ASX / MEDIA RELEASE

22 August 2017

GOLD DRILLING AT THE EAST LAVERTON PROJECT - UPDATE

HIGHLIGHTS:

- **Additional gold targets at Desert Dragon, Green Dragon and Athena have been drilled**
- **Reconnaissance drilling of East Laverton gold targets has been completed with a total of 8,072 metres of RC (reverse circulation) drilling in this programme**
- **Numerous drill holes have intersected late intrusive porphyries, hydrothermal alteration and sulphide mineralisation**
- **Large hydrothermal systems have been established at East Laverton with local controls on gold mineralisation becoming evident**
- **Follow up drill programme to be planned once pending assays are received and reviewed**

GOLD TARGETS AT EAST LAVERTON

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') is pleased to provide a further update on the major reconnaissance gold drill programme at its 100% owned East Laverton Project in Western Australia.

The drill programme is testing hydrothermal gold targets that include established gold prospects as well as new targets generated by the comprehensive review completed by external expert Dr Walter Witt earlier this year. These targets are part of a portfolio of gold targets across the extensive greenstone belts within the large 2,000 sq km East Laverton Project.

Drilling has demonstrated extensive hydrothermal alteration across the East Laverton project area. This is indicative of the presence of a larger hydrothermal cell, which is consistent with the fundamental structures that appear to also control the earlier nickel sulphide mineralisation within the project area.

Numerous drill holes have encountered widespread hydrothermal alteration, late felsic porphyry intrusives and dolerites, and sulphide mineralisation. The presence of large hydrothermal systems is encouraging for the potential of gold mineralisation.

St George Mining Executive Chairman, John Prineas said:

"The gold drill programme has identified a large hydrothermal system at East Laverton, and assays received to date have already confirmed zones of significant gold anomalism at Cambridge and Cambridge North.

"Assays for the remaining targets are pending. These targets have strong gold prospectivity recognised from soil surveys and shallow drilling. The current drill programme will assess if this gold anomalism is associated with primary gold mineralisation."

Phase 1 of the 2017 gold drill programme has now concluded with a total of 115 drill holes completed for 8,072m of RC drilling. The final targets drilled in the programme were at Desert Dragon, Green Dragon and Athena.

Desert Dragon:
Eleven drill holes were completed at Desert Dragon to test two tight folds in the Stella Range belt. The tight folds and fold hinges represent significant structural deformation in the belt and are prospective for the accumulation of gold mineralisation.

Figure 1 illustrates the location of the drill holes completed at Desert Dragon. Drill hole DDD010 is also highlighted. DDD010 was drilled by St George in 2014 and intersected 6m @ 0.70g/t Au including 2m @ 1.42g/t Au from 149m.

The gold mineralisation in DDD010 is associated with a strongly sulphidic (iron-rich) metasedimentary unit (26% sulphur). The mineralised horizon is also intersected 100m to the east and up-dip in DDRC049 (4m @ 0.3 g/t Au), suggesting the drill holes are part of a larger gold system.

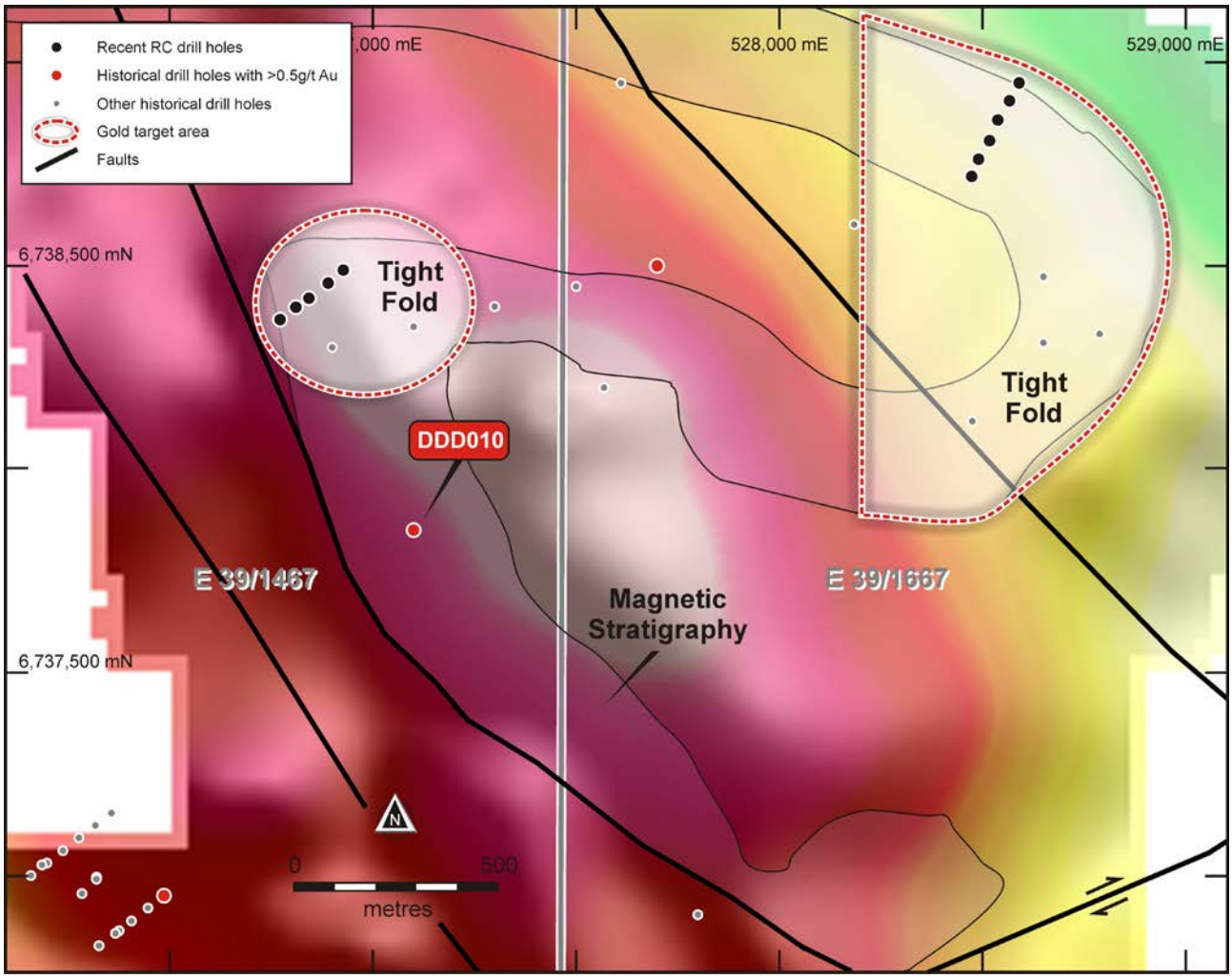

Figure 1 – plan view map of Desert Dragon against Bouguer gravity data showing the two priority target areas and the drill holes completed.

Green Dragon:
The Green Dragon gold target was identified through a regional multi-element soil survey. The target comprises a large gold geochemical response along a 5,000m northerly trend which covers an area of gravitational and magnetic (structural) anomalism between the Bristol and Athena targets.

Two drill holes were completed at Green Dragon to test a potential granite-greenstone contact zone, an area that is a common setting for localising gold mineralisation in the Laverton area.

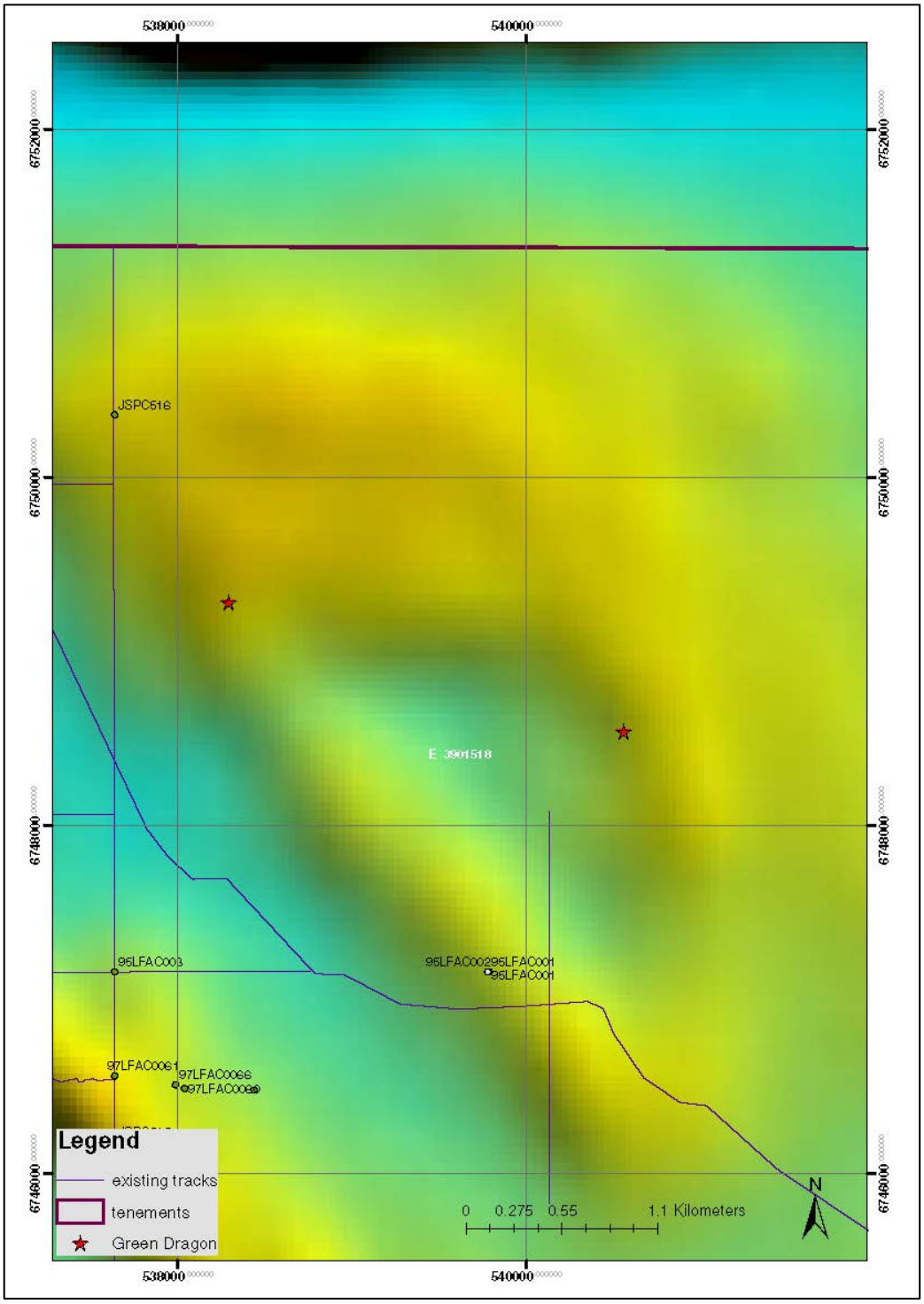

Figure 2 – a plan view map of the Green Dragon area. The red dots represent the recent drill hole collars.

Athena:
Athena is a discrete gold target and the most northerly situated target along the Minigwal belt. The target was identified from a strongly anomalous gold-silver-copper soil anomaly which occurs for over 1,000m. The area is underlain by greenstone (mafic rocks) that form a structurally controlled corridor flanked by granites.

Figure 3 is a map of the Athena target area and highlights the strong N-NW magnetic trend that is interpreted to represent a greenstone belt. The northern section of the belt has not been tested by drilling. Two drill holes completed by WMC Resources in the early 1990's as part of a wide spaced reconnaissance drill programme, JSPC313 and JSPC314, straddle the belt but do not test it. St George has now completed two RC drill holes to provide more information on the complex stratigraphy of the belt and to test for mineralisation that reflects the soil gold anomalism.

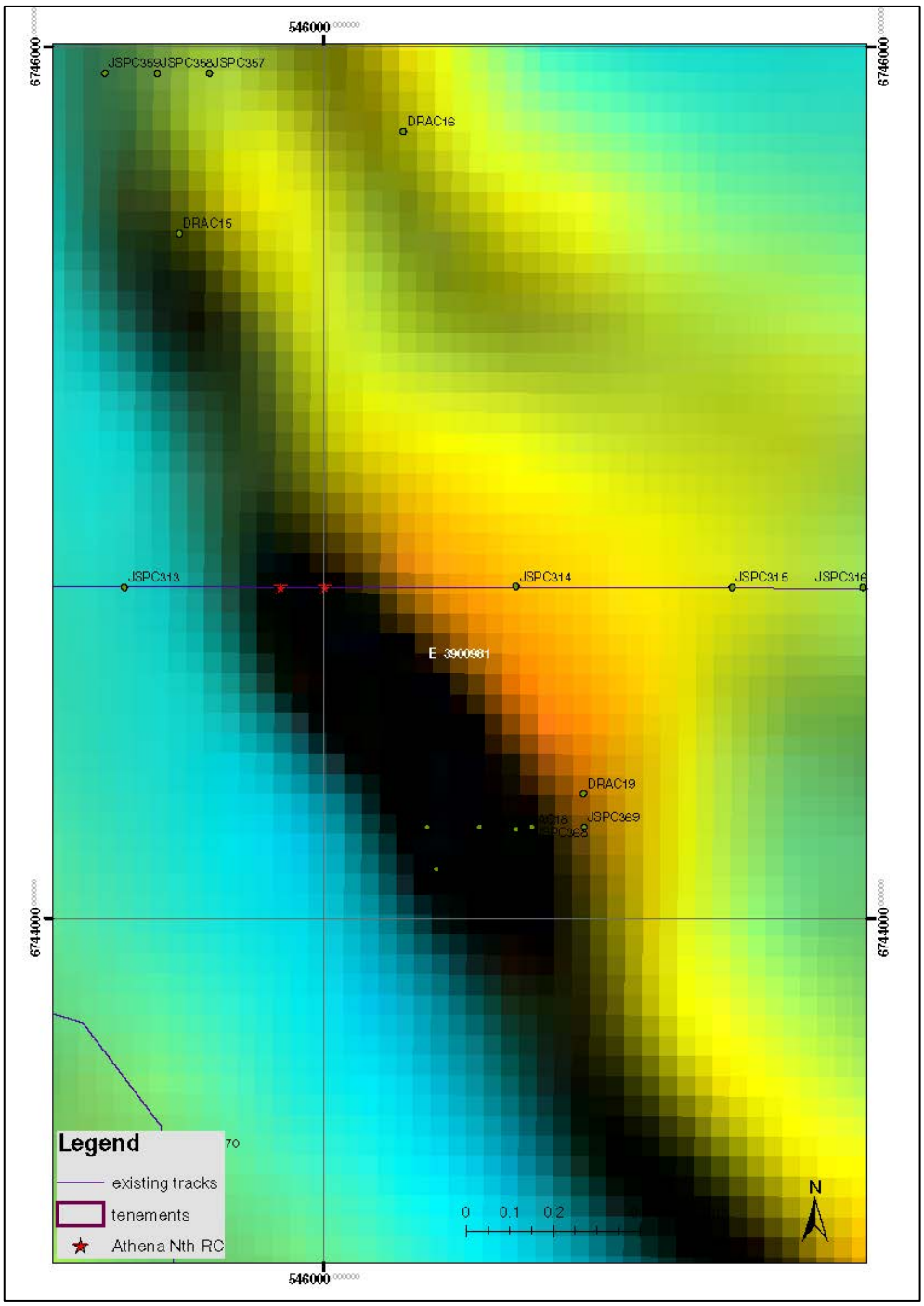

Figure 3 – a plan view map of the Athena area. The red dots represent the recent drill hole collars.

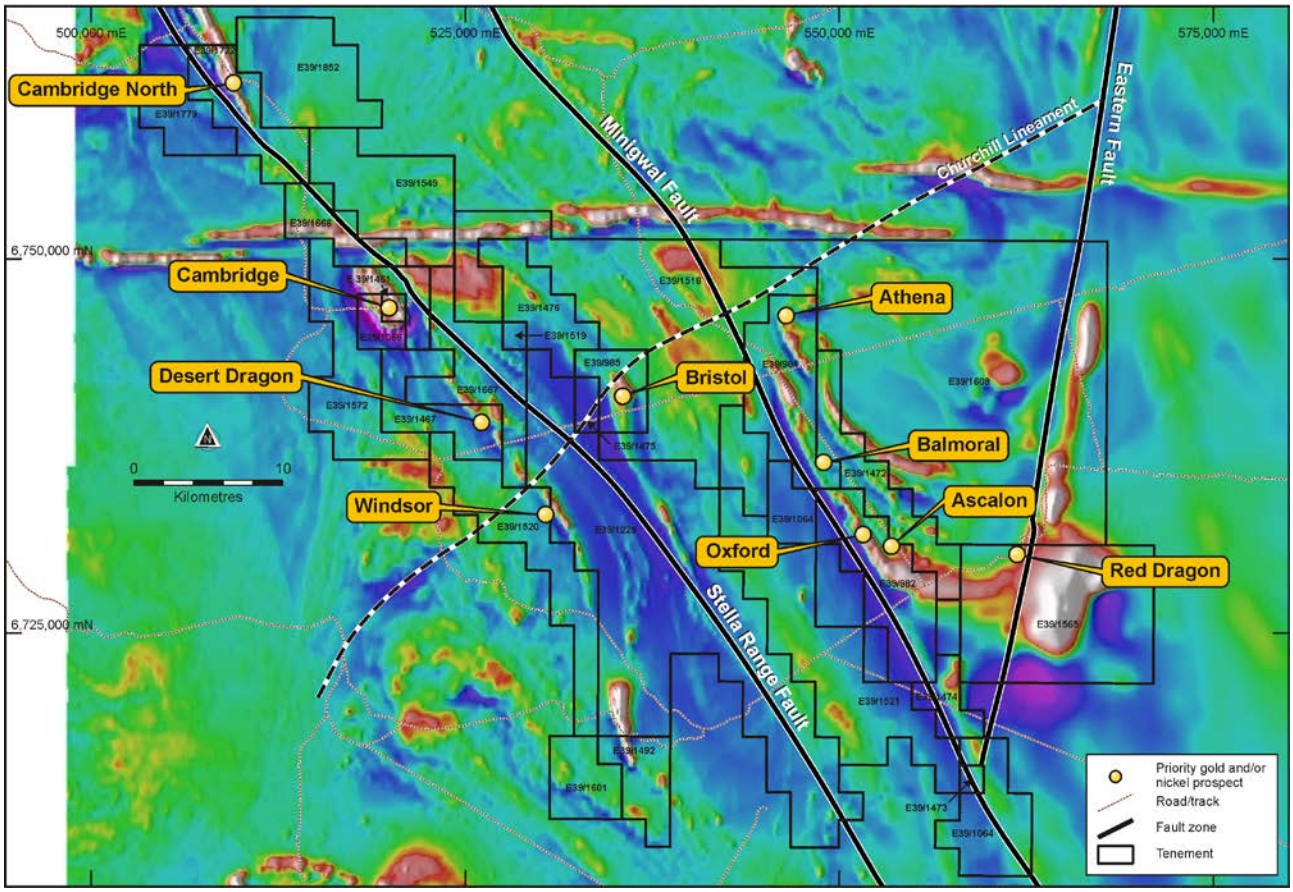

Figure 4 - the East Laverton tenements against RTP magnetic data with priority gold prospects highlighted.

GOLD DRILL PROGRAMME

Table 1 contains details for all drill holes completed in the 2017 gold drill programme.

A follow-up drill programme will be planned once all assay results are received and reviewed.

Table 1 – Drill hole details for the 2017 gold drilling programme

PROSPECT	HID	X	Y	DEPTH	DIP	AZI
Cambridge	CAMRC020	517990	6747485	100	-60	230
Cambridge	CAMRC021	518075	6747535	100	-60	230
Cambridge	CAMRC022	518160	6747590	100	-60	230
Cambridge	CAMRC023	518240	6747640	100	-60	230
Cambridge North	CNRC004	513760	6752850	84	-50	270
Cambridge North	CNRC005	514160	6752850	139	-50	270
Cambridge North	CNRC006	514560	6752850	120	-50	270
Cambridge North	CNRC007	514960	6752850	120	-50	270
Cambridge North	CNRC008	515360	6752850	97	-50	270
Cambridge North	CNRC009	515760	6752850	120	-50	270
Cambridge North	CNRC010	516160	6752850	144	-50	270
Cambridge North	CNRC011	508828	6763098	60	-60	230

Cambridge North	CNRC012	508872	6763121	50	-60	230
Cambridge North	CNRC013	508916	6763144	66	-60	230
Cambridge North	CNRC014	508961	6763168	50	-60	230
Cambridge North	CNRC015	509005	6763191	66	-60	230
Cambridge North	CNRC016	509049	6763214	50	-60	230
Cambridge North	CNRC017	509094	6763237	50	-60	230
Cambridge North	CNRC018	509138	6763260	50	-60	230
Cambridge North	CNRC019	509182	6763283	50	-60	230
Cambridge North	CNRC020	509227	6763306	50	-60	230
Cambridge North	CNRC021	509271	6763330	50	-60	230
Cambridge North	CNRC022	509315	6763353	50	-60	230
Cambridge North	CNRC023	509359	6763376	50	-60	230
Cambridge North	CNRC024	509515	6760802	132	-60	230
Cambridge North	CNRC025	509557	6760829	66	-60	230
Cambridge North	CNRC026	509599	6760855	50	-60	230
Cambridge North	CNRC027	509641	6760882	50	-60	230
Cambridge North	CNRC028	509684	6760909	50	-60	230
Cambridge North	CNRC029	509726	6760935	50	-60	230
Cambridge North	CNRC030	509768	6760962	50	-60	230
Cambridge North	CNRC031	509811	6760989	60	-60	230
Cambridge North	CNRC032	509853	6761015	72	-60	230
Cambridge North	CNRC033	509895	6761042	72	-60	230
Cambridge North	CNRC034	509938	6761069	72	-60	230
Cambridge North	CNRC035	509980	6761095	54	-60	230
Cambridge North	CNRC036	510057	6759506	54	-60	230
Cambridge North	CNRC037	510101	6759629	50	-60	230
Cambridge North	CNRC038	510151	6759557	50	-60	230
Cambridge North	CNRC039	510188	6759579	60	-60	230
Cambridge North	CNRC040	510225	6759602	50	-60	230
Cambridge North	CNRC041	510268	6759633	60	-60	230
Cambridge North	CNRC042	510312	6759660	60	-60	230
Cambridge North	CNRC043	510358	6759686	50	-60	230
Cambridge North	CNRC044	510397	6759711	54	-60	230
Cambridge North	CNRC045	510443	6759741	54	-60	230
Cambridge North	CNRC046	510483	6759766	66	-60	230
Cambridge North	CNRC047	510522	6759795	54	-60	230
Cambridge North	CNRC048	510565	6759826	54	-60	230
Cambridge North	CNRC049	508650	6763010	72	-60	230
Cambridge North	CNRC050	508738	6763057	72	-60	230
Cambridge North	CNRC051	509263	6760642	56	-60	230
Cambridge North	CNRC052	509347	6760698	56	-60	230
Cambridge North	CNRC053	509429	6760752	78	-60	230

Cambridge North	CNRC054	509888	6759398	50	-60	230
Cambridge North	CNRC055	509976	6759450	60	-60	230
Cambridge	CAMRC024	520008	6746843	84	-60	230
Cambridge	CAMRC025	520093	6746895	78	-60	230
Cambridge	CAMRC026	520178	6746948	78	-60	230
Cambridge	CAMRC027	520263	6747001	50	-60	230
Cambridge	CAMRC028	520348	6747054	50	-60	230
Cambridge	CAMRC029	520433	6747106	50	-60	230
Cambridge	CAMRC030	520518	6747159	50	-60	230
Cambridge	CAMRC031	520605	6747214	50	-60	230
Cambridge	CAMRC032	522129	6746630	66	-60	180
Cambridge	CAMRC033	522130	6746730	60	-60	180
Cambridge	CAMRC034	522131	6746830	78	-60	180
Cambridge	CAMRC035	522134	6746566	78	-60	270
Cambridge	CAMRC036	522234	6746566	66	-60	270
Cambridge	CAMRC037	522334	6746567	60	-60	270
Cambridge	CAMRC038	522434	6746568	66	-60	270
Cambridge	CAMRC039	522258	6745447	84	-60	230
Cambridge	CAMRC040	522343	6745499	90	-60	230
Cambridge	CAMRC041	522428	6745552	60	-60	230
Cambridge	CAMRC042	522512	6745605	78	-60	230
Cambridge	CAMRC043	522597	6745658	72	-60	230
Cambridge	CAMRC044	522682	6745710	60	-60	230
Cambridge	CAMRC045	522770	6745765	50	-60	230
Windsor	WINRC025	537700	6733000	90	-60	270
Windsor	WINRC026	537750	6733000	72	-60	270
Windsor	WINRC027	537800	6733000	72	-60	270
Windsor	WINRC028	537850	6733000	54	-60	270
Windsor	WINRC029	537900	6733000	72	-60	270
Windsor	WINRC030	537950	6733000	84	-60	270
Windsor	WINRC031	538000	6733000	72	-60	270
Windsor	WINRC032	538050	6733000	78	-60	270
Windsor	WINRC033	538100	6733000	126	-60	270
Windsor	WINRC034	538150	6733000	90	-60	270
Windsor	WINRC035	538200	6733000	60	-60	270
Windsor	WINRC036	538250	6733000	72	-60	270
Windsor	WINRC037	538300	6733000	100	-60	270
Windsor	WINRC038	538075	6728900	67	-60	270
Windsor	WINRC039	538125	6728900	88	-60	270
Windsor	WINRC040	538175	6728900	88	-60	270
Bristol	BRRC020	534438	6739415	100	-60	270
Bristol	BRRC021	536250	6742498	90	-60	270

Bristol	BRRC022	534200	6742100	138	-60	240
Cambridge	CAMRC011	519893	6747249	282	-60	252
Cambridge	CAMRC019	522250	6744850	200	-60	240
Cambridge North	CNRC002	508725	6763599	144	-60	240
Cambridge North	CNRC003	508791	6763641	144	-60	240
Green Dragon	GRRC001	538290	6749280	138	-60	240
Green Dragon	GRRC002	540560	6748540	90	-60	240
Athena	ATHRC004	545899	6744750	72	-60	270
Athena	ATHRC005	546000	6744750	90	-60	270
Desert Dragon	DDRC050	528591	6744948	42	-60	64
Desert Dragon	DDRC051	528567	6738904	30	-60	64
Desert Dragon	DDRC052	528538	6738858	48	-60	64
Desert Dragon	DDRC053	528518	6738807	48	-60	64
Desert Dragon	DDRC054	528496	6738758	48	-60	64
Desert Dragon	DDRC055	528474	6738712	60	-60	64
Desert Dragon	DDRC056	526922	6738478	60	-60	38
Desert Dragon	DDRC057	526883	6738447	60	-60	38
Desert Dragon	DDRC058	526843	6738416	60	-60	38
Desert Dragon	DDRC059	526803	6738386	78	-60	38
Desert Dragon	DDRC060	526764	6738355	72	-60	38

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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 Timothy Hronsky, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Hronsky is employed by Essential Risk Solutions Ltd which has been retained by St George Mining Limited to provide technical advice on mineral projects.

Mr Hronsky 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 Hronsky consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The following section is provided for compliance with requirements for the reporting of exploration results under the JORC Code, 2012 Edition.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	This ASX Release dated 22 August 2017 reports on the 2017 nickel and gold drill programme at the Company's East Laverton Project. The current drilling programme is being completed by reverse circulation (RC) drilling and diamond core drilling. *Diamond Core Sampling:* The core is removed from the drill rig and laid out for initial analysis in the field. The core is measured and marked up at 1m intervals against the drillers blocks, which are themselves checked against the drillers log books where required. The visible structural features on the core are measured against the core-orientation lines. *RC Sampling:* All samples from the RC drilling are taken as 1m samples. Samples are sent to Intertek Laboratories for assaying. Appropriate QAQC samples (standards, blanks and duplicates) are inserted into the sequences as per industry best practice. Samples are collected using cone or riffle splitter. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays. Onsite XRF analysis is conducted on the fines from RC chips using a hand-held Olympus Innov-X Spectrum Analyser. These results are only used for onsite interpretation and preliminary assessment subject to final geochemical analysis by laboratory assays.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	*RC Sampling:* The RC drilling rig has a cone splitter built into the cyclone on the rig. Samples are taken on a one meter basis and collected directly from the splitter into uniquely numbered calico bags. The calico bag contains a representative sample from the drill return for that metre. This results in a representative sample being taken from drill return, for that metre of drilling. The remaining majority of the sample return for that metre is collected and stored in a green plastic bag marked with that specific metre interval. The cyclone is blown through with compressed air after each plastic and calico sample bag is removed. If wet sample or clays are encountered then the cyclone is opened and cleaned manually and with the aid of a compressed air gun. A large auxiliary compressor ("air-pack") is mounted on a separate truck and the airstream is connected to the rig. This provides an addition to the compressed air supplied by the in-built compressors mounted on the drill rig itself. This auxiliary compressor maximises the sample return through restricting air pressure loss, especially in deeper holes. In addition, the high and consistent levels of air pressure minimise the number of drill samples. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays. Downhole surveys of dip and azimuth are conducted using a single shot camera every 30m to detect deviations of the hole from the planned dip and azimuth. The drill-hole collar locations were recorded using a hand held GPS, which has an accuracy of +/- 5m. At a later date the drill-hole collar will be surveyed to a greater degree of accuracy. *Diamond Core Sampling:* For diamond core samples, certified sample standards were added as every 25th sample. Core recovery calculations are made through a reconciliation of the actual core and the driller's records. Downhole surveys of dip and azimuth were conducted using a single shot camera every 30m to detect deviations

Criteria	JORC Code explanation	Commentary
		of the hole from the planned dip and azimuth. The drill-hole collar locations were recorded using a hand held GPS, which has an accuracy of +/- 5m. At a later date the drill-hole collar will be surveyed to a greater degree of accuracy.
	Aspects of the determination of mineralisation that are Material to the Public Report. *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	*RC Sampling:* A 1m composite sample is taken from the bulk sample of RC chips that may weigh in excess of 40 kg. Assay preparation is for the current drilling program will be completed by Intertek. *Diamond Core Sampling: C*ore is drilled with HQ and NQ2 size and sampled as half core to produce a bulk sample for analysis. Intervals vary from 0.3 – 1m maximum and are selected with an emphasis on geological control. Assays are undertaken at Intertek in Kalgoorlie and Perth. Samples are sent to Intertek where they are crushed to 6 mm and then pulverised to 75 microns. A 30 g charge of the sample is fire assayed for gold, platinum and palladium. The detection range for gold is 1 – 2000 ppbAu, and 0.5 – 2000 ppb for platinum and palladium. This is believed to be an appropriate detection level for these elements within this specific mineral environment. However, should Au, Pt or Pd levels reported exceed these levels an additional assay method will be used to re-test samples. All other metals will be analysed using an acid digest and an ICP finish. The sample is digested with nitric, hydrochloric, hydrofluoric and perchloric acids to effect as near to total solubility of the sample as possible. The solution containing samples of interest, including those that need further review, will then be presented to an ICP-OES for the further quantification of the selected elements.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	*Diamond Core Sampling:* The collars of the diamond holes were drilled using RC drilling down through the regolith to the point of refusal or to a level considered geologically significant to change to core. The hole was then continued using HQ diamond core until the drillers determined that a change to NQ2 coring was required. The core is oriented and marked by the drillers. The core is oriented using ACT Mk II electric core orientation. *RC Sampling:* The RC drilling uses a 140 mm diameter face hammer tool. High capacity air compressors on the drill rig are used to ensure a continuously sealed and high pressure system during drilling to maximise the recovery of the drill cuttings, and to ensure chips remain dry to the maximum extent possible.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	*Diamond Core Sampling: Diamond core recoveries/core loss are recorded during drilling and reconciled during the core processing and geological logging. No significant sample recovery problems are thought to have occurred in any holes drilled to date. There has been a notable and consistent competency encountered in the rocks during drilling.* *RC Sampling:* RC samples are visually checked for recovery, moisture and contamination. Geological logging is completed at site with representative RC chips stored in chip trays.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	*RC Sampling:* Samples are collected using cone or riffle splitter. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays. *Diamond Core Sampling: Depths are checked against the depth on the core blocks and rod counts are routinely carried out by the drillers. Core loss was recorded by St George geologists and sampling intervals were not carried through core loss.*

Criteria	JORC Code explanation	Commentary
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	To date, no detailed analysis to determine the relationship between sample recovery and grade has been undertaken for any drill program. This analysis will be conducted following any economic discovery. The nature of magmatic sulphide distribution hosted by the competent and consistent rocks hosting any mineralised intervals are considered to significantly reduce any possible issue of sample bias due to material loss or gain.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Geological logging is carried out on all drill holes with lithology, alteration, mineralisation, structure and veining recorded.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of diamond core and RC samples records lithology, mineralogy, mineralisation, structures (core only), weathering, colour and other noticeable features. Core was photographed in both dry and wet form.
	The total length and percentage of the relevant intersections logged.	All drill holes are geologically logged in full and detailed litho-geochemical information is collected by the field XRF unit. The data relating to the elements analysed is used to determine further information regarding the detailed rock composition.
Sub-sampling techniques and sample reparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	*Diamond Core Sampling:* Diamond core was drilled with HQ and NQ2 size and sampled as complete half core to produce a bulk sample for analysis. Intervals selected varied from 0.3 – 1m (maximum) with a strong geological control (as is possible in diamond core) to ensure grades are representative, i.e. remove any bias through projecting assay grades beyond appropriate geological boundaries. Assay preparation procedures ensure the entire sample is pulverised to 75 microns before the sub-sample is taken. This removes the potential for the significant sub-sampling bias that can be introduced at this stage.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC samples are collected in dry form. Samples are collected using cone or riffle splitter when available. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	*RC Sampling*: Sample preparation for RC chips follows a standard protocol. Assay preparation procedures ensure the entire sample is pulverised to 75 microns before the sub-sample is taken. This removes the potential for the significant sub-sampling bias that can be introduced at this stage.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	*RC Sampling:* Field QC procedures maximise representivity of RC samples and involve the use of certified reference material as assay standards, along with blanks, duplicates and barren washes. *Diamond Core Sampling:* Drill core is cut in half lengthways and the total half-core submitted as the sample. This meets industry standards where 50% of the total sample taken from the diamond core is submitted.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	*RC Sampling:* Field duplicates were taken on 1m composites for RC samples.

Criteria	JORC Code explanation	Commentary
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered to be appropriate to correctly represent the sulphide mineralisation at the East Laverton Property based on: the style of mineralisation (massive and disseminated sulphides), the thickness and consistency of the intersections and the sampling methodology.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	For RC sampling, a 30 gram sample will be fire assayed for gold, platinum and palladium. The detection range for gold is 1 – 2000 ppbAu, and 0.5 – 2000 ppb for platinum and palladium. This is believed to be an appropriate detection level for the levels of these elements within this specific mineral environment. However, should Au, Pt or Pd levels reported exceed these levels; an alternative assay method will be selected. All other metals will be analysed using an acid digest and an ICP finish. The sample is digested with nitric, hydrochloric, hydrofluoric and perchloric acids to effect as near to total solubility of the sample as possible. The solution containing samples of interest, including those that need further review, will then be presented to an ICP-OES for the further quantification of the selected elements.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	A handheld XRF instrument (Olympus Innov-X Spectrum Analyser) is used to systematically analyse the drill core and RC chips onsite. Reading time was 60 seconds. The instruments are serviced and calibrated at least once a year. Field calibration of the XRF instrument using standards is undertaken each day.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of in house procedures. The Company will also submit an independent suite of CRMs, blanks and field duplicates (see above).
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant intersections are verified by the Company's Technical Director and Consulting Field Geologist.
	The use of twinned holes.	No twinned holes have been completed.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Geological data was collected using handwritten log sheets and imported in the field onto a laptop detailing geology (weathering, structure, alteration, mineralisation), sampling quality and intervals, sample numbers, QA/QC and survey data. This data, together with the assay data received from the laboratory and subsequent survey data was entered into the Company's database.
	Discuss any adjustment to assay data.	No adjustments or calibrations will be made to any primary assay data collected for the purpose of reporting assay grades and mineralised intervals. For the geological analysis, standards and recognised factors may be used to calculate the oxide form assayed elements, or to calculate volatile free mineral levels in rocks.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill hole collar locations are determined using a handheld GPS with an accuracy of +/- 5m. Down hole surveys of dip and azimuth were conducted using a single shot camera every 30m to detect deviations of the hole from the planned dip and azimuths.
	Specification of the grid system used.	The grid system used is GDA94, MGA Zone 51.
	Quality and adequacy of topographic control.	Best estimated RLs were assigned during drilling and are to be corrected at a later stage.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The spacing and distribution of holes is not relevant to the drilling programs which are at the exploration stage.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Drilling at the East Laverton Project is at the exploration stage and mineralisation has not yet demonstrated to be sufficient in both geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications to be applied.
	Whether sample compositing has been applied.	Samples are taken at one metre lengths and adjusted where necessary to reflect local variations in geology or where visible mineralised zones are encountered, in order to preserve the samples as representative.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The drill holes are drilled towards 060 at an angle of -60 degrees (unless otherwise stated) to intersect the modelled mineralised zones at a near perpendicular orientation. However, the orientation of key structures may be locally variable and any relationship to mineralisation has yet to be identified.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No orientation based sampling bias has been identified in the data to date.
Sample security	*The measures taken to ensure sample security.*	Chain of Custody is managed by the Company until samples pass to a duly certified assay laboratory for subsampling and assaying. The RC sample bags are stored on secure sites and delivered to the assay laboratory by the Company or a competent agent. When in transit, they are kept in locked premises. Transport logs have been set up to track the progress of samples. The chain of custody passes upon delivery of the samples to the assay laboratory.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Sampling techniques and procedures are regularly reviewed internally, as is data. To date, no external audits have been completed on the drilling programme.

Section 2 Reporting of Exploration Results (Criteria listed in section 1 will also apply to this section where relevant)

Criteria	JORC Code explanation	Commentary
Mineral Tenement and Land Status	*Type, name/reference number, location and ownership including agreements or material issues with third parties including joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The East Laverton Project comprises 27 exploration licences, and details are available in the Company's Quarterly Activities Report which can be found on our website at www.stgm.com.au. Each tenement is 100% owned by Desert Fox Resources Pty Ltd, a wholly owned subsidiary of St George Mining. Certain tenements are subject to a 2% Net Smelter Royalty in favour of a third party. An additional two exploration licences are owned directly by St George Mining Limited, and are referred to as the Lake Minigwal Project that hosts the Atlas gold target. None of the tenements are the subject of a native title claim. No environmentally sensitive sites have been identified at any of the tenements. The tenements are in good standing; no known impediments exist.
Exploration Done by Other Parties	*Acknowledgment and appraisal of exploration by other parties.*	*Gold Exploration:* Historical exploration drilling targeting gold was completed mainly by WMC Resources in the early 1990s. This drilling was relatively shallow, mostly less than 100m. The historical drilling along the Minigwal belt defined linear zones of anomalous gold and copper in the regolith that extend over 1,300m

Criteria	JORC Code explanation	Commentary
		and are open to the south towards the Ascalon target. The Bristol gold target is situated along the Central Belt within the East Laverton Project. Widespread anomalous gold (>0.5g/t Au) was encountered over a 1km strike length from shallow drilling in this area completed in the 1990s by previous exploration. The average hole-depth for the past drilling at Bristol was approximately 40m and identified anomalous gold in the lower regolith. Significantly, gold anomalism in seven of the eight drill holes occurs at the end of hole. The continuation of this gold mineralisation, or the presence of bedrock gold mineralisation, has never been tested. The gold anomalism is situated on the contact of the Bristol ultramafics/mafics with granites, as defined by a distinct magnetic and gravity gradient. This is a favourable setting for gold mineralisation. Savanna Mineral Resources Pty Ltd completed a number of shallow drill programmes across the Stella Range Belt during the 1990's including the series of drill holes designated SRAB001 to 176. Anomalous gold was identified in numerous drill holes, interpreted to be supergene gold. The presence of bedrock gold mineralisation at St George's gold targets has never been tested. *Nickel Exploration:* In 2012, BHP Billiton Nickel West Pty Ltd (Nickel West) completed a reconnaissance RC (reverse circulation) drilling programme at the East Laverton Property as part of the Project Dragon farm-in arrangement between Nickel West and the Company. That farm-in arrangement has been terminated. The drilling programme comprised 35 RC holes for 8,560m drilled. The results from the Nickel West drilling programme were reported by the Company in its ASX Release dated 25 October 2012 "Drill Results at Project Dragon". Drilling intersected primary nickel sulphide mineralisation and established the presence of fertile, high MgO ultramafic sequences at the East Laverton Property. Prior to the Project Dragon drilling programme, there was no systematic exploration for nickel sulphides at the East Laverton Property. Historical exploration in the region was dominated by shallow RAB and aircore drilling, much of which had been incompletely sampled, assayed, and logged. This early work was focused on gold rather than nickel sulphide exploration.
Geology	*Deposit type, geological setting and style of mineralisation*	The Company's East Laverton Property located in the NE corner of the Eastern Goldfields Province of the Archean Yilgarn Craton. Reconnaissance drilling has identified extensive greenstones at the Property, which is interpreted to be prospective for Orogenic gold mineralisation.
Drill hole information	*A summary of all information material to the understanding of the exploration results including tabulation of the following information for all Material drill holes:* *• Easting and northing of the drill hole collar* *•Elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar* *• Dip and azimuth of the hole* *• Down hole length and interception depth* *• Hole length*	Refer to information in the body of this announcement.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	No top-cuts have been applied unless otherwise indicated.
	Where aggregated intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	High grade intervals internal to broader zones of mineralisation are reported as included intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of exploration results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect.*	The geometry of the mineralisation is not yet known due to insufficient deep drilling in the targeted area.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plane view of drill hole collar locations and appropriate sectional views.*	Maps are included in the body of the ASX Release.
Balanced Reporting	*Where comprehensive reporting of all Exploration Results is not practical, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Reports on recent exploration can be found in ASX Releases that are available on our website at www.stgm.com.au: The exploration results reported are representative of the mineralisation style with grades and/or widths reported in a consistent manner.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observation; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All meaningful and material information has been included in the body of the text. No metallurgical or mineralogical assessments have been completed.
Further Work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large – scale step – out drilling).Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	A discussion of further exploration work is contained in the body of the ASX Release and in recent ASX Releases regarding the East Laverton Project.