

7 March 2019

DRILLING OF NICKEL-COPPER SULPHIDE TARGETS – UPDATE

HIGHLIGHTS:

- **New conductive targets ready for drilling at the Fairbridge Prospect:**
 - Highly chargeable anomalies identified within the 1,000m east-west strike of the Fairbridge Prospect
 - Several anomalies are co-incident with nickel-copper sulphide gossans at surface
 - Interpretation of new geophysical data indicates that the mineralised ultramafic units drilled at the Stricklands and Cathedrals Prospects continue into the Fairbridge area and extend down-plunge to the north
 - Drilling at Fairbridge to commence in the coming days
- **Drilling at West End and Investigators Prospects confirms extensions of the Cathedrals Belt:**
 - Six drill holes completed at the new West End Prospect with all intersecting the western extension of the fault structure that hosts the mineralised ultramafic within the Cathedrals Belt
 - Four extensional drill holes completed at the Investigators Prospect with disseminated nickel-copper sulphides intersected
- **Downhole Electromagnetic (DHEM) surveys underway:**
 - DHEM surveys being used concurrently with drilling to identify any conductive targets around completed drill holes
 - Surveys on completed drill holes at West End commenced yesterday
 - Further drilling to be planned for West End and Investigators following a review of the DHEM survey results

Emerging Western Australian nickel company St George Mining Limited (ASX: **SGQ**) (“**St George**” or “**the Company**”) is pleased to provide an update on the drilling of nickel-copper sulphide targets at the Mt Alexander Project, located near Leonora in the north Eastern Goldfields.

New geophysical surveys completed at the undrilled Fairbridge Prospect have confirmed several conductive targets that have been prioritised for drilling in the current reverse circulation (RC) drill programme. The targets have electrical signatures consistent with sulphide mineralisation and the potential to be associated with the surface nickel-copper sulphide gossans observed at Fairbridge and/or the highly mineralised ultramafic units drilled at the adjacent Stricklands and Cathedrals Prospects.

St George Mining Executive Chairman, John Prineas said:

“The drill programme at Mt Alexander is now in full-swing with 10 drill holes completed and downhole EM surveys also underway.

“Initial drill results are encouraging and have identified extensions to the Cathedrals Belt. Downhole EM surveys in the completed holes will assist in exploring for further nickel-copper sulphides within the Belt.

“The new conductive targets at the Fairbridge Prospect are particularly exciting with final modelling of these targets giving us confidence in the potential of further exploration success in our first ever drilling at Fairbridge – scheduled to commence next week.”

FAIRBRIDGE PROSPECT – CONDUCTIVE TARGETS IDENTIFIED WITHIN MINERALISED CORRIDOR

The Fairbridge Prospect covers a 1,000m east-west strike of the Cathedrals Belt, and is abutted by the Stricklands Prospect in the west and the Cathedrals Prospect in the east.

Significant discoveries of nickel-copper sulphides have been made by St George at the Stricklands and Cathedrals Prospects but Fairbridge remains undrilled. Numerous nickel-copper sulphide gossans have been identified at Fairbridge making it a compelling area for further exploration.

St George has recently completed an extensive surface geophysical programme at Fairbridge which included high resolution Magneto-Metric Resistivity (MMR) and Induced Polarisation (IP) surveys. A review of previous surface EM data, including data from the 2017 fixed loop SAMSON survey, was also completed.

Modelling and interpretation of the geophysical data by Newexco in conjunction with our technical team has identified a number of highly prospective targets at Fairbridge that warrant priority testing. Figure 1 is a map of the Fairbridge area that illustrates these new targets.

Continuity of Mineralised Corridor:

The MMR data has accurately mapped the Cathedrals Fault, which is the structure that bounds the mineralised corridor of the Cathedrals Belt. The Fault is shown as continuing through the Fairbridge area.

In addition, the MMR data is interpreted to have identified the mineralised ultramafic stratigraphy drilled at the adjacent Stricklands and Cathedrals Prospects with significant extensions of the ultramafic into the Fairbridge area. These extensions of the ultramafic are high priority targets for potential nickel-copper sulphide mineralisation.

The Stricklands ultramafic can be traced to the east of the known nickel-copper sulphide mineralisation at Stricklands for 200m into the Fairbridge area. The ultramafic extending into Fairbridge appears to be faulted, creating two distinct units. A large conductive feature has also been identified from the MMR data approximately 500m down dip to the north of the known nickel-copper sulphide mineralisation at Stricklands.

At the Cathedrals Prospect, the MMR data has mapped the lower ultramafic unit as extending west into Fairbridge for approximately 100-150m, and at depth to the north for approximately 120m beyond the limit of current drilling.

Highly Chargeable Anomalies for Drilling:

The IP survey at Fairbridge was planned to complement the MMR data, and designed to identify any chargeable material that the previous surface EM surveys failed to detect – due potentially to the size of the conductive bodies, complex geometry, equipment constraints and/or poor coupling.

Interpretation of the data from the new IP survey has successfully defined a series of highly chargeable anomalies that may represent sulphide mineralisation. The anomalies may potentially be associated with the sulphide gossans observed at Fairbridge, with several anomalies situated below these gossans.

Chargeable anomalies have also been identified as coincident with the extensions of the mineralised ultramafics from Stricklands and Cathedrals identified by the MMR data, giving additional support to the strong prospectivity of these targets.

An interesting chargeable body was also identified by the IP survey to the north of the Stricklands Prospect, and at a depth of approximately 200m. The target is down plunge of the known sulphide mineralisation at Stricklands and favourably located on the edge of a large magnetic feature that lies within the Cathedrals Fault Corridor. This chargeable anomaly is also coincident with a weak EM anomaly that was defined in the 2017 SAMSON FLEM survey.

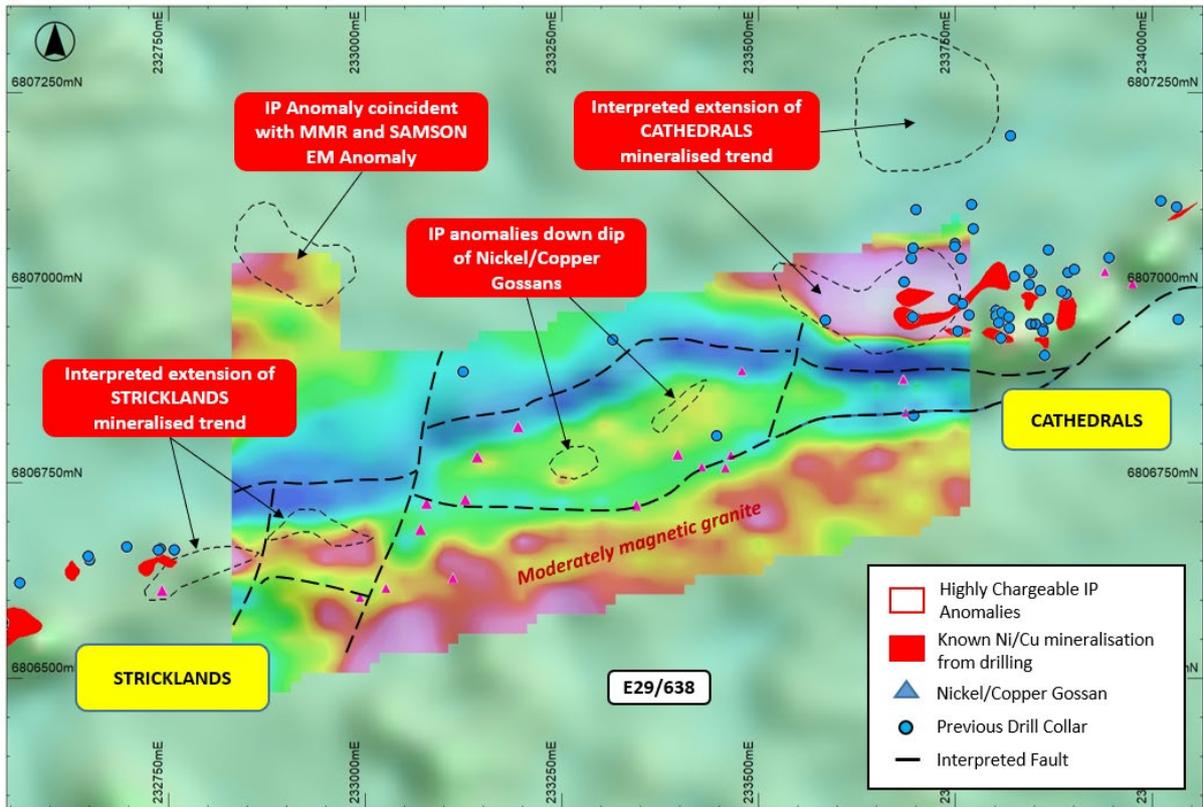


Figure 1 – map of the Fairbridge Prospect highlighting new geophysical targets for drill testing (set against X component Channel 28 MMR data overlaying RTP magnetics).

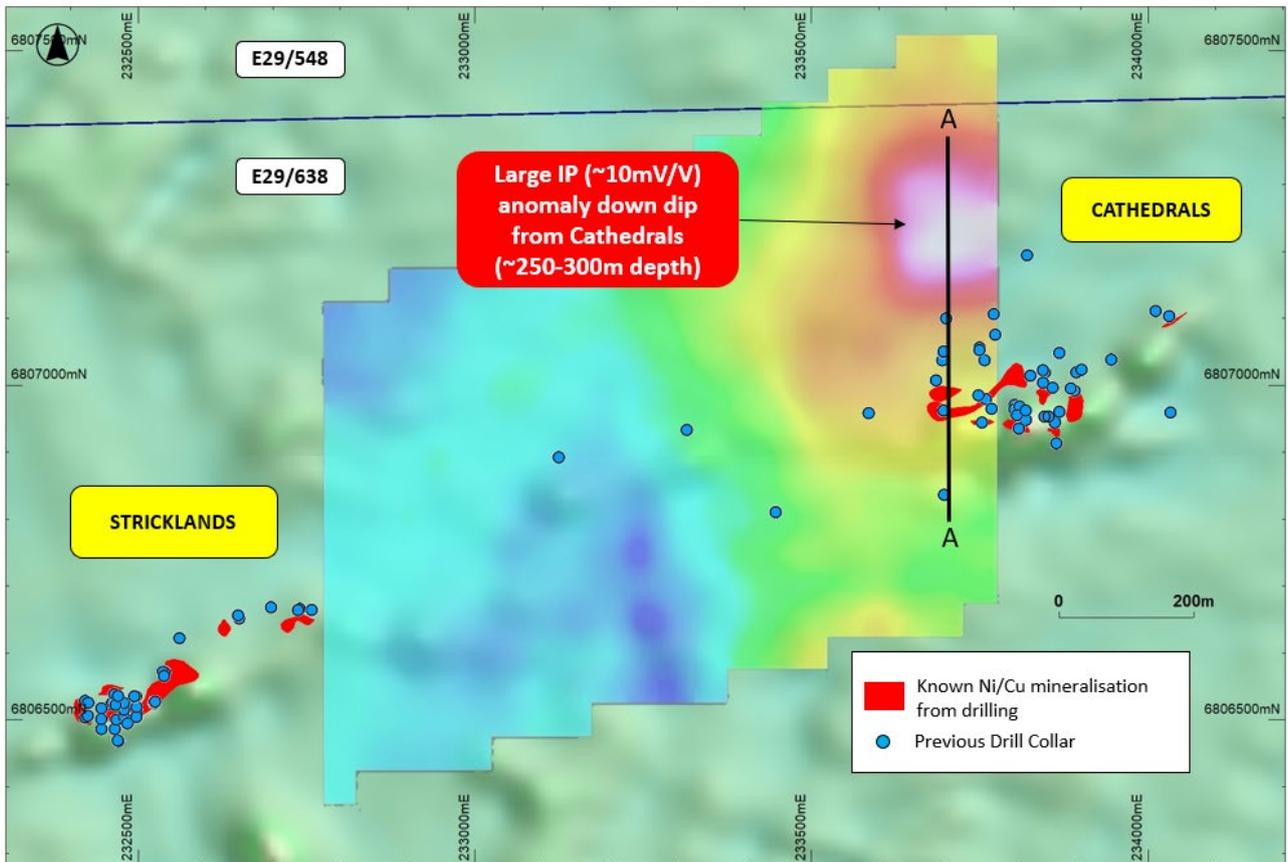


Figure 2 – map of the Fairbridge Prospect showing IP (chargeability) depth slice at 125RL (~300m from surface) and the location of section A-A shown in Figure 3 below (set against RTP magnetics).

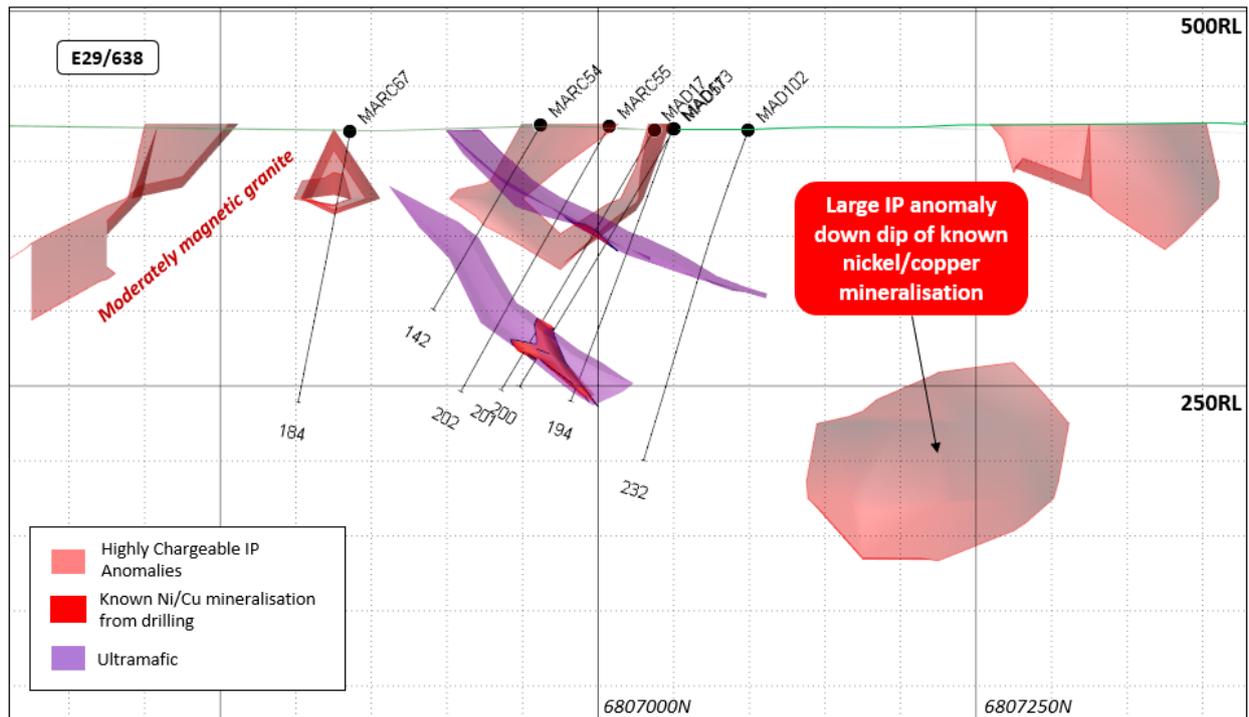


Figure 3 – Section A-A looking west along 233700E at the western margin of the Cathedrals Prospect showing interpreted ultramafic and nickel-copper sulphide mineralisation (from drilling data), existing drill holes (depth in metres) and IP (Chargeability) 3D iso-shells (>10mV/V).

Drilling at Fairbridge:

Drill holes have been designed to test the discrete chargeable bodies outlined above. In addition, a series of drill holes will be completed across the Fairbridge area to further investigate for extensions of the mineralised ultramafic and potential nickel-copper sulphide mineralisation.

Planned drill holes are shown in Table 2 below. Drilling at Fairbridge is scheduled to commence soon.

DRILLING UNDERWAY

Ten drill holes have been completed in the current RC drill programme. Table 1 lists the completed holes, which are at the West End and Investigators Prospects.

Table 2 lists the remaining planned drill holes for the RC drill programme, in the proposed order of drilling. These planned holes may change in response to ongoing exploration results.

West End Prospect:

The aim of the initial drilling at the West End Prospect is to test for sulphide mineralisation to the west of the discoveries at the Investigators Prospect by first identifying the fault structure that bounds the mineralised ultramafic of the Cathedrals Belt, and then using DHEM surveys to explore for conductive material that may represent further nickel-copper sulphide mineralisation.

Six drill holes in three lines have been completed at West End (see Figure 4). All drill holes intersected the fault structure, providing support for the interpretation that the mineralised corridor of the Cathedrals Belt could continue for a significant distance westwards from Investigators.

The drill holes encountered mafic intrusive rocks, felsic intrusives and highly altered granitic host rocks. The intrusive rocks are interpreted to be associated with the deep-seated Cathedrals Fault, the major east-west structure that is believed to have been a control on the formation and distribution of the nickel-copper sulphide bearing ultramafics in the Cathedrals Belt.

The extensive nature of the intrusive rocks and host structure supports the interpretation of a large intrusive mineral system at the Cathedrals Belt, with such systems typically being associated with mineral deposits at depth.

DHEM surveys will now be completed in the six drill holes to screen the fault corridor for sulphide mineralisation. Additional drill holes will be planned following a review of the DHEM data to extend drilling towards the west and up to the Ida Fault.

Investigators Prospect:

Four RC drill holes have been completed on the margins of the Investigators Prospect to test for extensions of the known mineralisation.

One drill hole (MARC080) encountered a thick interval of ultramafic rocks with approximately 5m of disseminated sulphides (pyrrhotite/pentlandite/chalcopyrite) from 101m downhole. This drill hole, located down dip from known nickel-copper sulphides at Investigators West, has extended the mineralised envelope at Investigators.

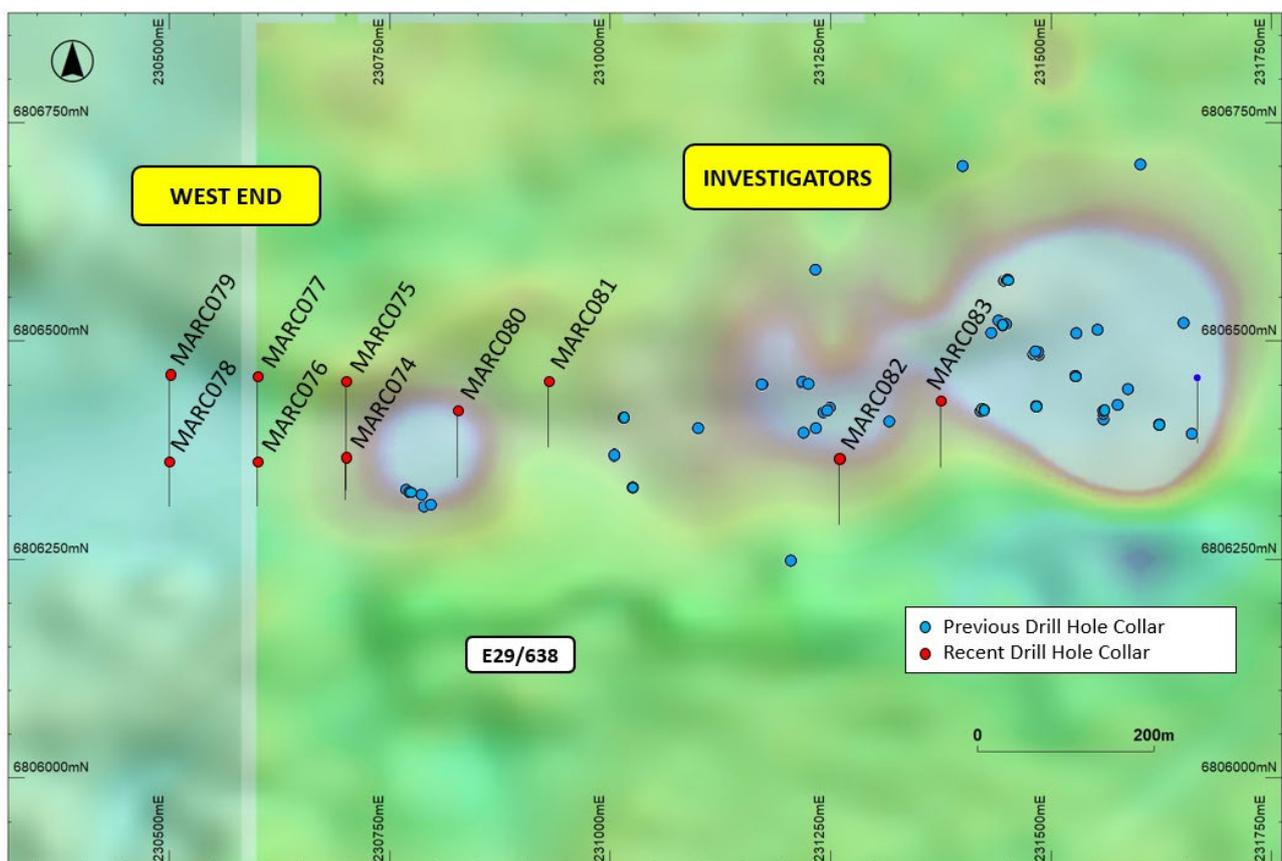


Figure 4 - Map of the completed drilling to date at the West End and Investigators Prospects. The drilling is set against SAMSON FLEM CH20 and RTP magnetic data.

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.

The DHEM crew have begun surveying the West End drill holes.

Other than MARC080, sulphide mineralisation was not observed in the drill chips for the completed drill holes. Samples from selected sections of each drill hole have been sent to the laboratory for assaying.

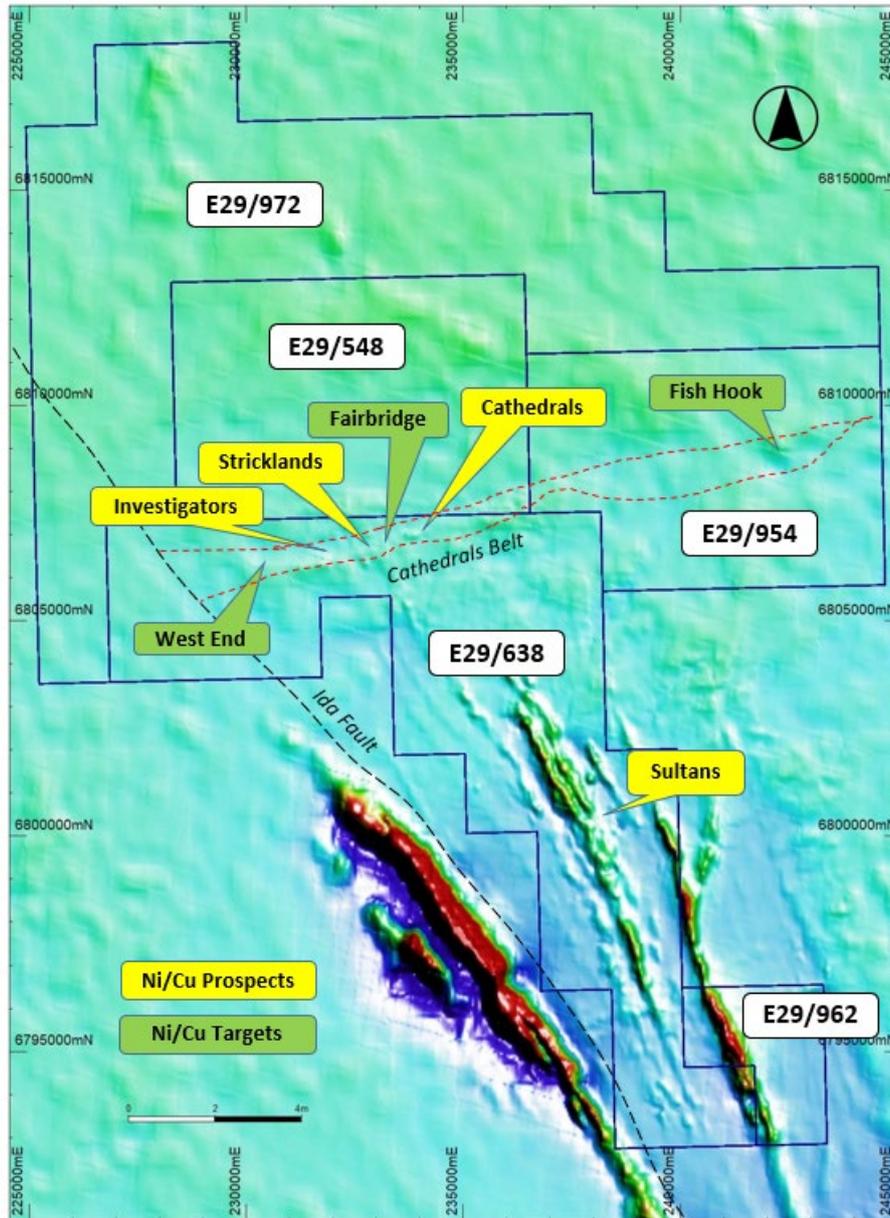


Figure 5 - map of the tenement package at Mt Alexander set against RTP magnetic data, showing the key prospects and targets under exploration.

Hole ID	Prospect	East	North	RL	Depth	Azimuth	Dip
MARC074	West End	230700	6806368	420	144	-60	180
MARC075	West End	230701	6806454	418	197	-60	180
MARC076	West End	230600	6806360	420	148	-60	180
MARC077	West End	230600	6806460	414	197	-60	180
MARC078	West End	230500	6806360	419	155	-60	180
MARC079	West End	230500	6806461	419	212	-60	180
MARC080	Investigators	230826	6806356	418	148	-60	180
MARC081	Investigators	230929	6806401	420	148	-60	180
MARC082	Investigators	231238	6806364	420	148	-60	180
MARC083	Investigators	231314	6806353	422	148	-60	180

Table 1 – Table of completed drill holes

Planned HoleID	Prospect	East	North	RL	Depth	Azimuth	Dip
CWRC1	Cathedrals West	233645	6806987	421	175	190	-70
CWRC2	Cathedrals West	233661	6807063	420	250	190	-65
CWRC3	Cathedrals West	233515	6807048	420	250	190	-70
CWRC4	Cathedrals West	233590	6807003	420	175	190	-70
CWRC5	Cathedrals West	233599	6807060	420	200	190	-70
FBRC10	Fairbridge	232808	6806711	420	150	155	-60
FBRC11	Fairbridge	232953	6806751	420	120	180	-60
FBRC3	Fairbridge	233090	6806700	439	200	335	-50
FBRC4	Fairbridge	233163	6806730	436	200	335	-50
FBRC5	Fairbridge	233255	6806770	432	200	335	-50
FBRC6	Fairbridge	233352	6806800	430	200	335	-50
FBRC7	Fairbridge	233446	6806830	428	200	335	-50
IVRC10	Investigators	232174	6806520	433	150	180	-60
IVRC11	Investigators	232256	6806490	439	100	180	-60
IVRC12	Investigators	232355	6806550	443	100	180	-60
IVRC13	Investigators	230775	6806452	423	200	180	-60
IVRC7	Investigators	231871	6806500	427	150	180	-60
IVRC8	Investigators	231964	6806490	429	150	180	-60
SLRC1	Sultans	238491	6799020	460	250	250	-60
SLRC4	Sultans	238419	6799040	461	200	250	-60
SLRC7	Sultans	238529	6798920	460	300	250	-60
SLRC8	Sultans	238497	6798810	460	200	250	-60
SNRC1	Stricklands	232880	6807176	423	250	180	-65
WMRC6	Wills More	239032	6797610	459	350	250	-60
WMRC7	Wills More	238991	6797680	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.