up a large target horizon for potential nickel-copper sulphide deposits.

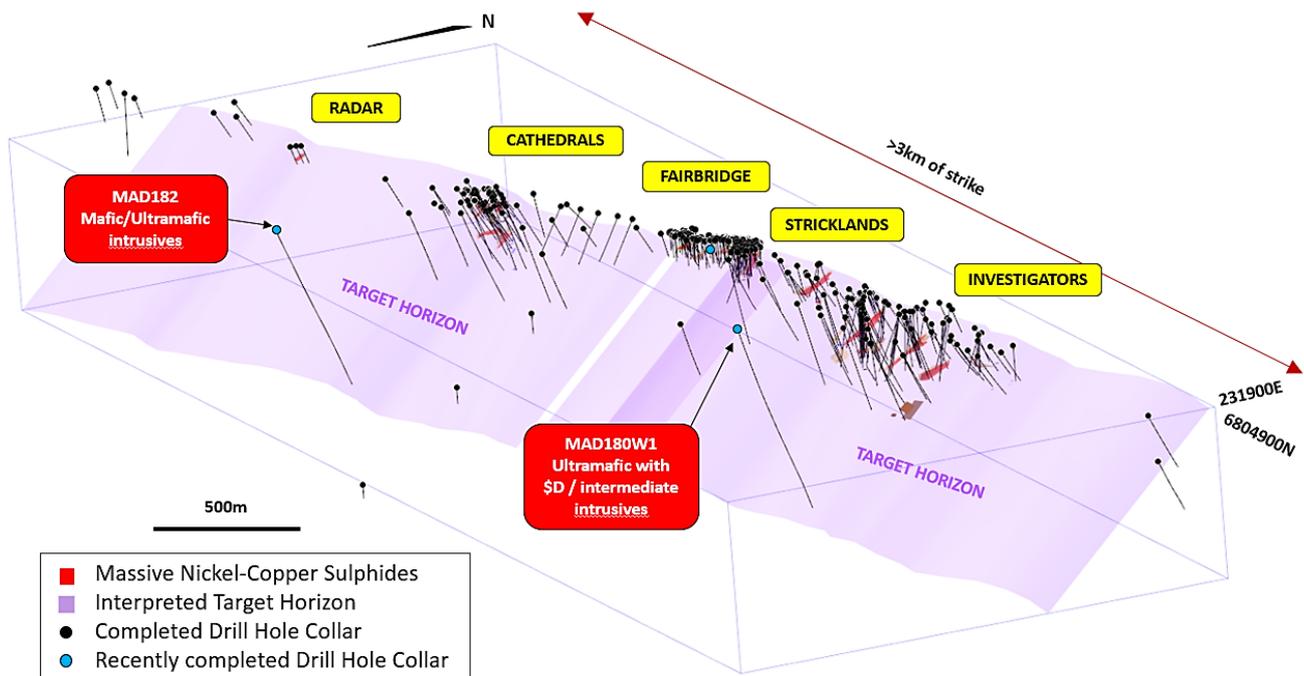


Figure 1 – Schematic orthographic view of the Cathedrals Belt showing the interpreted target horizon, existing drilling and known massive nickel-copper sulphides

MAD180 was re-drilled from a wedge at 520.5m downhole. Geological logging of the hole is set out below, with logging from 520.5m to 877m being for the wedge hole:

| MAD180W1 | Geological log of rock types |
|-----------------|--|
| 0 to 22m | Cover and granite saprolite |
| 22.5m to 28.80m | Ultramafic with oxidised disseminated sulphides between 28.65m to 28.80m 5-10% sulphides comprising pentlandite (pn), chalcopyrite (cp) and pyrrhotite (po) with estimated grades of <1% |
| 28.80m to 524m | Granites with two bands of ultramafic at 380.38m to 382.07m and 436.47m to 436.6m (no sulphides) |
| 524m to 660m | Granites including with cross-cutting pegmatites |
| 660m to 764m | Granites with thickening units of felsic intrusives including pegmatite and aplitic dykes |
| 764m to 877.6m | Intermediate diorite intrusive. Aplitite and pegmatite also prevalent. |

The geological log of the rock types intersected by MAD182 is as follows:

| MAD182 | Geological log of rock types |
|-----------------------|---|
| 0 to 10m | <i>Cover and granite saprolite</i> |
| 10m to 392m | <i>Granites including cross-cutting pegmatites</i> |
| 392m to 399.3m | <i>Differentiated mafic-ultramafic intrusives. Likely continuation of Cathedrals host unit and structural horizon for mineralisation. <5% sulphides observed.</i> |
| 399.3m to 562m | <i>Granites with mafic bands at 427.8m to 430m, 441m to 442.5m, 545.8m to 548m and 561.3m to 562.2m: all likely intruding a pre-existing structural corridor assumed to host known mineralisation.</i> |
| 562m to 700.4m | <i>Granites including cross-cutting pegmatites</i> |

DHEM surveys are scheduled to be carried out in MAD180 and MAD182 this week, to search for conductive mineralisation around the current holes.

STRONG OFF-HOLE CONDUCTORS AT INVESTIGATORS

MAD179 was completed in June to test a broad surface SQUID MLEM (moving loop electromagnetic) anomaly.

The hole was completed to a downhole depth of 351.9m and intersected xenolithic mafic intrusive rocks (interpreted anorthosite) between 300m to 311m.

The intrusive rocks intersected by MAD179 are typically part of the sequence of rocks that hosts nickel-copper sulphides in the Cathedrals Belt. This intersection supports the potential for the presence of further nickel-copper sulphides around the hole.

Significantly, the DHEM survey of MAD179 has detected two new strong off-hole EM anomalies at 325m downhole and located 10m and 40m, respectively, to the north-east of the hole.

These conductors are modelled with conductivity of 21,250 and 3,800 Siemens, and are consistent with the signature of nickel sulphide mineralisation.

Importantly, the new conductors are close to a number of other untested EM anomalies identified by previous EM surveys.

All EM conductors are located down-dip of the existing drilling, further supporting the potential for significant nickel-copper sulphide mineralisation in the area.

Drill testing of these conductors will be scheduled following completion of MAD181.

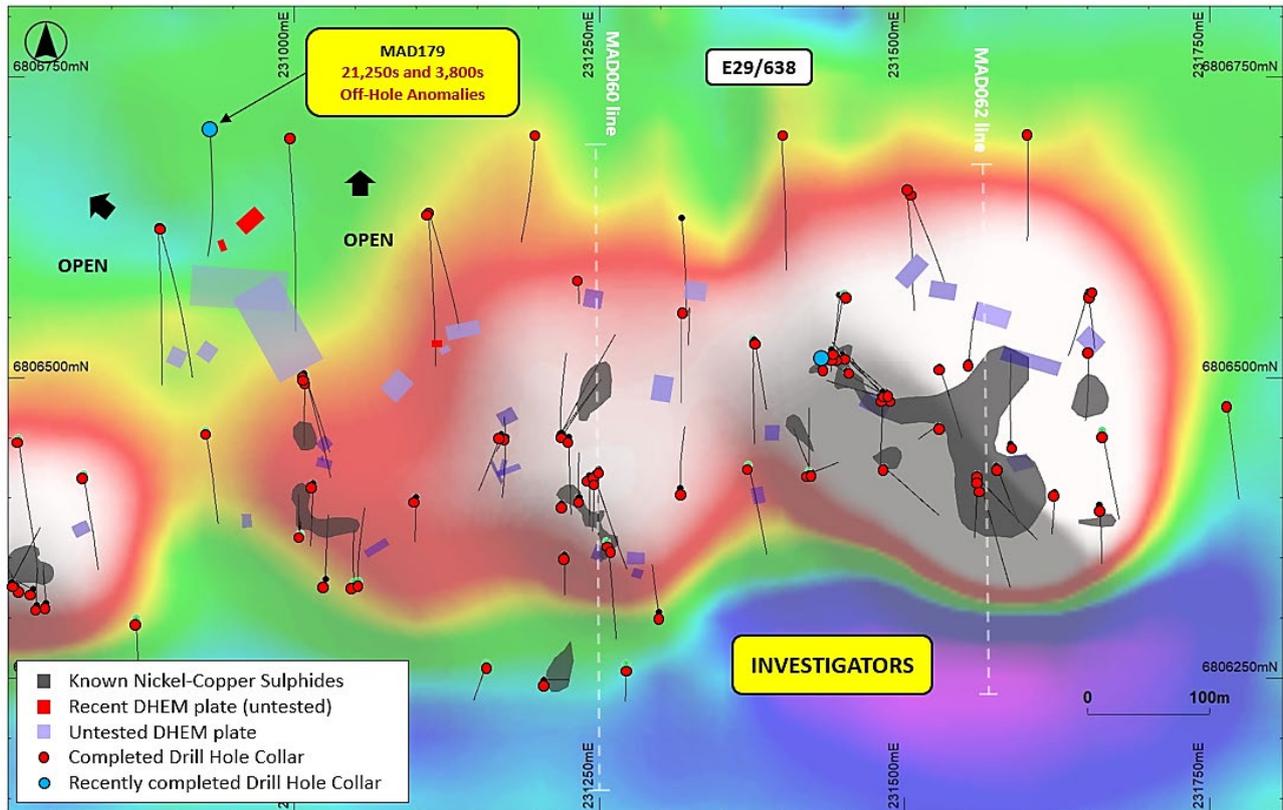


Figure 2 – Plan view of the Investigators Prospect with completed drilling and DHEM plates overlaying SAMSON FLEM image (CH25). The location of MAD179 and the two new EM conductors is highlighted.

TESTING FAIRBRIDGE AT DEPTH

The Fairbridge Prospect covers a 1,000m east-west strike of the Cathedrals Belt between the Stricklands and Cathedrals Prospects. Numerous nickel-copper sulphide gossans have been observed at Fairbridge.

Gossans are weathered or decomposed rock located at surface, and may represent the upper and exposed part of an ore deposit at depth. The presence of oxidised nickel bearing rocks at surface could constitute the surface expression of a nickel sulphide deposit below surface.

Similar gossans drilled at the Stricklands and Cathedrals Prospects have been confirmed as associated with proximal massive nickel-copper sulphide sources.

Initial drilling at Fairbridge was carried out in 2019 with the average hole depth of 200m. All 12 drill holes intersected the Cathedrals structure though there were no significant intersections of mineralisation.

DHEM surveys completed in drill holes MARC097 and MARC098 detected an increasingly anomalous response toward the end of the drill holes, interpreted to represent an anomaly at depth. The EM response was not adequately constrained to allow for an EM plate to be modelled.

The MT/AMT surveys at Fairbridge also identified a large conductive feature below the current extent of drilling; see Figure 3.

MAD183 is planned to a depth of 700m to test the large MT/AMT anomaly.

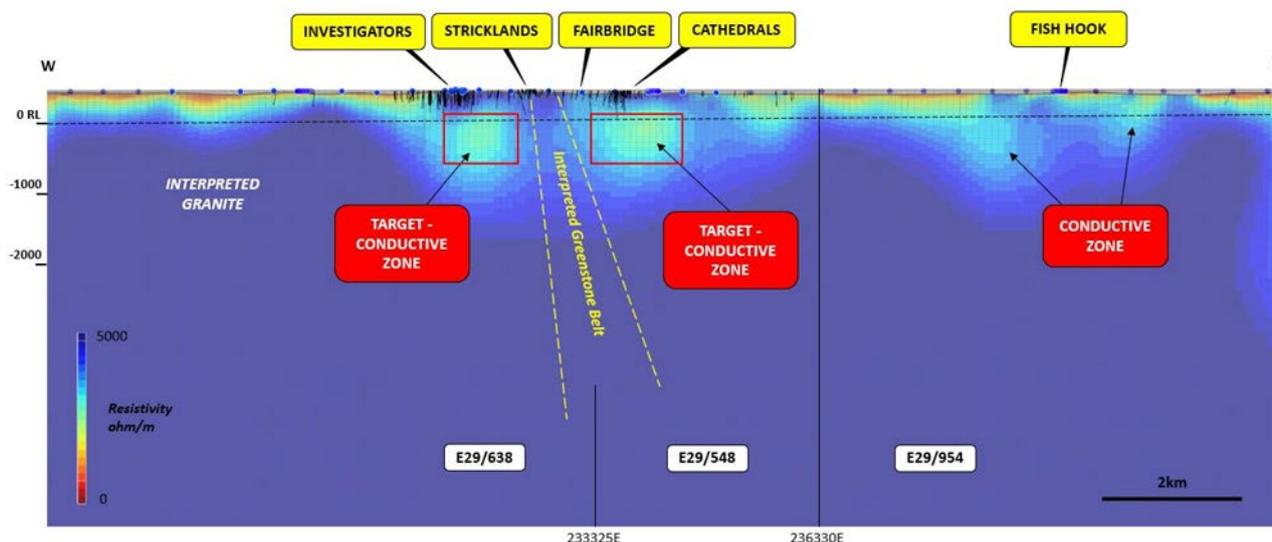


Figure 3 – East-west section (looking north) of the MT/AMT 3D conductivity data across the Cathedrals Belt. The large conductive feature being drilled at Fairbridge is highlighted.

John Prineas, St George Mining’s Executive Chairman, said:

“Drilling at depth continues to intersect an extensive intrusive network that is the control on the high-grade nickel-copper sulphides at the Cathedrals Belt.

“These drill results are positive for the potential presence of further mineralisation in the Cathedrals Belt mineral system.

“The new conductors identified from the DHEM in MAD179 again shows the success that can come from systematic and methodical exploration. We are pleased with the strong progress made by the St George exploration team in better understanding the large and complex mineral system at Mt Alexander.

“The drilling of exciting nickel-copper sulphide targets continues 24/7 with both diamond rigs at Mt Alexander operating on a double shift with two crews each.”

DRILL PROGRAMME

Table 1 below contains drill hole details for the holes in the current campaign to test new targets, including the holes currently being drilled.

| Hole ID | Prospect | East | North | RL | Depth | Azi | Dip |
|----------|---------------|----------|-----------|-------|-------|-----|-----|
| MAD179 | Investigators | 230928 | 6806709 | 418 | 351.9 | 180 | -70 |
| MAD180 | Investigators | 231439 | 6807031 | 423 | 850 | 180 | -70 |
| MAD180W1 | Investigators | 231442.0 | 6806869.6 | -71.6 | 877.4 | 180 | -68 |
| MAD181 | Investigators | 231726 | 6807301 | 425 | 800 | 180 | -65 |
| MAD182 | Cathedrals | 233960 | 6807824 | 412 | 750 | 170 | -65 |
| MAD183 | Fairbridge | 233095.0 | 6807173.3 | 415.0 | 750 | 180 | -65 |

Table 1 – drill hole details for diamond holes to test new targets.

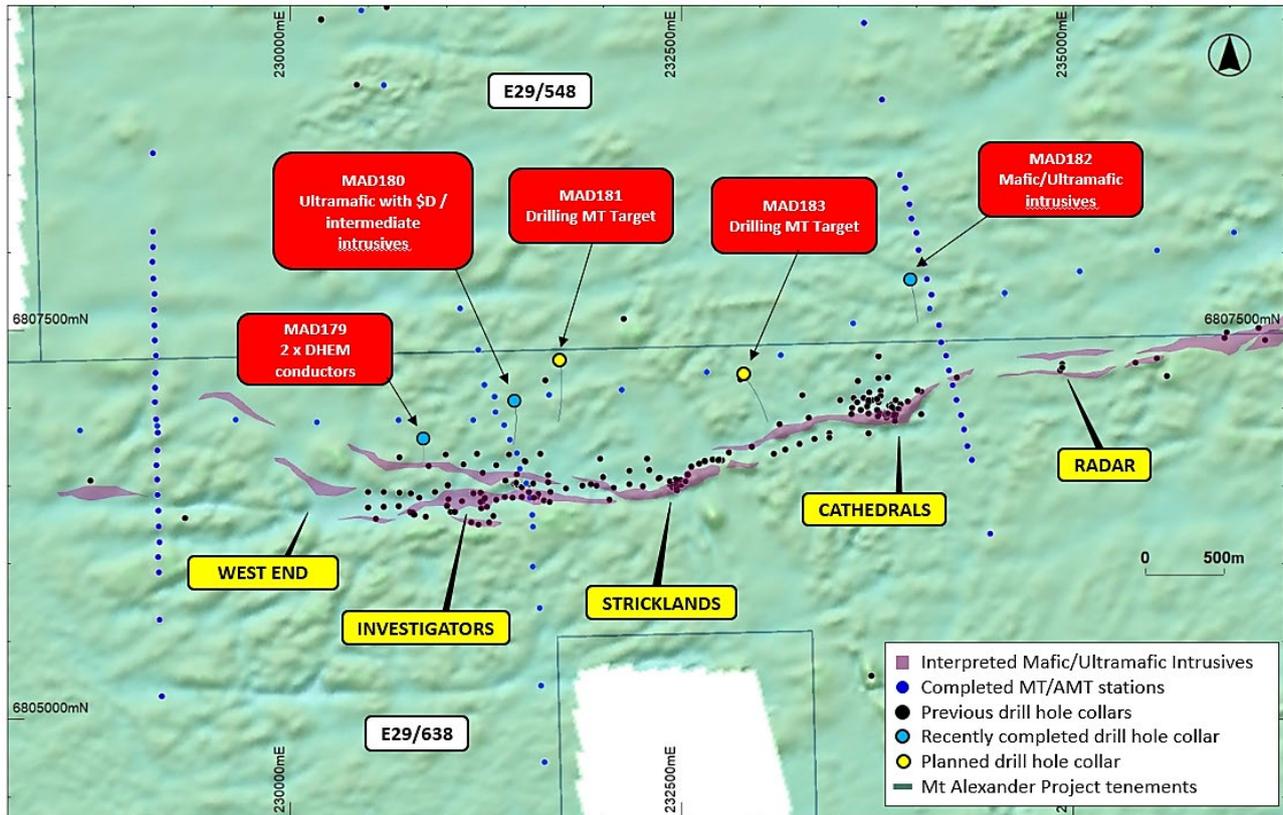


Figure 4 – Plan view of the Cathedrals Belt showing areas of completed and planned drilling, overlaying interpreted geology and magnetics (TMI RTP 1VD).

COVID-19:

St George is managing its operations in compliance with COVID-19 regulations issued by State and Commonwealth authorities. We will continue to proactively manage drilling and other field programmes to protect the health and safety of our team and service providers.

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 six granted exploration licences – E29/638, E29/548, E29/962, E29/954, E29/972 and E29/1041.

The Cathedrals, Stricklands, Investigators and Radar 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.

Authorised for release by the Board of St George Mining Limited.

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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.