ASX / MEDIA RELEASE

29 July 2016

EXPLORATION UPDATE – GOLD DRILLING AT EAST LAVERTON

HIGHLIGHTS:

- **Initial drilling at Ascalon confirms an extensive metal-rich hydrothermal system with associated anomalous gold mineralisation**
- **Gold enriched alteration zone includes silica-chlorite-carbonate alteration and is open in both directions along strike, to the east, and at depth**
- **Rare hydrothermal Pt-Pd mineralisation intersected: 52m @ 0.2 g/t Pt+Pd in ASCRC004**
- **Immediate follow-up drilling is planned at Ascalon to further investigate this large gold prospective system**
- **Drill holes at the Bristol gold target have intersected thick zones of sheared and hydrothermally altered mafic rocks**
- **Drilling at Bristol is continuing and will be followed by a return to drilling at Ascalon**

METAL ANOMALOUS ALTERATION AT ASCALON

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

Assay results have been received for four drill holes recently completed by St George at the Ascalon gold target. The results confirm that the prospect area has been a major focal point for the concentration of metal enriched hydrothermal fluids that has resulted in widespread alteration of a kind that supports the potential for gold mineralisation.

The initial reconnaissance drilling at Ascalon has successfully identified a gold-prospective hydrothermal system that extends over at least 1,500m and, with only four drill holes completed in this area to date, immediate follow up exploration is warranted.

Three major geochemically distinctive alteration zones have been observed in the large scale hydrothermal system at Ascalon. The drilling shows that these zones occur successively from west to east, with retrograde alteration that is more favourable for gold mineralisation in the east. Anomalous gold is present in this eastern zone, in association with silica-carbonate alteration and veining.

John Prineas, Executive Chairman of St George Mining, said:
"The initial results at Ascalon are very encouraging and follow-up targets have already been identified.

"Early indications at Bristol are also positive and we are eagerly waiting the first assays from the completed holes there.

"These early indications of potential gold mineralisation give us confidence in expanding our gold exploration and drilling programme at East Laverton."

Two of the planned drill holes have been completed at the Bristol gold target. The drill holes have intersected sheared mafic rocks with chlorite-sericite-carbonate alteration. It appears to be a high fluid-flow area with related fracturing, and where the brittle-ductile competency contrast could be an important factor in localising the hydrothermal gold bearing fluids. Drilling at Bristol is continuing with assays pending.

ASCALON GOLD TARGET – POSITIVE RESULTS FROM INITIAL DRILLING

A single fence of five RC (reverse circulation) drill holes was planned for Ascalon, with four of the holes successfully completed. The fifth planned drill hole, ASCRC005, was abandoned at 84m downhole due to excessive ground water ingress that prevented further effective drilling. The hole will be re-drilled, using a deeper stabilised collar to protect the hole, and will be part of the follow-up drill programme that is planned for Ascalon.

The drilling at Ascalon has successfully identified a north-west striking and east dipping mineral system that is interpreted to have a strike length approaching 2,000m. It remains open to the north, south and most importantly to the east where higher levels of gold were encountered.

The assay results for the completed drill holes confirm that the Ascalon gold target is hosted in a large mineralised hydrothermal system with intense alteration and metal enrichment. Early high temperature magnetite alteration was encountered in the western section of the system, indicating this is a long-lived system which underwent sustained heat and fluid flow. These are important criteria which support the prospectivity for economic gold mineralisation at Ascalon.

Table 1 contains drill hole details for the recent drilling at Ascalon and Table 2 contains a breakdown of anomalous intersections from assay results from that drilling (assays for the completed portion of ASCRC005 are pending). The drill holes encountered an average depth of Permian cover of 35-40m, followed by thick units of altered mafic rocks to the end of hole. This relatively shallow depth of transported cover is considered to be a positive feature for this area.

Three major, geochemically-distinctive alteration events can be interpreted from the logging and assay results. These are referred to as Alteration Zone 1, 2 and 3 (see Figure 1) and are sequentially developed from west to east.

- **Alteration Zone 1** is associated with an approximately 400m wide zone of early, high temperature magnetite alteration and is best recognised in drill hole ASCRC003. This alteration zone is moderately anomalous in Cu and Au, with a broad correlation between the two elements. Individual zones are typically 2-4m wide and average around 600ppm Cu and 20-40ppb Au. ASCRC002, located along the western side of this alteration zone, has intersected several intervals of >0.1% Cu over a metre. Magnetite alteration is typically an early stage event that is seen as an outer zone of many major gold deposits in the Yilgarn including St Ives (+15MozAu) and Wallaby (+8MozAu). This early magnetite alteration typically makes the wallrock more brittle and subject to fracturing by later mineralised hydrothermal fluids. These more highly gold mineralised fluids circulate through the magnetite alteration resulting in gold mineralisation commonly occurring at the edges of these zones of magnetite alteration. This provides an important vector for exploration targeting.

- **Alteration Zone 2** is a zone of very strong hydrothermal Pt-Pd (PGE) enrichment. Significant intersections include **52m @ 0.2 g/t PGEs** from 142m in ASCRC004 and 4m @ 0.31 g/t PGEs from 152m (including **2m @ 0.42 g/t PGEs**) in ASCRC003. This is a very interesting and unusual result as such hydrothermal PGE mineralisation is not well known in Archean greenstone belts. This alteration phase is interpreted to overprint the earlier magnetite-rich Alteration Zone 1. The very thick intervals of PGEs in ASCRC004 suggest potential for economic PGE mineralisation within the Ascalon mineral system.

- **Alteration Zone 3** is comprised of an alteration assemblage which is more typical of Orogenic gold systems. Anomalous Au is associated with silica-chlorite-carbonate alteration along with quartz veining. This zone is best presented in drill hole ASCRC004, with the best intersection of **2m @ 0.46 g/t Au** from 60m. Other intersections include 2m @ 0.32 g/t Au from 91m and 1m @ 0.19 g/t Au from 106m. Importantly, Alteration Zone 3 is located at the eastern portion of this zoned alteration pattern, remaining open to the east, and along strike. The pronounced easterly dip means this zone should be intersected at a deeper level in ASCRC005, when this hole is re-drilled.

The Alteration Zones are illustrated in Figure 1, which is a plan view of the Ascalon target area. Alteration Zone 1 appears to define the western boundary of the prospective mineral system at Ascalon, and may act as a control on potential gold mineralisation in the eastern part of the system.

Alteration Zones 2 and 3 are open to the north and south along strike, with no other drilling for over 1,500m in either direction. These zones are also open at depth, and Zone 3 is also open to the east.

Drill hole OXFRC003, located approximately 1,500m north-northwest of Ascalon, was completed by St George earlier this year. OXFRC003 intersected significant zones of gold and copper anomalism including 50m @ 0.11%Cu from 214m. ASCRC002 intersected similar copper anomalism and appears to be linked to OXFRC003 along a distinctive linear magnetic trend that maps the continuous magnetite-copper Alteration Zone 1, intersected by both holes.

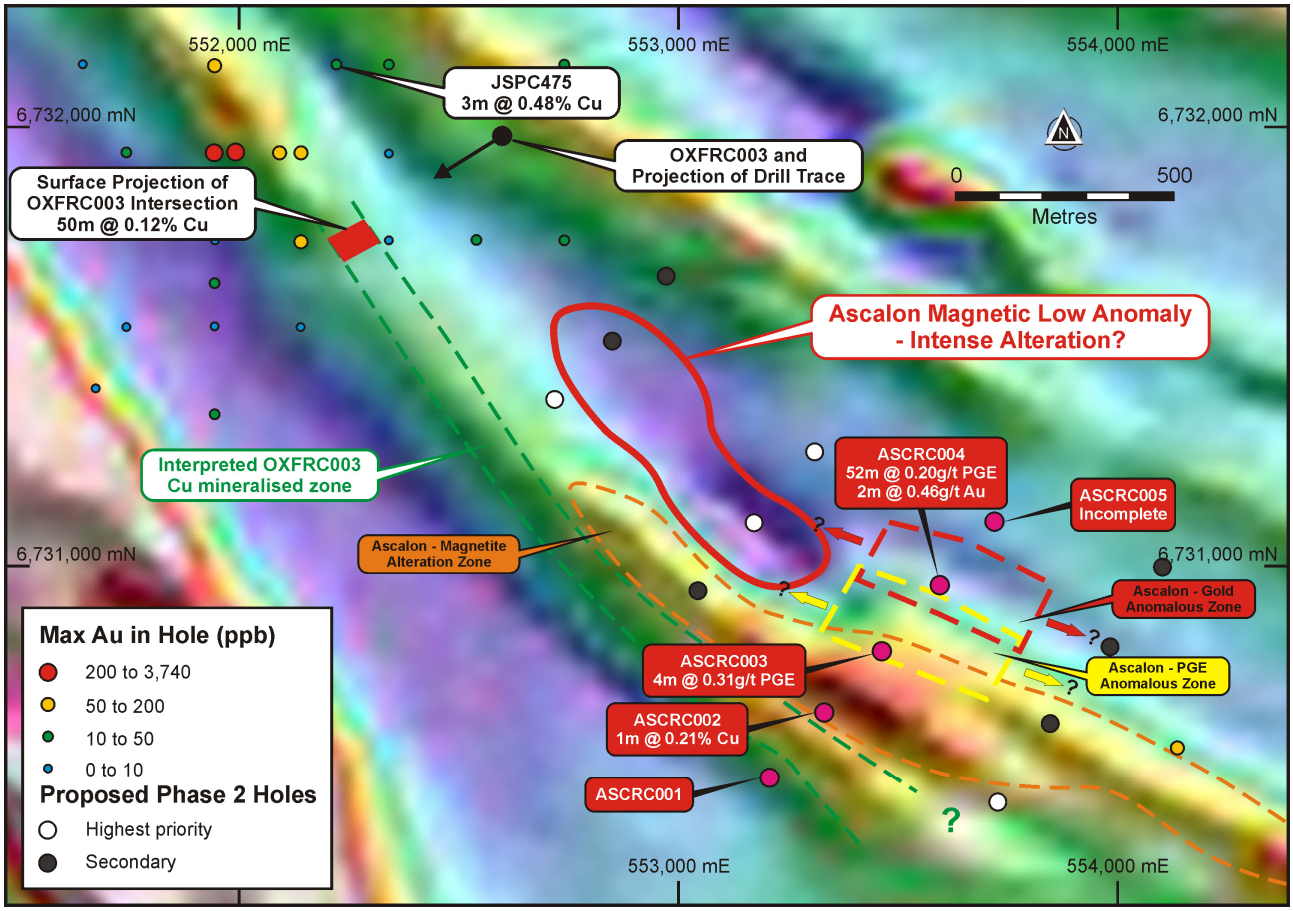

Figure 1 – the Ascalon target shown against magnetic data with Alteration Zones and follow-up drilling highlighted (green and black squares). The high priority target is the magnetic low north of ASCRC004.

ASCALON GOLD TARGET – FOLLOW-UP DRILLING

Alteration Zones 2 and 3 are prospective for stronger mineralisation, and warrant further and immediate exploration. Our technical team in conjunction with Dr Jon Hronsky, Chairman of the Centre of Exploration Targeting in Western Australia, have planned further drill holes to the north, south and east of these Zones.

One important area for further drilling is the large magnetic low that lies immediately north-west of the ASCRC001 to ASCRC005 drill section – see Figure 1.

The magnetic low may represent a more intense area of hydrothermal alteration where hydrothermal fluids have destroyed the iron-rich minerals in these mafic rocks, and gold mineralisation may have accumulated. The siliceous alteration in the central zones of Orogenic gold systems typically present as magnetic lows within more magnetic country rocks.

Hole ID	Target	Easting (m)	Northing (m)	Dip (deg)	Azimuth (deg)	Depth (m)
ASCRC001	Ascalon	553210	6730520	-60	225	240
ASCRC002	Ascalon	553330	6730670	-60	225	240
ASCRC003	Ascalon	553460	6730810	-60	225	340
ASCRC004	Ascalon	553590	6730960	-60	225	271
ASCRC005	Ascalon	553720	6731110	-60	225	240*

Table 1 – St George's 2016 drill holes at the Ascalon gold target
(planned depth. All other holes have been completed.)*

BRISTOL GOLD TARGET – DRILLING IN PROGRESS

The Bristol gold prospect is located on a shear zone with a 4,000m strike, which is localised along the western margin of the Bristol ultramafic body. This is a favourable structural setting for Orogenic gold mineralisation, as it is proximal to the intersection of fundamental (mantle piercing) rift axial and transform faults which provide a pathway for mantle-derived hydrothermal gold fluids.

Two drill holes have been completed at Bristol so far, and they have both encountered thick sheared and hydrothermally altered mafic units. A chlorite-sericite-carbonate alteration associated with quartz veining has been observed, and is highly encouraging for potential gold mineralisation.

The next hole to be drilled is BRRC005. Wet weather and maintenance on the drill rig have resulted in some delays to our drilling schedule. Drilling is expected to resume early next week. Once all holes are completed at Bristol, the rig will return to Ascalon to commence the follow-up drilling referred to above.

Hole ID	Target	Easting (m)	Northing (m)	Dip (deg)	Azimuth (deg)	Depth (m)
BRRC003*	Bristol	534545	6739575	-60	270	177
BRRC004*	Bristol	534375	6739575	-60	270	150
BRRC005	Bristol	534510	6739415	-60	270	200
BRProp4	Bristol	534425	6739415	-60	270	150
BRProp5	Bristol	534540	6739700	-60	270	200
BRProp6	Bristol	534520	6739940	-60	270	150

Table 2 – St George's planned and completed drill holes at the Bristol gold target
(denotes completed hole)*

IMPORTANT REGIONAL LOCATION

St George's East Laverton Project is a dominant landholding in the under-explored eastern margin of the North Eastern Goldfields.

The Project is surrounded by major gold mines with the +8MozAu Tropicana deposit to the east, the +6MozAu Gruyere deposit to the north and the world class Laverton gold field to the northwest – see Figure 2.

The strong history of gold discoveries in the region illustrates the potential for the under-explored East Laverton Project to also host economic gold mineralisation.

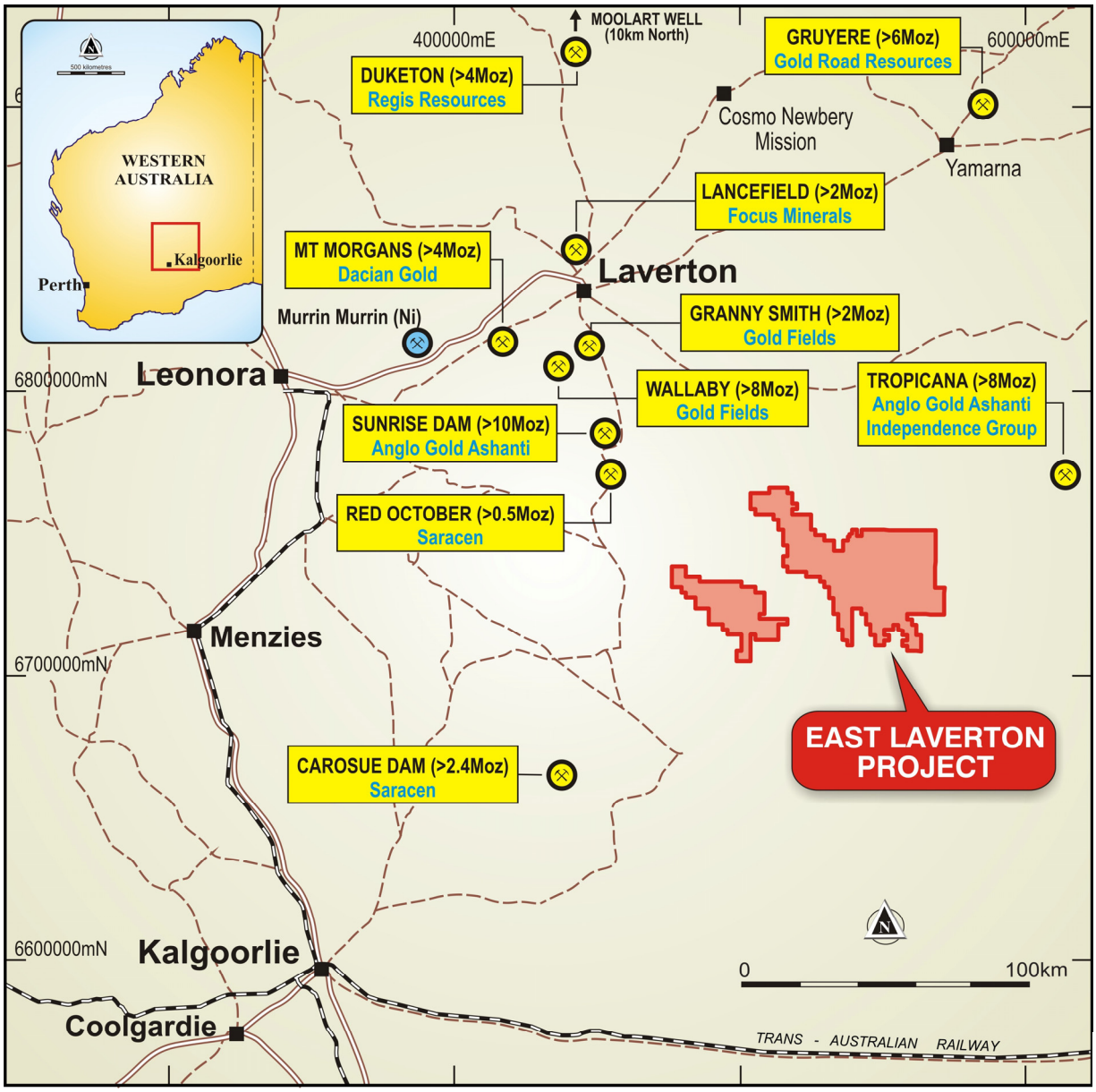

Figure 2 – a regional map showing major gold projects and the location of the East Laverton Project

HOLE ID	FROM (m)	TO (m)	WIDTH (m)	Au (ppm)	Pt+Pd (ppb)	Cu (ppm)
ASCRC002	49	50	1			1694
ASCRC002	136	137	1			1268
ASCRC002	182	183	1			2141
ASCRC003	97	103	6			551
ASCRC003	111	116	5			588
ASCRC003	139	164	25			641
incl.	152	156	4		312	
ASCRC003	172	180	8			683
ASCRC003	217	222	5			537
ASCRC003	227	232	5			533
ASCRC004	60	62	2	0.46		
ASCRC004	63	69	6		132	
ASCRC004	91	93	2	0.32		
ASCRC004	106	107	1	0.19		
ASCRC004	106	114	8		160	
ASCRC004	119	127	8		119	
ASCRC004	142	194	52		196	
ASCRC004	196	203	7		196	
ASCRC004	222	231	9			733
ASCRC004	233	239	6			758
ASCRC004	247	253	6		174	
ASCRC004	260	271(EOH)	11			605

Table 3 – Assay results for recent drilling at Ascalon confirm gold, PGEs and copper anomalism

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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 29 July 2016 reports on the gold focused 2016 drilling campaign underway at the Company's East Laverton Project. The current drilling programme is being completed by reverse circulation (RC) drilling. *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.

Criteria	JORC Code explanation	Commentary
	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. 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).*	*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.*	*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.
	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.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample reparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Drilling for gold targets is only by RC drilling 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.
	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.
	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.

Criteria	JORC Code explanation	Commentary
	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.
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.*	Historical exploration drilling targeting gold was completed mainly by WMC Resources in the early 1990s. This drilling was relatively shallow with the majority of the drill hole depths being less than 100m. The Ascalon target was never drilled. The historical drilling along the Minigwal belt defined linear zones of anomalous gold and copper in the regolith that extend over 1,300m 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.
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 mineralization.
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 the following ASX Releases that are available on our website at www.stgm.com.au: 8 December 2015 *'Gold Exploration Moves Forward at East Laverton'* 19 January 2016 *'Gold Targets at East Laverton'* 10 February 2016 *'Gold Targets at East Laverton'* 30 March 2016 *'Large Gold Zone at East Laverton'* 25 May 2016 *'Gold Drill Programme at East Laverton'* 14 June 2016 *'Exploration Update – East Laverton Gold Drilling'*
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.