ASX / MEDIA RELEASE

2 November 2015

ST GEORGE COMPLETES ACQUISITION OF NEW NICKEL SULPHIDE PROJECTS

HIGHLIGHTS:

- **100% acquisition of the Hawaii and Mt Alexander North nickel sulphide exploration projects now completed**
- **Acquisition includes all technical and exploration data**
- **Two underexplored projects in a world class nickel address with significant opportunity for a discovery**
- **Drill ready targets with high impact exploration programme by St George underway**

ST GEORGE ACQUIRES 100% OF HIGHLY PROSPECTIVE PROJECTS

St George Mining Limited (ASX: **SGQ**) ('St George' or 'the Company') is pleased to confirm that it has completed the previously announced acquisition from BHP Billiton Nickel West Pty Ltd ("Nickel West") of the Hawaii Project and the Mt Alexander North Project.

These highly prospective projects are located south-west of the Agnew-Wiluna belt in Western Australia which hosts numerous world class nickel and gold deposits.

The completion of the acquisition follows satisfaction of all conditions precedent under the Sale Agreement signed by the parties on 17 September 2015. The acquisition of 100% of the Projects includes all technical and exploration data from Nickel West.

Figure 1 illustrates the location of the new Projects in the Northern Goldfields of Western Australia, and also shows the location of St George's flagship and 100% owned East Laverton Project, where a major drilling campaign is currently underway.

St George Mining Executive Chairman, John Prineas said:

"The exploration at these projects to date has confirmed their potential, and we now have a tremendous opportunity to deliver a discovery through systematic and technically driven exploration.

"In addition to acquiring the existing database from Nickel West, our Exploration Manager – Matthew McCarthy – worked on these projects when he was at that company. This allows us to hit the ground running and to fast-track exploration.

"At Hawaii, we have already commenced on-ground exploration with a moving loop electromagnetic survey, to be followed by a maiden RC drilling programme later this month.

"With drilling this month at both East Laverton and Hawaii and assay results to follow soon, we are looking at a very exciting finish to the year."

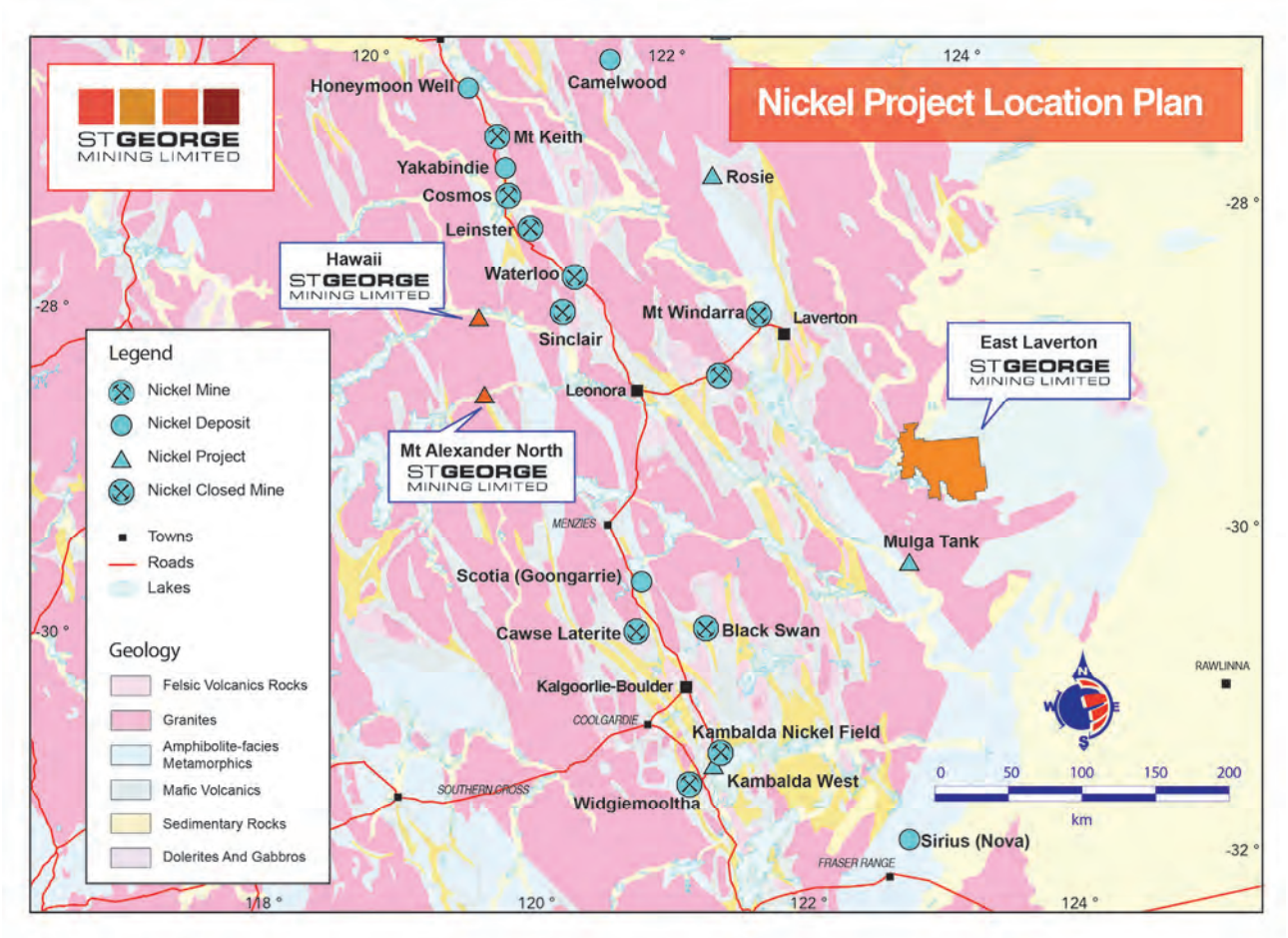

Figure 1 – a map showing the location of St George's exploration projects. The Hawaii and Mt Alexander North Projects are located in a world class address for major nickel and gold deposits.

UNDEREXPLORED PROJECTS IN A WORLD CLASS ADDRESS

The Hawaii and Mt Alexander North Projects are located on the western edge of the Kalgoorlie Terrane (see Figure 2). The projects straddle 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.

Hawaii Project

The Hawaii Project is located 55km west of the Sinclair Nickel Project, owned by Talisman Mining Limited, and 90km southwest of Cosmos, owned by Western Areas Limited. Both of these projects were only recently acquired by their current owners and are undergoing major new exploration programmes, reflecting the increased focus on nickel sulphide exploration in this area.

St George has acquired exploration licence E36/741 from Nickel West, which covers 211.34 sq km. In addition, St George has lodged an application for exploration licence E36/851 which covers 86.42 sq km, and takes the total area for the Hawaii Project to 297.76 sq km.

Figure 2 – a map of the tectonostratigraphic terranes of the Yilgarn Craton. The Hawaii and Mt Alexander North Projects are located on the boundary of the Kalgoorlie and Youanmi Terranes adjacent to the Ida Fault.

Reconnaissance shallow aircore drilling completed by Nickel West at the Hawaii Project in 2012 discovered over 5km of moderate to high MgO ultramafics that are adjacent to the Ida Fault (see Figure 3). This area was previously interpreted as granite, and the discovery of prospective ultramafics was a significant exploration milestone.

St George is planning the first ever RC (reverse circulation) drilling to test the bedrock geology at Hawaii. A Programme of Works for the drilling campaign has been approved by the Department of Mines and Petroleum, and drilling is scheduled to commence in the second half of November.

St George has already commenced on-ground exploration at Hawaii, with a ground moving loop electromagnetic (MLEM) survey completed last week over a prospective area of high MgO ultramafics. Newexco, our geophysical advisers, are currently modelling this survey data to identify any EM targets for drill testing.

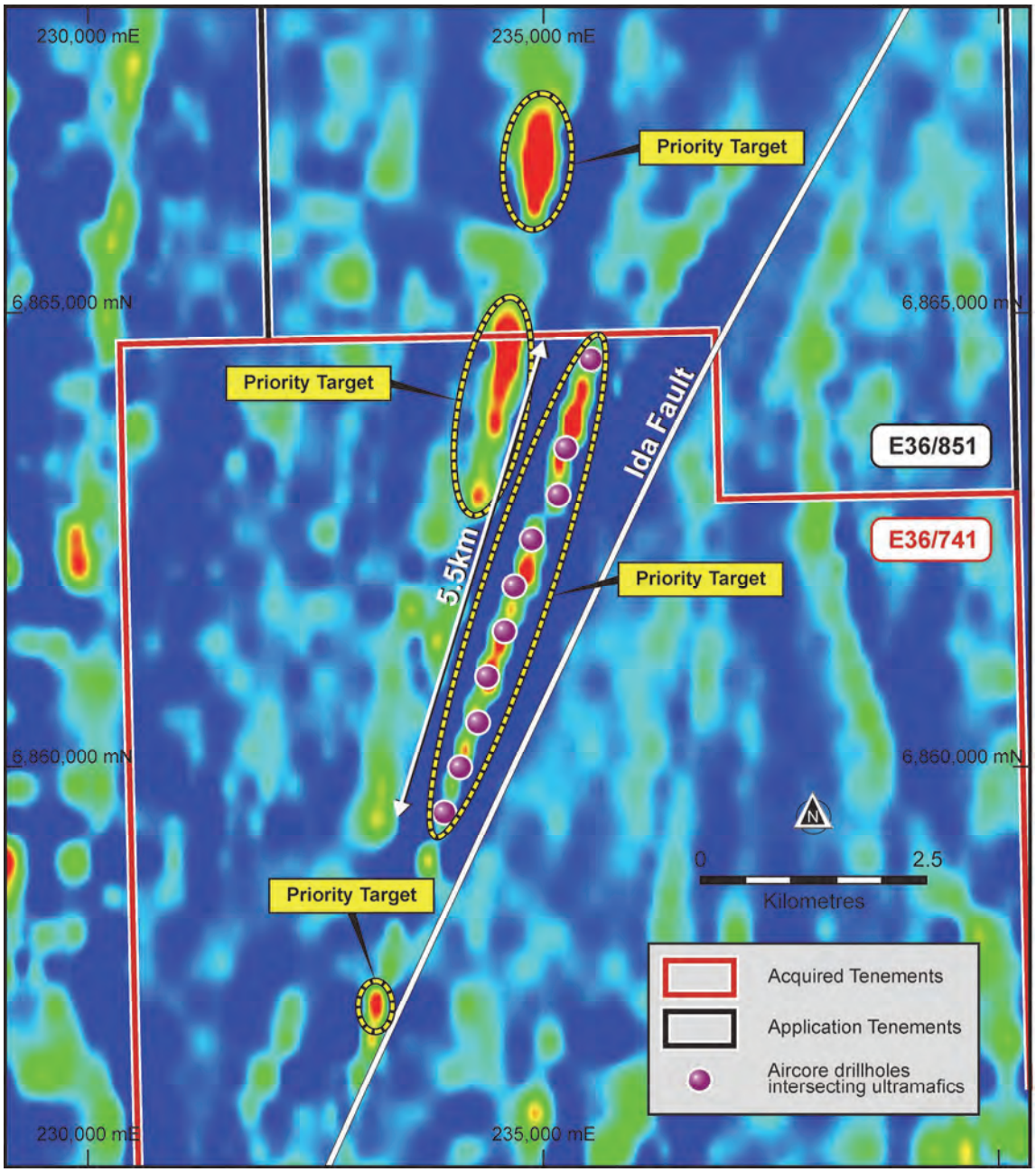

Figure 3 – a map (against 1VD magnetics) of the Hawaii Project illustrating the extensive ultramafics identified by previous aircore drilling

Mt Alexander North Project

The Mt Alexander North Project is located approximately 120km southwest of Leinster, the centre of Nickel West's operations in the Agnew-Wiluna belt.

St George has acquired exploration licence E29/548 from Nickel West which covers 45.12 sq km. In addition, St George has lodged an application for exploration licence E29/954 which covers 41.72 sq km, which will increase the total area of the Mt Alexander North Project to 86.84 sq km.

Figure 4 illustrates the location of the two St George tenements – E29/548 and E29/954.

The third tenement shown in Figure 4 is E29/638 which is currently held in joint venture by Nickel West (75%) and Western Areas (25%). High grade nickel-copper sulphides were discovered on this tenement in 2008 with intersections including **4m @ 4.9%Ni, 1.7%Cu and 3.9g/t total PGEs from 91.4m** and **3m @ 3.8%Ni, 1.6%Cu and 2.7g/t total PGEs from 56.3m** (see ASX Release dated 2 April 2008 by Western Areas Ltd).

This discovery was named the Cathedrals prospect, and is hosted by komatiite ultramafics within the Cathedrals Fault. This structure is interpreted to extend into St George's tenements with potential also for additional discoveries of Ni-Cu sulphides. St George has commenced exploration planning for the Mt Alexander North Project with on-ground exploration to commence in early 2016.

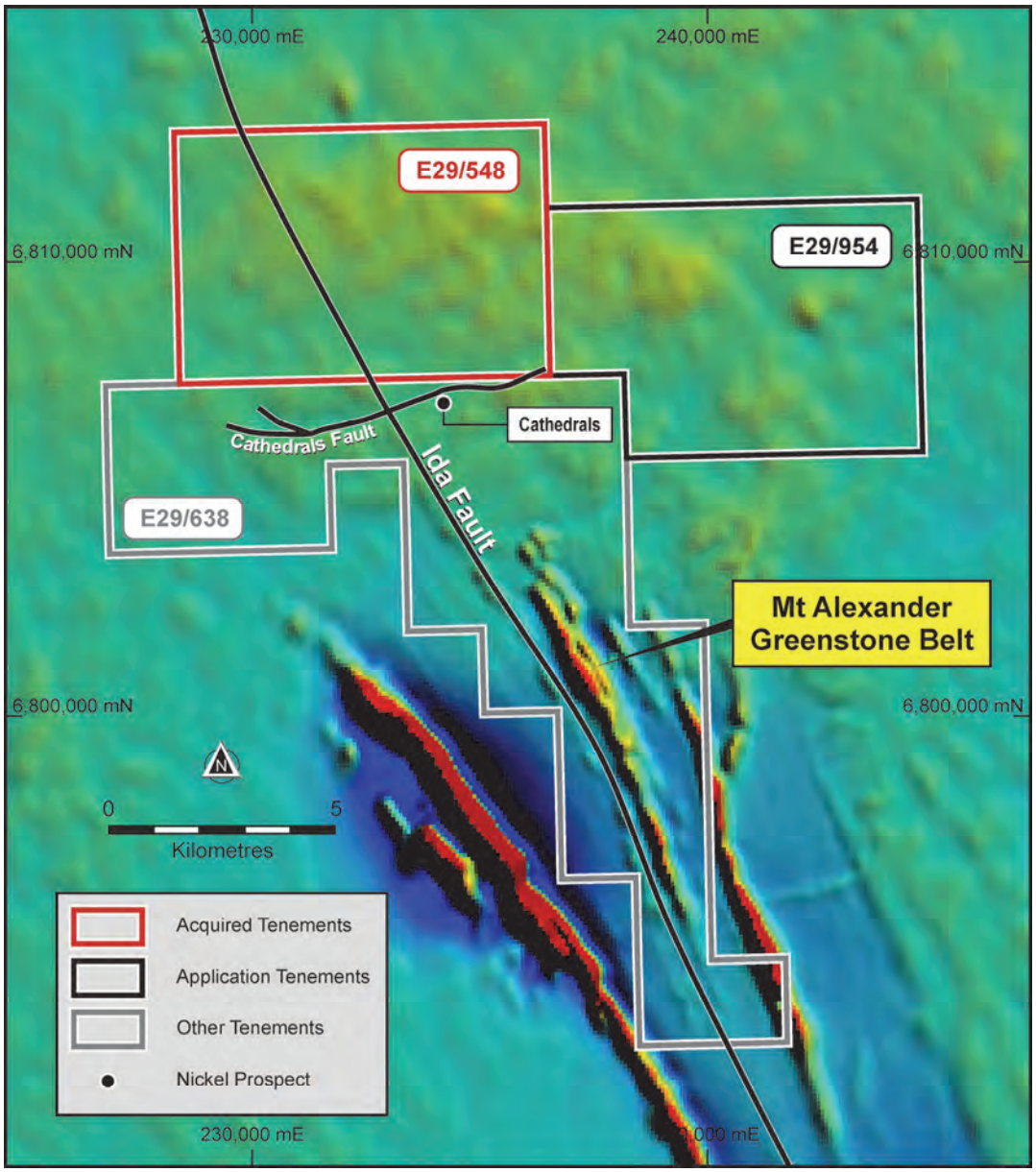

Figure 4 – a map of the Mt Alexander North tenements against TMI magnetics. The Cathedrals Fault that hosts the high grade Ni-Cu-PGE discovery on E29/638 (3rd party owned) is interpreted to extend into St George's tenements.

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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 Australasian 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.*	This ASX Release dated 2 November 2015 reports on the acquisition by St George Mining Limited ("St George") of tenements comprised in the Hawaii Project and Mt Alexander North Project. This ASX Release does not report any new drilling, assay or other sampling exploration work.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The ASX Release does not report any drilling, assay or other sampling exploration.
	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.*	The ASX Release does not report any drilling, assay or other sampling exploration.
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).*	The ASX Release does not report any drilling, assay or other sampling exploration. References to aircore drilling on E36/741 are to drilling conducted by the previous owner of the tenement (see Section: *Exploration Done by Other Parties)*
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	The ASX Release does not report any drilling, assay or other sampling exploration.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	The ASX Release does not report any drilling, assay or other sampling exploration.
	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.	The ASX Release does not report any drilling, assay or other sampling exploration.

Criteria	JORC Code explanation	Commentary
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.*	The ASX Release does not report any drilling, assay or other sampling exploration.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	The ASX Release does not report any drilling, assay or other sampling exploration.
	The total length and percentage of the relevant intersections logged.	The ASX Release does not report any drilling, assay or other sampling exploration.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	The ASX Release does not report any drilling, assay or other sampling exploration.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	The ASX Release does not report any drilling, assay or other sampling exploration.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The ASX Release does not report any drilling, assay or other sampling exploration.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	The ASX Release does not report any drilling, assay or other sampling exploration.
	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.	The ASX Release does not report any drilling, assay or other sampling exploration.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The ASX Release does not report any drilling, assay or other sampling exploration.
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.*	The ASX Release does not report any drilling, assay or other sampling exploration.
	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.	The ASX Release does not report any drilling, assay or other sampling exploration.
	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.	The ASX Release does not report any drilling, assay or other sampling exploration.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The ASX Release does not any drilling, assay or other sampling exploration.
	The use of twinned holes.	The ASX Release does not report any drilling, assay or other sampling exploration.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	The ASX Release does not report any drilling, assay or other sampling exploration.
	Discuss any adjustment to assay data.	The ASX Release does not report any drilling, assay or other sampling exploration.
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.*	The ASX Release does not report any drilling, assay or other sampling exploration.
	Specification of the grid system used.	The ASX Release does not report any drilling, assay or other sampling exploration.
	Quality and adequacy of topographic control.	The ASX Release does not report any drilling, assay or other sampling exploration.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The ASX Release does not report any drilling, assay or other sampling exploration.
	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 ASX Release does not report any drilling, assay or other sampling exploration.
	Whether sample compositing has been applied.	The ASX Release does not report any drilling, assay or other sampling exploration.
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 ASX Release does not report any drilling, assay or other sampling exploration.
	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.	The ASX Release does not report any drilling, assay or other sampling exploration.
Sample security	*The measures taken to ensure sample security.*	The ASX Release does not report any drilling, assay or other sampling exploration.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No detailed audits or reviews have been conducted at this stage.

Section 2 Reporting of Exploration Results

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 Hawaii Project is comprised of one granted Exploration Licence (E36/741) and one Exploration Licence Application (E36/851). The Mt Alexander North Project is comprised of one granted Exploration Licence (E29/548) and one Exploration Licence Application (E29/954). Each tenement is 100% owned by Blue Thunder Resources Pty Ltd, a wholly owned subsidiary of St George Mining. E36/741 and E29/548 are subject to a royalty in favour of a third party that is outlined in the ASX Release dated 18 September 2015. The tenements at the Mt Alexander North Project are subject to the Wutha Land Access Deed. No environmentally sensitive sites have been identified at any of the tenements. The tenements are in good standing and no known impediments exist.
Exploration Done by Other Parties	*Acknowledgment and appraisal of exploration by other parties.*	E36/741 and E29/548 have been acquired by St George Mining from BHP Billiton Nickel West Pty Ltd (Nickel West). Limited on-ground exploration was completed at these tenements by Nickel West. At E36/741, an aircore drilling programme comprising 20 holes for 944m was completed in 2012 by Nickel West. The drilling identified a 5.5km strike length of ultramafic rocks. This was a major exploration breakthrough as the area was previously considered to be barren granitoids. A follow-up small fixed loop EM program was completed over ~10% of the ultramafic in 2013, with no bedrock conductors identified. Eight of the aircore drill holes did not penetrate to the lower saprolite/saprock. At E29/548, one RC hole for 250m was completed in 2012 in the southeast of the tenement. Other work completed includes Hoistem and Sub-audio magnetic geophysical surveys over the southern central portion of the tenement to assist interpretation of bedrock geology and for targeting purposes. The tenements remain underexplored.
Geology	*Deposit type, geological setting and style of mineralisation*	The Hawaii and Mt Alexander North Projects are located along the Ida Fault, a significant Craton-scale structure that marks the boundary between the Eastern Goldfields Superterrane to the east and the Youanmi Terrane to the west. No mineralisation has been discovered at the Projects to date. The Hawaii and Mt Alexander projects are prospective for komatiite-hosted nickel sulphide deposits and precious metal deposits (i.e. Orogenic gold) that are 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*	The ASX Release does not report any drilling or assay sampling exploration.

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.*	The ASX Release does not report any drilling or assay sampling exploration.
	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.	The ASX Release does not report any drilling or assay sampling exploration.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	The ASX Release does not report any drilling or assay sampling exploration.
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).*	The ASX Release does not report any drilling or assay sampling exploration.
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 scaled 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 Exploration Results.*	The ASX Release does not report any drilling or assay sampling exploration.
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.*	The ASX Release does not report any drilling or assay sampling exploration.
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.*	St George is currently planning further exploration programmes for the Hawaii and Mt Alexander North Projects, including a bedrock drilling programme at Hawaii as outlined in the ASX Release. Further announcements will be made in due course.