

31 May 2017

Dear Option Holder,

NOTICE TO OPTIONHOLDER

QUOTED OPTIONS TO ACQUIRE ST GEORGE MINING LIMITED SHARES AT \$0.20 PER SHARE EXPIRING ON 30 JUNE 2017

We are writing to you as a registered holder of options in ST GEORGE MINING LIMITED (Company) to remind you that the options (ASX Code: SGQOA) will expire at 5:00pm (WST) on 30 June 2017.

Your option holding may be exercised whole or in part by payment of \$0.20 for each quoted option to convert into one ordinary share by no later than 30 June 2017. If payment is not received by 5:00pm (WST) on 30 June 2017 the options will expire and all rights under the options will cease at that time.

Some of the courses of action available to you as a holder of these soon to expire options are:

- (a) Exercise the options on or before 30 June 2017
- (b) Do nothing (i.e. allow your options to expire). If you do not exercise your quoted options they will expire on 30 June 2017 and your right to subscribe for ordinary shares in **ST GEORGE MINING LIMITED** at \$0.20 per share will lapse.

There is no obligation to option holders to exercise their options. However, under paragraph 6.1 of Appendix 6A of the Australian Securities Exchange (ASX) Listing Rules, the Company is required to advise option holders of the information contained in this notice.

The Company has 47,354,622 of these options on issue which each convert into one ordinary share upon payment of the exercise price of \$0.20. Quotation of the options on ASX will end on 30 June 2017.

The latest available market price of ordinary shares in ST GEORGE MINING LIMITED being the securities underlying the options on ASX was \$0.135 on 30 May 2017, being the last trading day prior to the date of this notice.

During the three (3) months preceding the date of this notice;

- the highest market sale price of ordinary shares on ASX was \$0.18 on 5 April 2017, 3 April 2017 and 31 March 2017;
- the lowest market sale price of ordinary shares on ASX was \$0.13 on 29 May 2017;
- the highest market sale price of the options on ASX was \$0.04 on 28 February 2017; and
- the lowest market sale price of the options on ASX was \$0.002 between 29 May 2017 and 30 May 2017.

If you wish to exercise your quoted options then you must complete your "Notice of Exercise of Options" form on the reverse of this notice and forward it together with payment of \$0.20 per option exercised to be received no later than 5:00pm (WST) on **30 June 2017** to the Company's share registry, Computershare Investor Services Pty Limited, which can be contacted on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) from 8:30am to 5:00pm (Perth time) Monday to Friday.

Cheques should be made payable to "ST GEORGE MINING LIMITED" in Australian dollars only and should be crossed "Not Negotiable". If you have any further questions please do not hesitate to contact our Registry by telephone on the contact numbers noted above.

Yours faithfully

Sarah Shipway
Company Secretary
St George Mining Limited
+61 8 9322 6600