

19 April 2018

NICKEL-COPPER SULPHIDE DRILLING AT MT ALEXANDER - UPDATE

HIGHLIGHTS:

- Nickel-copper sulphides intersected in MAD95 which was completed 43m to the west of MAD71 at Stricklands
- Mineralisation at Stricklands remains open towards the west on the edge of the large SAMSON electromagnetic (EM) anomaly
- Downhole electromagnetic (DHEM) surveys underway at Stricklands
- Drilling of deep EM targets at Investigators has commenced

Emerging West Australian nickel company St George Mining Limited (ASX: **SGQ**) ("**St George**" or "**the Company**") is pleased to announce that drilling has continued to intersect nickel-copper sulphide mineralisation at the Mt Alexander Project, located near Leonora in the north-eastern Goldfields.

MAD95 was completed to a depth of 70m to test for nickel-copper sulphide mineralisation to the west of MAD71 and MAD77 at Stricklands. Visible sulphide mineralisation was observed in MAD95 between **33.1m to 49.2m downhole** and comprised the following intervals:

| Interval | Style of Mineralisation | | | |
|---------------------|---|--|--|--|
| 33.1m to 37.2m | Ultramafic, moderate-weakly weathered, relic stringer sulphides | | | |
| 37.2m to 41.05m | Ultramafic, moderate-weakly weathered, relic stringer and fine disseminated | | | |
| 37.2111 (0 41.05111 | sulphides | | | |
| 41.05m to 42.6m | Ultramafic with weak disseminated sulphides | | | |
| 42.6m to 49.2m | Ultramafic, rare sulphide stringers and blebby sulphides | | | |
| 48.2m to 49.2m | Semi-massive sulphides (composed of 30-50% sulphide volume) with average | | | |
| 40.2111 (0 45.2111 | XRF readings of 4.4% Ni | | | |

MAD95 was drilled 43m to the west of MAD71 and 20m to the west of MAD77, both of which intersected nickel-copper sulphides, with MAD71 delivering an outstanding intersection of massive nickel-copper sulphides. For further details on MAD71, please see our ASX Release dated 15 December 2017 'Assays Confirm Best Ever Intersection at Mt Alexander'.

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

"The intersection of nickel-copper sulphides in MAD95 indicates that the mineralised ultramafic extends to the west of MAD71 and remains open in the western section of the large SAMSON EM anomaly at Stricklands.

"Drilling in the current programme has been successful in identifying additional high-grade mineralisation in the expansive Stricklands mineral system.

"Further drilling will be planned at Stricklands after the DHEM survey results from the recently completed drill holes are reviewed."



The stringers of massive sulphides and the semi-massive sulphides intersected in MAD95 may be indicative of structural remobilisation of mineralisation from a proximal massive sulphide source.

This kind of mineralisation was also intersected in MAD77 and supports the potential for further nickel-copper sulphides within the Stricklands mineral system.



Figure 1 – <u>Above left</u>: drill core from MAD71. The section of drill core is from the massive sulphide interval that returned assays of **2.02m @ 5.05% Ni, 2.01% Cu, 0.21% Co and 3.31g/t total PGEs from 50.6m.**<u>Middle</u>: drill core from MAD95 with semi-massive sulphides from the interval between 48.2m to 49.2m.

<u>Above right</u>: drill core from MAD95 showing stringer/blebby sulphides from the interval between 46.2m to 48.2m.

Based on the intersection angle of the drilling with the modelled ultramafic unit, downhole widths are interpreted to be close to true widths.

The nickel value shown above is based on portable XRF analysis. It is preliminary in nature and a conclusive determination of the nickel, copper, cobalt and PGE values of the sulphide mineralisation will be confirmed when laboratory assays are available.

Average XRF readings in the semi-massive sulphide interval are based on five readings per metre and are not length and density weighted. Metal content for intervals of disseminated sulphides are not accurately determined by portable XRF analysis.

Two additional drill holes were completed at Stricklands in the past week – MAD94 and MAD96.

MAD94:

This drill hole was completed approximately 50m northwest of MAD71 and 20m north of MAD95.

MAD94 was drilled to a downhole depth of 69.5m and intersected the Stricklands ultramafic unit between 50m to 54m downhole, suggesting that the drill hole intersected the northern edge of the Stricklands ultramafic. No visible sulphides were observed in the drill core for MAD94.



MAD96:

MAD96 was drilled to a downhole depth of 99.6m to test an area between the strongest SAMSON EM anomalies at Stricklands.

The drill hole intersected multiple granite and mafic rock units, however no ultramafic was intersected.

MAD96 will provide a platform for a DHEM survey which will be important to identify any conductive material proximal to the drill hole in this untested area.

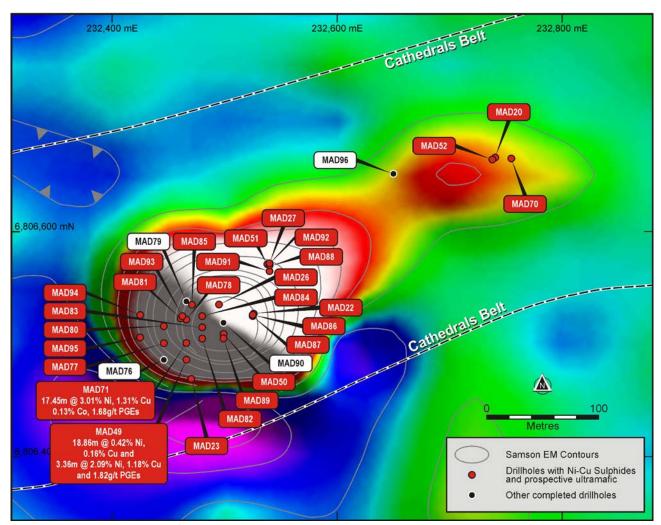


Figure 2 – a plan view of the Stricklands Prospect showing the large SAMSON total field EM anomaly (white/red colours). The SAMSON EM image is shown in Channel 18 (44ms). The contours shown are 0.05pT/A which highlight the stronger electromagnetic field over the Stricklands Prospect. For details of assays for completed drill holes, refer to Table 2 below.

Drill Programme:

DHEM surveys are now underway at the drill holes recently completed at Stricklands.

The drill rig has mobilised to the Investigators Prospect where the drilling of MAD97 has commenced. MAD97 is targeting an off-hole EM anomaly modelled from the DHEM surveys in MAD45 and MAD73.

The EM plate is modelled at a depth of 175m downhole, with MAD97 planned to a downhole depth of 210m. The DHEM conductor was modelled as a 26m x 15m plate with very strong conductivity of 41,000 Siemens.



MAD97 falls within the large conductive area at Investigators that covers more than 1km of the Cathedrals Belt.

Another four drill holes are planned at Investigators in the current programme to test deep EM targets modelled from the SAMSON EM survey completed last year.

Drilling across Investigators has been mostly wide-spaced and has delivered 15 intersections of massive nickel-copper sulphides; see Figure 3.

The large conductive signature at Investigators is not fully accounted for by these drill results, and there is potential for drilling to intersect further mineralisation.

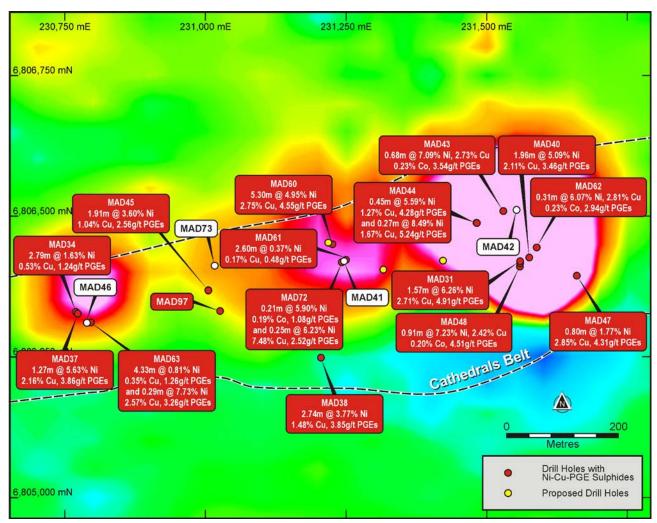


Figure 3 – plan view of Investigators Prospect with drill hole collar locations (completed and planned) over the large SAMSON total field EM anomalies (red/pink colours). SAMSON EM image is shown in Channel 18 (44ms).



| HOLEID | Prospect | MGA East | MGA North | HQ Depth | Depth(m) | Dip | Azimuth | Depth to Target |
|-------------|---------------|-------------|------------|---------------|----------|-----|---------|--------------------|
| MARC71 | E29/548 | 230200 | 6809500 | RC | 140 | -75 | 90 | 96 |
| MARC72 | E29/548 | 230620 | 6809580 | RC | 180 | -65 | 160 | 137 |
| MAD85 | Stricklands | 232471 | 6806535 | 80 | 81 | -75 | 180 | 40 |
| MAD86 | Stricklands | 232525 | 6806525 | 60 | 80.3 | -60 | 0 | 60 |
| MAD87 | Stricklands | 232525 | 6806525 | 50 | 70.3 | -87 | 0 | 50 |
| MAD88 | Stricklands | 232540 | 6806570 | 60 | 84.2 | -60 | 105 | 60 |
| MAD89 | Stricklands | 232499 | 6806505 | 50 | 72.7 | -85 | 0 | 35 |
| MAD90 | Stricklands | 232499 | 6806519 | 50 | 70.1 | -60 | 0 | 40 |
| MAD91 | Stricklands | 232540 | 6806565 | 60 | 80.3 | -60 | 165 | 60 |
| MAD92 | Stricklands | 232540 | 6806572 | 60 | 80.5 | -75 | 165 | 60 |
| MAD93 | Stricklands | 232461 | 6806525 | 80 | 101.4 | -74 | 0 | 70 |
| MAD94 | Stricklands | 232425 | 6806525 | 50 | 69.5 | -80 | 180 | 50 |
| MAD95 | Stricklands | 232425 | 6806505 | 50 | 70 | -80 | 180 | 50 |
| MAD96 | Stricklands | 232650 | 6806651.36 | 60 | 99.6 | -70 | 180 | 55 |
| MAD97 | Investigators | 231026 | 6806332 | 100 | 210 | -75 | 0 | 175 |
| InvProp_26 | Investigators | 231218 | 6806453 | 100 | 250 | -75 | 0 | 220 |
| InvProp_27 | Investigators | 231316 | 6806405 | RC to 100m | 200 | -75 | 0 | 169 |
| InvProp_28 | Investigators | 231422 | 6806421 | RC to 100m | 205 | -75 | 0 | 175 |
| InvProp_32 | Investigators | 232000 | 6806555 | RC to 70m | 135 | -70 | 180 | 105 |
| CATH_PROP13 | Cathedrals | 233700 | 6807100 | RC to 100m | 240 | -70 | 180 | 195 |

Table 1 – planned and completed drill holes for Phase 1 2018 drill programme at Mt Alexander.

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.



| Hole ID | GDA94 East | GDA94 North | Dip | Azimuth | Depth (m) | From (m) | To (m) | Width (m) | Ni% | Cu% | Co% | Total PGEs g/t | Au g/t | Ag g/t |
|----------------|---------------|----------------|-----|---------|--------------|-------------|-----------|--------------|------|-------|------|----------------------|-----------|-----------|
| MAD20 | 232740.4 | 6806665.6 | -75 | 185 | 100.1 | 44.20 | 53.5 | 9.32 | 0.29 | 0.12 | 0.02 | 0.27 | 0.03 | 0.29 |
| MAD20 | 232740.4 | 0000003.0 | -/3 | 105 | 100.1 | 53.52 | 54.5 | 0.93 | 2.50 | 0.68 | 0.16 | 1.10 | 0.03 | 1.54 |
| MAD22 | 232525.9 | 6806526.9 | -60 | 40 | 138.9 | 41.9 | 49.9 | 7.95 | 0.55 | 0.30 | 0.02 | 0.58 | 0.06 | 1.48 |
| MAD22 | 232323.3 | 0000320.3 | -00 | 40 | 136.5 | 49.85 | 52.6 | 2.78 | 1.62 | 2.51 | 0.07 | 1.88 | 0.17 | 8.44 |
| | | Including | | | | 52.4 | 52.6 | 0.23 | 0.90 | 13.10 | 0.04 | 3.94 | 0.16 | 43 |
| MAD22 | 232525.9 | 6806526.9 | -60 | 40 | 138.9 | 52.63 | 53.7 | 1.09 | 0.46 | 0.27 | 0.02 | 0.98 | 0.07 | 1 |
| MAD23 | 232470.3 | 6806468.9 | -60 | 355 | 124.3 | 53.7 | 57.5 | 3.75 | 0.81 | 0.36 | 0.04 | 0.73 | 0.03 | 1.35 |
| | | Including | | | | 55.55 | 57.1 | 1.5 | 1.29 | 0.57 | 0.06 | 1.11 | 0.03 | 2 |
| MAD23 | 232470.3 | 6806468.9 | -60 | 355 | 124.3 | 57.45 | 57.7 | 0.25 | 4.18 | 3.40 | 0.18 | 4.29 | 0.11 | 9 |
| MAD26 | | | | | | 49.3 | 52.3 | 2.95 | 0.55 | 0.37 | 0.03 | 0.57 | 0.07 | 1.82 |
| MAD26 | 232495.1 | 6806535.0 | -60 | 75 | 105.1 | 53.9 | 58.2 | 4.3 | 4.26 | 2.02 | 0.19 | 3.21 | 0.10 | 6.11 |
| MAD26 | | | | | | 58.2 | 61 | 2.8 | 0.48 | 0.40 | 0.02 | 0.56 | 0.06 | 2.25 |
| MAD27 | | | | | | 59.9 | 60.1 | 0.2 | 0.14 | 0.40 | NA | 0.31 | 0.14 | 16 |
| MAD27 | 232540.0 | 6806571.5 | -60 | 90 | 148 | 60.1 | 71.3 | 11.15 | 0.52 | 0.63 | 0.03 | 1.69 | 0.21 | 5.37 |
| MAD27 | | | | | | 71.25 | 73.3 | 2 | 4.17 | 3.11 | 0.21 | 3.35 | 0.19 | 9.25 |
| MAD49 | 232466.0 | 6806486.0 | -65 | 0 | 85 | 31.8 | 50.7 | 18.86 | 0.42 | 0.16 | 0.02 | 0.36 | 0.03 | 0.75 |
| MAD49 | | | | | | 50.66 | 54 | 3.36 | 2.09 | 1.18 | 0.09 | 1.82 | 0.14 | 4.28 |
| Including | | | | | 52 | 52.2 | 0.23 | 4.37 | 2.40 | 0.17 | 3.31 | 0.13 | 12 | |
| And, Including | | | | | 53.51 | 54 | 0.51 | 4.0 | 3.13 | 0.18 | 2.09 | 0.06 | 12 | |
| MAD50 | 232499.1 | 6806509.0 | -70 | 0 | 117.7 | 32.4 | 34 | 1.6 | 0.50 | 0.45 | 0.02 | 0.69 | 0.09 | 2.38 |
| MAD50 | 202 100.1 | | , 0 | | | 36 | 38 | 2 | 0.54 | 0.15 | 0.02 | 0.73 | 0.07 | 0.94 |
| MAD52 | 232737.9 | 6806663.8 | -65 | 203 | 140 | 55.12 | 58.2 | 3.04 | 1.54 | 0.65 | 0.11 | 0.77 | 0.04 | 2.49 |
| MAD52 | | | | | | 57.1 | 58.2 | 1.06 | 2.31 | 0.91 | 0.17 | 0.63 | 0.02 | 2.84 |
| MAD70 | 232758.3 | 6806664 | -72 | 180 | 87.8 | 53 | 54.1 | 1.08 | 0.68 | 0.58 | 0.05 | 0.61 | 0.04 | 2.44 |
| MAD70 | | | | | | 54.08 | 54.9 | 0.83 | 2.25 | 0.82 | 0.17 | 1.09 | 0.02 | 3.5 |
| MAD71 | | | | | | 37.45 | 54.9 | 17.45 | 3.01 | 1.31 | 0.13 | 1.68 | 0.06 | 3.86 |
| MAD71 | 232468.4 | 6806500 | -65 | 0 | 250.2 | 39.3 | 44.6 | 5.3 | 4.39 | 1.45 | 0.21 | 2.09 | 0.04 | 3.8 |
| MAD71 | 232 10011 | 0000300 | 03 | Ü | 230.2 | 50.6 | 52.6 | 2.02 | 5.05 | 2.01 | 0.21 | 3.31 | 0.07 | 6.99 |
| MAD71 | | | | | | 54.4 | 54.9 | 0.5 | 3.68 | 3.90 | 0.17 | 2.68 | 0.07 | 14.5 |
| MAD77 | 232446 | 6806501 | -70 | 0 | 110 | 36 | 43.2 | 7.2 | 0.32 | 0.21 | 0.02 | 0.43 | 0.06 | 1.46 |
| MAD77 | | | | | | 43.2 | 47.3 | 4.1 | 1.23 | 1.42 | 0.05 | 2.47 | 0.13 | 7.09 |
| MAD78 | 232467.2 | 6806522 | -70 | 0 | 121.1 | 65.6 | 71 | 5.4 | 1.46 | 0.91 | 0.06 | 1.55 | 0.14 | 3.77 |
| MAD80 | 232446.1 | 6806517 | -70 | 0 | 160 | 65.3 | 67.1 | 1.8 | 0.49 | 1.01 | 0.02 | 2.36 | 0.27 | 20.3 |
| MAD81 | | | | | | 41.9 | 51.1 | 9.15 | 1.76 | 1.17 | 0.07 | 2.11 | 0.17 | 4.16 |
| MAD81 | 232460.6 | 232460.6 | -90 | 0 | 60.8 | 47.55 | 48.8 | 1.29 | 2.79 | 1.30 | 0.12 | 2.37 | 0.08 | 4.58 |
| MAD81 | | | | | | 50.49 | 51.1 | 0.56 | 4.38 | 1.89 | 0.21 | 1.82 | 0.32 | 7.5 |
| MAD82 | 232479.6 | 6806505 | -85 | 0 | 61.3 | 52.27 | 52.5 | 0.25 | 3.78 | 1.25 | 0.18 | 2.68 | 0.09 | 5.5 |
| MAD83 | | | | | | 36 | 41.3 | 5.31 | 0.43 | 0.24 | 0.02 | 0.38 | 0.04 | 1 |
| MAD83 | | | | | | 41.31 | 41.4 | 0.11 | 4.22 | 2.03 | 0.15 | 7.68 | 0.47 | 10 |
| MAD83 | 232479.6 | 6806515 | -85 | 0 | 63 | 42 | 43.7 | 1.73 | 0.46 | 0.22 | 0.02 | 0.41 | 0.04 | 0.5 |
| MAD83 | | | | | | 50.5 | 52.3 | 1.84 | 0.54 | 0.30 | 0.03 | 0.46 | 0.04 | 1 |
| MAD83 | | | | | | 52.34 | 52.6 | 0.26 | 3.76 | 2.05 | 0.18 | 2.31 | 0.11 | 7 |
| MAD84 | | | | | | 38.63 | 38.8 | 0.2 | 4.57 | 0.67 | 0.18 | 2.51 | 0.05 | 4 |
| MAD84 | 232479.6 | 6806525 | -85 | 0 | 62.5 | 49.6 | 51.2 | 1.64 | 0.46 | 0.21 | 0.02 | 0.39 | 0.06 | 1.01 |
| MAD84 | | | | | | 51.24 | 51.5 | 0.25 | 4.3 | 1.42 | 0.19 | 2.66 | 0.15 | 5 |

Table 2 - significant assay intersections for the Stricklands Prospect.



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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 Matthew McCarthy, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr McCarthy is employed by St George Mining Limited.

Mr McCarthy 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 Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McCarthy 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 sections are 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. | The sections of the core that are selected for assaying are marked up and then recorded on a sample sheet for cutting and sampling at the certified assay laboratory. Samples of HQ or NQ2 core are cut just to the right of the orientation line where available using a diamond core saw, with half core sampled lengthways for assay. |
| | Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. | Wherever possible the same side of the drill core is sampled to ensure sample is representative. Appropriate QAQC samples are inserted into the sequences as per industry best practice. |
| | 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 | Diamond core (both HQ and NQ2) is half-core sampled to geological boundaries no more than 1.5m and no less than 10cm. Samples less than 3kg are crushed to 10mm, dried and then pulverised to 75µm. Samples greater than 3kg are first crushed to 10mm then finely crushed to 3mm and input into the rotary splitters to produce a consistent output weight for pulverisation. |
| | 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. | Pulverisation produces a 40g charge for fire assay. Elements determined from fire assay are gold (Au), platinum (Pt) and palladium (Pd) with a 1ppb detection limit. To determine other PGE concentrations (Rh, Ru, Os, Ir) a 25g charge for nickel sulphide collect fire assay is used with a 1ppb detection limit. |
| | | Other elements will be analysed using an acid digest and an ICP finish. These elements are: Ag, Al, As, Bi, Ca, Cd, Co, Cr, Fe, K, Li, Mg, Mn, Mo, Nb, Ni, P, Pb, S, Sb, Sn, Te, Ti, V, W, Zn. The sample is digested with nitric, hydrochloric, hydrofluoric and perchloric acids to effect as near to total solubility of the sample as possible. The sample is then analysed using ICP-AES or ICP-MS. |
| | | LOI (Loss on Ignition) will be completed on selected samples to determine the percentage of volatiles released during heating of samples to 1000°C. |
| 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, facesampling bit or other type, whether core is oriented and if so, by what method, etc). | Diamond drilling is completed using HQ sized coring equipment through the weathered zone (mostly saprock) with 3m barrels, and then HQ or NQ2 in fresh rock with 3m or 6m barrels as required. The core is oriented using ACT II electric core orientation. |
| Drill sample recovery | Method of recording and assessing core and chip sample recoveries and results assessed. | Diamond core recoveries are recorded during drilling and reconciled during the core processing and geological logging. The core length recovered is measured for each run and recorded which is used to calculate core recovery as a percentage. |
| | Measures taken to maximise sample recovery and ensure representative nature of the samples. | Measures taken to maximise core recovery include using appropriate core diameter and shorter barrel length through the weathered zone, which at Cathedrals and Investigators is mostly <20m and Stricklands <40m depth. Primary locations for core loss in fresh rock are on geological contacts and structural zones, and drill techniques are adjusted accordingly, and if possible these zones are predicted from the geological modelling. |

| 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. | No sample recovery issues have yet been identified that would impact on potential sample bias in the competent fresh rocks that host the mineralised sulphide intervals. |
| 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 completed for all drill holes with lithology, alteration, mineralisation, structure and veining recorded. The logging is recorded digitally and imported in the St George Mining central database. |
| | Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. | Logging is both qualitative and quantitative depending on the field being captured. Core is photographed with one tray per photo and stored digitally. |
| | The total length and percentage of the relevant intersections logged. | All drill holes are geologically logged in full. |
| Sub-sampling techniques and sample preparation | If core, whether cut or sawn and whether quarter, half or all core taken. | The HQ and NQ2 core is cut in half length ways just to the right of the orientation line where available using a diamond core saw. All samples are collected from the same side of the core where practicable. |
| | If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. | Reverse circulation holes have been rotary cone split, and wetness recorded during drilling. |
| | For all sample types, the nature, quality and appropriateness of the sample preparation technique. | The entire sample is pulverised to 75µm using LM5 pulverising mills. Samples are dried, crushed and pulverized to produce a homogenous representative sub-sample for analysis. A grind quality target of 90% passing 75µm is used. |
| | Quality control procedures adopted for all sub- sampling stages to maximise representivity of samples. | Quality control procedures include submission of Certified Reference Materials (standards), duplicates and blanks with each sample batch. QAQC results are routinely reviewed to identify and resolve any issues. |
| | 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. | Duplicate samples are selected during sampling. Samples comprise two quarter core samples, or for RC comprise a one meter sample equally split into two bags and taken at set meter intervals. |
| | Whether sample sizes are appropriate to the grain size of the material being sampled. | The sample sizes are considered to be appropriate for base metal sulphide mineralisation and associated geology. |
| 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. | Diamond core samples are analysed for Au, Pt and Pd using a 40g lead collection fire assay; for Rh, Ru, Os, Ir using a 25g nickel sulphide collection fire assay; and for Ag, Al, As, Bi, Ca, Cd, Co, Cr, Fe, K, Li, Mg, Mn, Mo, Nb, Ni, P, Pb, S, Sb, Sn, Te, Ti, V, W, Zn using a four acid digest and ICP-AES or MS finish. The assay method and detection limits are appropriate for analysis of the elements required. |
| | 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 sample piles onsite. One reading is taken per meter, however for any core samples with matrix or massive sulphide mineralisation then multiple samples are taken at set intervals per meter. The instruments are serviced and calibrated at least once a year. Field calibration of the XRF instrument using standards is periodically performed (usually daily). |
| | | The handheld XRF results are only used for preliminary assessment and reporting of element compositions, prior to the receipt of assay results from the certified laboratory. |

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| | | |
| | Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | Laboratory QAQC involves the use of internal lab standards using certified reference material (CRMs), blanks and pulp duplicates as part of in house procedures. The Company also submits a suite of CRMs, blanks and selects appropriate samples for duplicates. Sample preparation checks for fineness are performed by the laboratory to ensure the grind size of 90% passing 75µm is being |
| | | attained. |
| Verification of sampling and assaying | The verification of significant intersections by either independent or alternative company personnel. | Significant intersections are verified by the Exploration Manager of St George Mining. |
| | The use of twinned holes. | No twin holes are planned for the current drill program. One scissor hole has been drilled for the significant intersection in MAD71. |
| | Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. | Primary data is captured onto a laptop using acQuire software and includes geological logging, sample data and QA/QC information. This data, together with the assay data, is entered into the St George Mining central SQL database which is managed by external consultants. |
| | Discuss any adjustment to assay data. | No adjustments or calibrations will be made to any primary assay data reported. |
| 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 holes have been located and pegged using a DGPS system with an expected accuracy of +/-0.05mmm for easting, northing and elevation. Downhole surveys are conducted using a single shot camera approximately every 30m during drilling to record and monitor deviations of the hole from the planned dip and azimuth. Post-drilling downhole gyroscopic surveys will be conducted, which provide more accurate survey results. |
| | Specification of the grid system used. | The grid system used at the Mt Alexander project is GDA94 (MGA), zone 51. |
| | Quality and adequacy of topographic control. | Elevation data has been acquired using DGPS surveying at individual collar locations and entered into the central database. A topographic surface has been created using this elevation data. |
| Data spacing and distribution | Data spacing for reporting of Exploration Results. | The diamond drill program is testing modelled EM conductors and geological criteria for massive nickel-copper-PGE sulphide mineralisation. The spacing and distribution of the planned drill holes is appropriate to test the defined targets. |
| | 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. | The completed drilling at Cathedrals, Stricklands and Investigators is not sufficient to establish the degree of geological and grade continuity to support the definition of Mineral Resource and Reserves and the classifications applied under the 2012 JORC code. |
| | Whether sample compositing has been applied. | No compositing has been applied to the exploration results. |
| 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. | Drill holes are planned as perpendicular as possible to the target EM plates and geological units to approximate true width. Most of the ultramafic units in the Cathedrals Belt dip shallow to the north (and occasionally south) and where possible drill holes are planned to |

| Criteria | JORC Code explanation | Commentary |
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| | | intersect perpendicular to this dip. The orientation of key structures may be locally variable. |
| | 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 St George Mining. Core samples are stored in the secure facilities at Bureau Veritas laboratory in Perth. Transportation of core is managed by St George contractors and Bureau Veritas and actively track monitored. |
| Audits or reviews | The results of any audits or reviews of sampling techniques and data. | No audits or reviews have been conducted at this stage. |

Section 2 Reporting of Exploration Results

| Criteria | JORC Code explanation | Commentary |
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| 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 Mt Alexander Project is comprised of five granted Exploration Licences (E29/638, E29/548, E29/954, E29/962 and E29/972). Tenement E29/638 is held in Joint Venture between St George (75% interest) and Western Areas (25% interest). E29/638 and E29/548 are also subject to a royalty in favour of a third party that is outlined in the ASX Release dated 17 December 2015 (as regards E29/638) and the ASX release dated 18 September 2015 (as regards E29/548). |
| | 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. | No environmentally sensitive sites have been identified on the tenements. A registered Heritage site known as Willsmore 1 (DAA identification 3087) straddles tenements E29/548 and E29/638. All four tenements are in good standing and no known impediments exist. |
| Exploration Done by Other Parties | Acknowledgment and appraisal of exploration by other parties. | Exploration on tenements E29/638 and E29/962 has been largely for komatiite-hosted nickel sulphides in the Mt Alexander Greenstone Belt. Exploration in the northern section of E29/638 (Cathedrals Prospect) and also limited exploration on E29/548 has been for komatiite-hosted Ni-Cu sulphides in granite terrane. No historic exploration has been identified on E29/954 or E29/972. The target lithological unit in the Mt Alexander Greenstone belt has historically been the Central Ultramafic Unit, which has been explored by a number of parties, most recently by Nickel West. High grade nickel-copper-PGE sulphides were discovered at the Mt Alexander Project in 2008. Drilling was completed to test co-incident electromagnetic (EM) and magnetic anomalies associated with nickel-PGE enriched gossans in the northern section of current tenement E29/638. The drilling identified high grade nickel-copper mineralisation in granite-hosted ultramafic units and the discovery was named the Cathedrals Prospect. The tenements remain underexplored. |
| Geology | Deposit type, geological setting and style of mineralisation | The Mt Alexander Project is at the northern end of a western bifurcation of the Mt Ida Greenstones. The greenstones are bound to the west by the Ida Fault, a significant Craton-scale structure that marks the boundary between the Kalgoorlie Terrane (and Eastern Goldfields Superterrane) to the east and the Youanmi Terrane to the west. The Mt Alexander Project is prospective for further high-grade komatiite-hosted nickel-copper-PGE mineralisation (both greenstone and granite hosted) and also precious metal mineralisation (i.e. |

| Criteria | JORC Code explanation | Commentary |
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| | | orogenic gold) that is typified elsewhere in the Yilgarn Craton. |
| 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 | Drill hole collar locations are shown in Figure 2, Figure 3 and Table 1 in the body of the ASX release. |
| 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. | Reported assay intersections are length and density weighted. Significant intersections are determined using both qualitative (i.e. geological logging) and quantitative (i.e. lower cut-off) methods. For massive sulphide intersections, the nominal lower cut-off is 2% for either nickel or copper. For disseminated, blebby and matrix sulphide intersections the nominal lower cut-off for nickel is 0.3%. |
| | 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. | Any high-grade sulphide intervals internal to broader zones of sulphide mineralisation are reported as <i>included</i> intervals. Any disseminated, matrix, brecciated or stringer sulphides with (usually) >1% nickel or copper on contact with massive sulphide mineralisation are grouped with the massive sulphides for calculating significant intersections and the massive sulphide mineralisation is reported as an <i>including</i> intersection. |
| | The assumptions used for any reporting of metal equivalent values should be clearly stated. | No metal equivalent values have yet been 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 (e.g. down hole length, true width not known). | Assay intersections are reported as down hole lengths. Drill holes are planned as perpendicular as possible to intersect the target EM plates and geological targets so downhole lengths are usually interpreted to be near true width. |
| 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. | Relevant prospect location maps are shown in the body of the 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 Exploration Results. | 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 material or meaningful data collected has been reported. |

| Criteria | JORC Code explanation | Commentary |
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| 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. | Further exploration in the Cathedrals Belt will be largely dependent on the results from the current drill program. Further exploration is also warranted north of the Cathedrals Belt on E29/548, and also in the Mt Alexander greenstone belt to the south. |