

27 June 2019

ST GEORGE READY TO DRILL MORE NICKEL SULPHIDE TARGETS AFTER SUCCESSFUL CAPITAL RAISING

HIGHLIGHTS:

- **\$4 million placement completed with allotment of new shares**
- **New funds will support the upcoming drill programme at the Mt Alexander Project**
- **Drilling will focus on high-grade nickel-copper sulphide targets including numerous strong electromagnetic (EM) conductors at Mt Alexander**

Growth focused Western Australian nickel company St George Mining Limited (ASX: **SGQ**) (“**St George**” or “the **Company**”) is pleased to confirm that, further to the ASX Release dated 20 June 2019, it has completed a placement of 37,191,454 fully paid ordinary shares at \$0.11 per share to raise \$4 million (“**Placement**”).

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

“We are very pleased with the strong investor backing which recognises the substantial exploration upside at the high-grade Mt Alexander Project at a time of heightened investor interest in the nickel sulphide market. We thank new and existing shareholders for their continued support.

“We are preparing a major drill programme for Mt Alexander that will test nickel-copper sulphide targets across the highly mineralised Cathedrals Belt including a large number of EM conductors.

“This is an exciting time for St George shareholders.”

Following the Placement the Company has the following listed securities on issue:

Fully Paid Ordinary Shares	335,307,665
Listed Options exercisable at \$0.20 on or before 30 September 2020	24,579,714

The Placement was undertaken utilising St George’s existing placement capacity under ASX Listing Rule 7.1 and 7.1A. All of the shares issued under the Placement will rank pari passu with existing ordinary shares.

Funds from the placement will fund upcoming exploration at St George’s Mt Alexander Project and other projects as well as working capital and general corporate expenses.

Argonaut acted as Lead Manager to the Placement. Further details in the relation to the Placement, the Appendix 3B and Cleansing Notice in respect to the Placement follows.

For further information, please contact:

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Further details in relation to the Placement are:

- (a) The Company issued 29,811,620 shares under ASX Listing Rule 7.1A which resulted in the following dilution to existing shareholders:

Number of shares on issue before the issue date	298,116,211
Shares issued under ASX Listing Rule 7.1A	29,811,620
Percentage of voting dilution to existing shareholders as a result of the shares issued pursuant to the Placement	10%

Further details of the approximate percentage of the issued capital post the 7.1A placement held by the pre-placement security holders and new security holders are as follows:

Percentage of pre-placement security holders who did not participate in the 7.1A placement	93.72%
Percentage of pre-placement security holders who did participate in the 7.1A placement	6.28%
Percentage of participants in the 7.1A placement who were not previously security holders	45.31%

- (b) The Company issued the shares as a placement under ASX Listing Rule 7.1A as the Company was of the view that it was the most efficient and expedient mechanism to raise the funds required to achieve its stated objectives.
- (c) The Company confirms that there was no underwriter in respect of the Placement.
- (d) The fee payable by the Company in connection with the Placement comprises a selling fee of 5% of the funds raised payable to the Lead Manager.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

St George Mining Limited

ABN

21 139 308 973

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|----------------------------|
| 1 | +Class of +securities issued or to be issued | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 37,191,454 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully Paid Ordinary Shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the ⁺ securities rank equally in all respects from the ⁺ issue date with an existing ⁺ class of quoted ⁺ securities?	Yes
	<p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	\$0.11 per Share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issued pursuant to a placement to sophisticated investors.
6a	<p>Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	20 November 2018
6c	Number of ⁺ securities issued without security holder approval under rule 7.1	7,379,834 Fully Paid Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

6d	Number of ⁺ securities issued with security holder approval under rule 7.1A	29,811,620 Fully Paid Ordinary Shares
6e	Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of ⁺ securities issued under an exception in rule 7.2	N/A
6g	If ⁺ securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the ⁺ issue date and both values. Include the source of the VWAP calculation.	<p>Yes</p> <p>VWAP Date: 26 June 2019 Share Issue Date: 27 June 2019 15 Day VWAP: \$0.11 75% VWAP: \$0.08</p> <p>Source: 2019 Orient Capital Pty Ltd</p>
6h	If ⁺ securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1
7	⁺ Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	27 June 2019

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	335,307,665	Fully Paid Ordinary Shares
	24,579,714	Options ex. \$0.20 on or before 30 September 2020

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	3,500,000	Unlisted Options ex. \$0.25 on or before 2 December 2019
	33	Class A Performance Rights
	33	Class B Performance Rights
	86	Class C Performance Rights

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

11 Is security holder approval required?	N/A
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12 Is the issue renounceable or non-renounceable?	N/A
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13 Ratio in which the +securities will be offered	N/A
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14 +Class of +securities to which the offer relates	N/A
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15 +Record date to determine entitlements	N/A
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16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
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+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of *securities
(tick one)

(a) *Securities described in Part 1

(b) All other *securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders

36 If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

+ See chapter 19 for defined terms.

37 A copy of any trust deed for the additional *securities

Entities that have ticked box 34(b)

38 Number of *securities for which *quotation is sought

N/A

39 *Class of *securities for which quotation is sought

N/A

40 Do the *securities rank equally in all respects from the *issue date with an existing *class of quoted *securities?

If the additional *securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another *security, clearly identify that other *security)

N/A

	Number	*Class
42 Number and *class of all *securities quoted on ASX (including the *securities in clause 38)	N/A	

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Sarah Shipway
Company Secretary

Date: 27 June 2019

Print name: Sarah Shipway

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid *ordinary securities on issue 12 months before the *issue date or date of agreement to issue	278,780,500
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid *ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid *ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid *ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	28 June 2018 – 19,335,711 Fully Paid Ordinary Shares and approved at the AGM held on 20 November 2018
Subtract the number of fully paid *ordinary securities cancelled during that 12 month period	N/A
“A”	298,116,211
Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>

Appendix 3B
New issue announcement

<i>Multiply "A" by 0.15</i>	44,717,431
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	27 June 2019 – 7,379,834 Fully Paid Ordinary Shares
"C"	7,379,834
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
<p>"A" x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	44,717,431
<p>Subtract "C"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	7,379,834
<p>Total ["A" x 0.15] – "C"</p>	<p>37,337,597</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

Part 2

Rule 7.1A – Additional placement capacity for eligible entities
Step 1: Calculate "A", the base figure from which the placement capacity is calculated

+ See chapter 19 for defined terms.

<p>"A"</p> <p><i>Note: number must be same as shown in Step 1 of Part 1</i></p>	<p>298,116,211</p>
<p>Step 2: Calculate 10% of "A"</p>	
<p>"D"</p>	<p>0.10</p> <p><i>Note: this value cannot be changed</i></p>
<p>Multiply "A" by 0.10</p>	<p>29,811,621</p>
<p>Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used</p>	
<p>Insert number of *equity securities issued or agreed to be issued in that 12 month period under rule 7.1A</p> <p>Notes:</p> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>27 June 2019 – 29,811,620 Fully Paid Ordinary Shares</p>
<p>"E"</p>	<p>29,811,620</p>
<p>Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A</p>	
<p>"A" x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>29,811,621</p>
<p>Subtract "E"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>29,811,620</p>
<p>Total ["A" x 0.10] – "E"</p>	<p>1</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

27 June 2019

ASX Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

ST GEORGE MINING LIMITED SHARE PLACEMENT – NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

On 27 June 2019, St George Mining Limited (**Company**) issued 37,191,454 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.11 per Share via a placement to sophisticated and professional Investors (as defined in the Corporations Act 2001 (**the Act**)). The placement was previously announced on 20 June 2019.

The Company gives notice pursuant to section 708A(5)(e) of the Act that:

- (a) the Shares were issued without disclosure to investors under Part 6D.2 of the Act;
- (b) as at 27 June 2019, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- (c) as at 27 June 2019, the Company has complied with section 674 of the Act;
- (d) as at 27 June 2019, there is no information to be disclosed which is excluded information (as defined in section 708A(7) of the Act) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.

Yours faithfully

St George Mining Limited