ASX / MEDIA RELEASE

27 July 2017

DRILLING OF PRIORITY GOLD TARGETS AT EAST LAVERTON

HIGHLIGHTS:

- **Multiple gold targets across all greenstone belts at East Laverton are being tested by reconnaissance drilling**
- **Over 7,000m of RC (reverse circulation) drilling completed in the current programme**
- **Numerous drill holes have intersected mafic rocks with thick zones of hydrothermal alteration**
- **Assays for drilling at Cambridge North identify a 3.6km long mineralised structure for follow-up exploration**
- **Assays for Cambridge identify a zone of gold anomalism requiring follow-up drilling**
- **Further laboratory assays due soon**

PORTFOLIO OF GOLD TARGETS AT EAST LAVERTON

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

This drill programme is testing a portfolio of gold targets located on the greenstone belts within the 2,000 sq km East Laverton Project. A total of 100 RC drill holes have been completed to date for 7,304m drilled.

The reconnaissance drilling is designed to advance areas of gold anomalism to better assess if they may be associated with primary gold mineralisation and require further drilling. The current programme is also drilling several deeper targets where shallow gold mineralisation has been identified indicating prospectivity for bedrock gold mineralisation.

Early drill results are encouraging with multiple drill holes logged as intersecting mafic rocks, including dolerite, with intervals of prominent hydrothermal alteration containing sulphide mineralisation and quartz veining.

Assays received to date indicate significant gold anomalism and prospectivity at the Cambridge and Cambridge North targets that warrants follow-up exploration. Assays for drilling at the other targets are pending.

St George Mining Executive Chairman, John Prineas said:
"The 2017 drill programme is testing a range of gold targets at the East Laverton Project, with most areas drilled for the very first time.

"Already we are seeing encouraging results with potential for significant gold mineralisation at some of the targets, and we are keenly awaiting the remaining assay results."

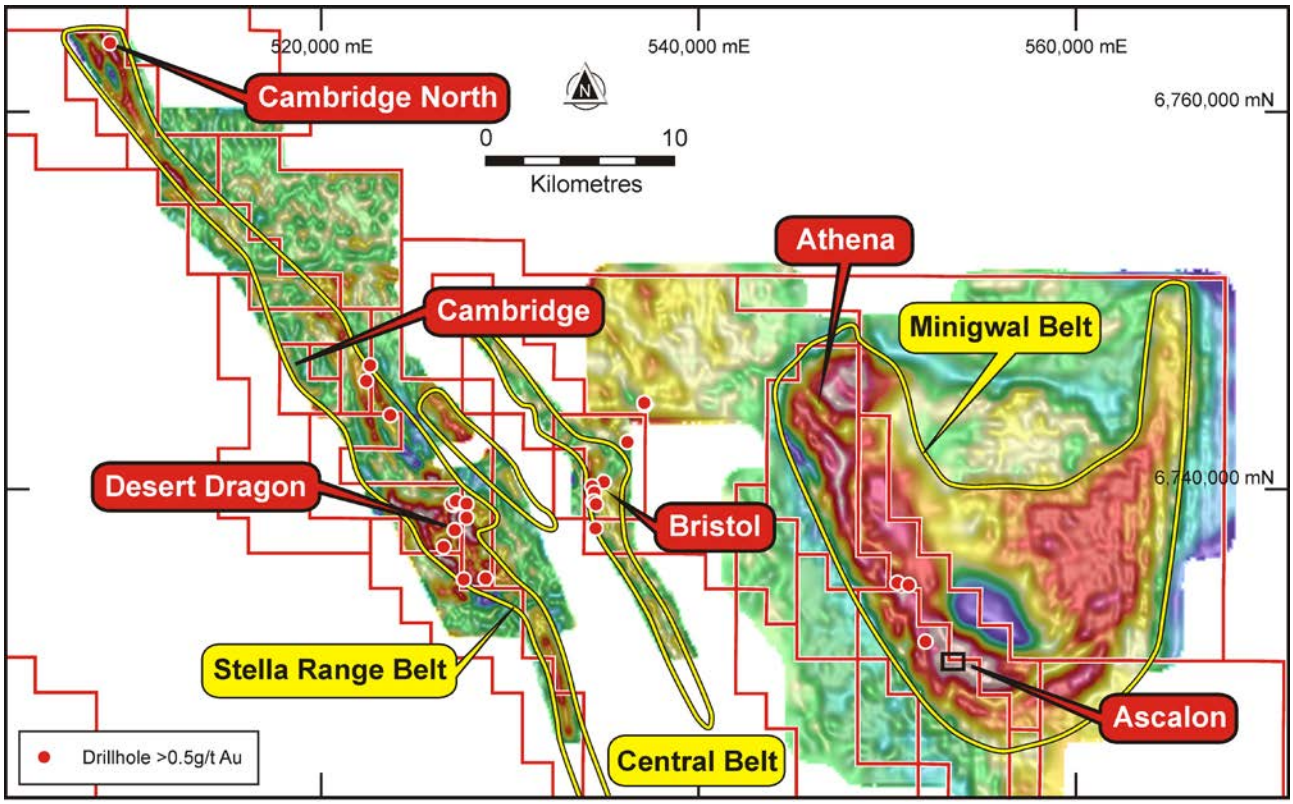

Figure 1 - the East Laverton tenements against FVD Bouguer gravity data with priority gold prospects highlighted.

Desert Dragon:
The Desert Dragon gold prospect is located along the Stella Range belt, and encompasses an area where the belt undergoes significant folding and structural deformation. Two tight folds in the belt have been identified as target areas for potential gold mineralisation.

Numerous drill holes at Desert Dragon have intersected gold anomalism. These include DDD010, drilled by St George in 2014, which intersected 6m @ 0.70g/t Au including 2m @ 1.42g/t Au from 149m. The gold mineralisation is associated with a strongly sulphidic metasedimentary unit (26% sulphur). The mineralised horizon is also intersected 100m to the east and up-dip in DDRC049 (4m @ 0.3 g/t Au).

Dr Walter Witt, in his review earlier this year of the gold targets at the East Laverton Project, completed a detailed analysis of all historical exploration data, including drill hole data, soil surveys, geological mapping and geophysical surveys. Figure 2 illustrates the detailed targeting analysis by Dr Witt at Desert Dragon, and highlights two of the priority targets recommended for test drilling at this prospect.

Dr Witt noted the presence of the following features favourable for gold prospectivity:

- Widespread multi-element (Au, Cu and Mo) soil anomalies
- Folds in the belt with reactive Fe-rich unit
- Widespread geochemical indicators of potassic (Rb/K2O) and carbonate (Sr/CaO) alteration in holes drilled into reactive Fe-rich units
- Anomalous (W+Mo+Bi) geochemistry that suggests the presence of oxidised magmatic-hydrothermal fluids
- Anomalous (As+Sb) geochemistry that suggests S-rich sediments and not reduced hydrothermal fluids

The coincidence at Desert Dragon of pathfinder elements and structural architecture that are typically associated with gold systems make this prospect a high priority area for further gold exploration.

Eight drill holes are planned for Desert Dragon in the current drill programme, four holes in each of the target areas shown in Figure 2. Drilling at Desert Dragon is scheduled for next week.

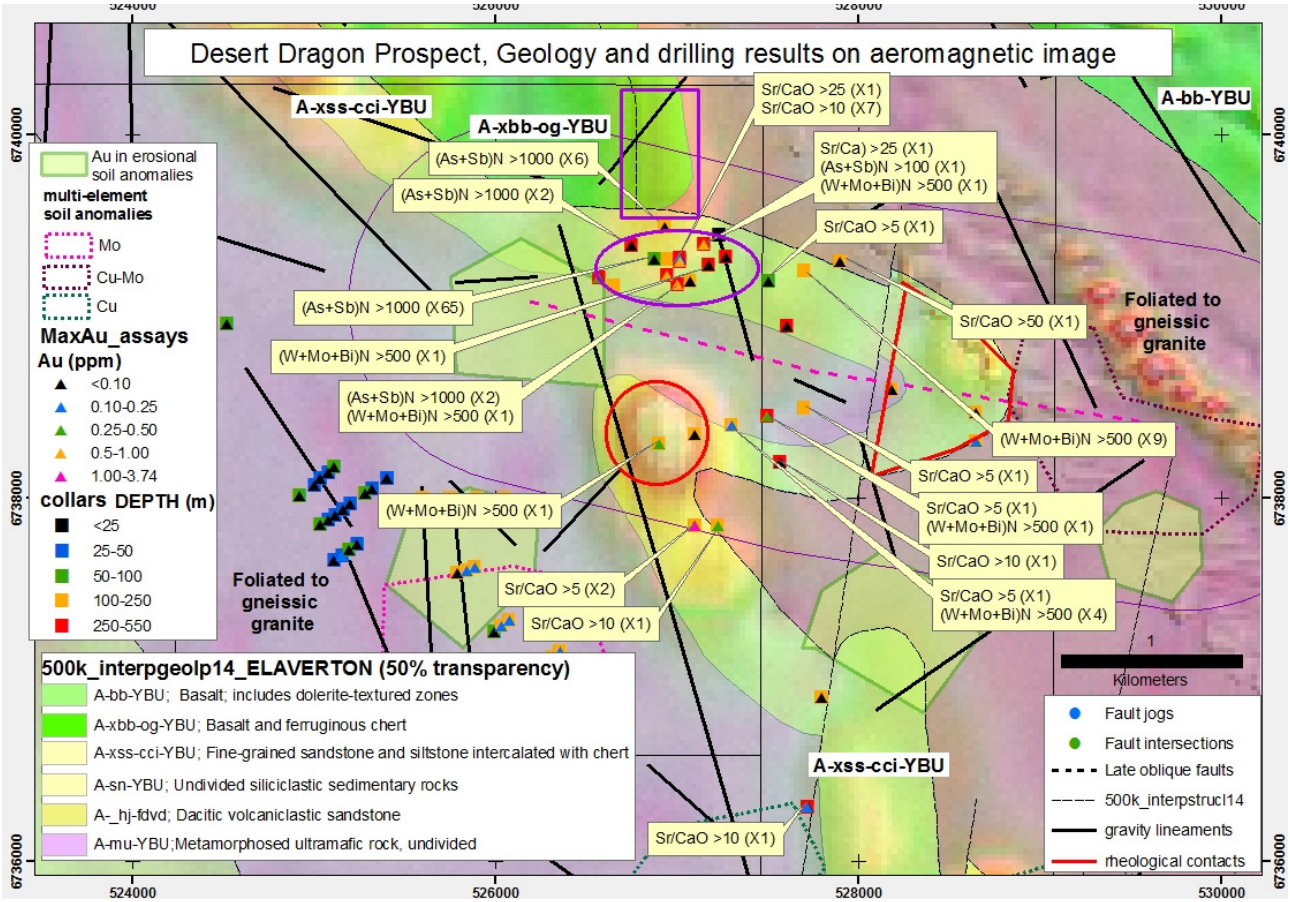

Figure 2 – plan view map of Desert Dragon against magnetics (transparent) showing geology, soil anomalies and significant drill holes. The two priority target areas are associated with the tight folds and shown by the red circle and the red polygon in the hinge.

Bristol:

The Bristol gold prospect is located along a greenstone belt in the central area of the East Laverton Project, and is associated with a large magnetic and gravity body.

Historical gold drilling has been completed mostly on the western side of the Bristol magnetic body within a complex and sheared contact between a late alkaline granite intrusive centre to the west and the greenstone to the east.

Both historical drilling and drilling completed by St George in 2016 over this area has intersected anomalous regolith gold over a strike of 1,500m. This substantial supergene gold at Bristol is consistent with a proximal and more significant primary gold-bearing source.

Like most gold deposits, a concentration of primary gold mineralisation is likely to be associated with a significant structural intersection of reactivated fundamental north-west trending and east-west transform faults.

Such an area is located to the north of the regolith gold anomaly, where three main structures intersect. These are the north-trending greenstone belt, a major NW trending fold axes and a NE-SE trending fundamental transform fault that forms part of the Churchill Lineament.

Dr Witt, in his review of the Bristol prospect, identified this area as a priority target in recognition of the high-strain rheological (ultramafic-granite) contact, including fault bends and intersections along strike. The high strain zone is outlined in red, in Figure 3, and there is no effective drilling in this area.

Three drill holes were completed at Bristol and assays are pending.

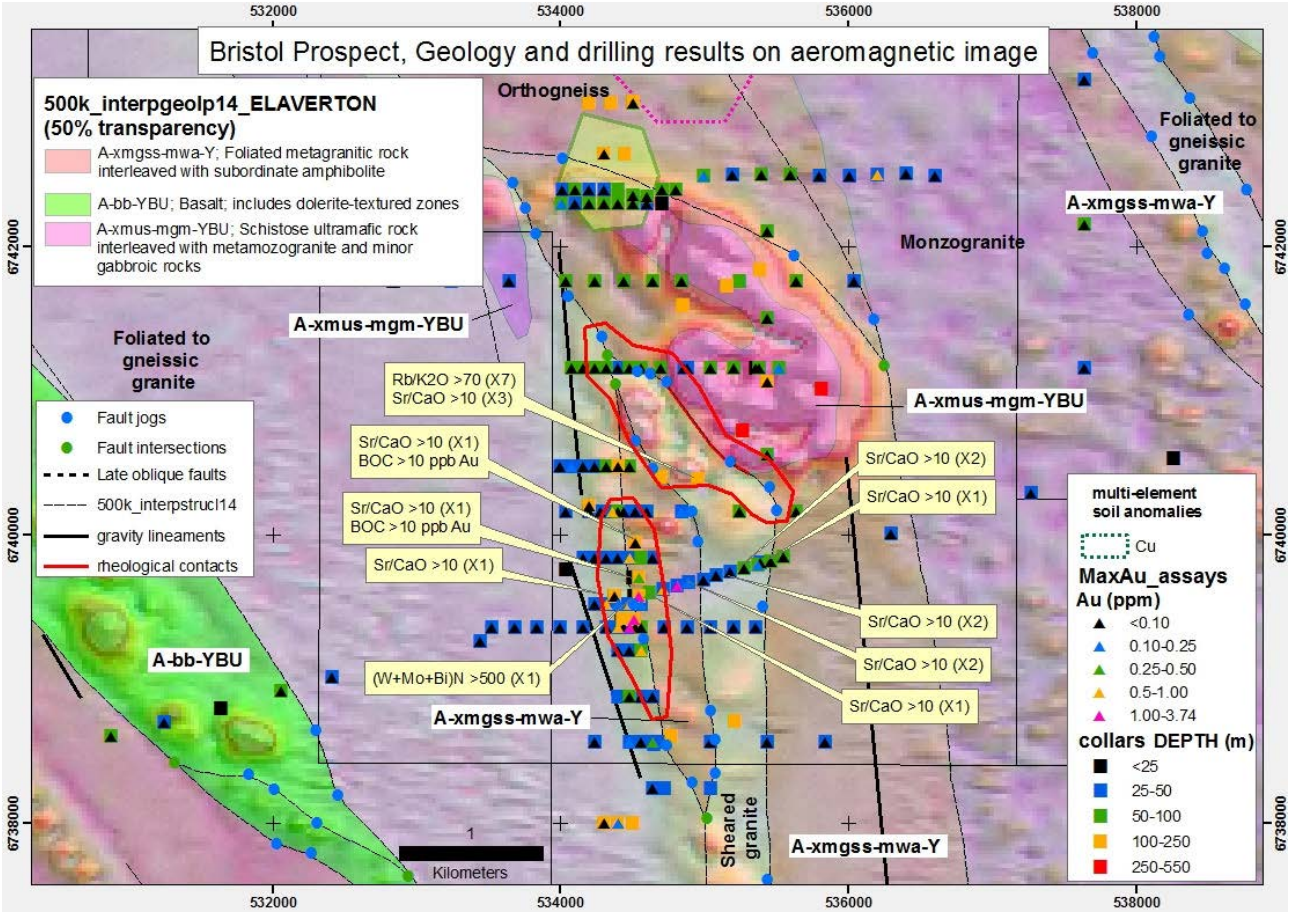

Figure 3 – plan view map of Bristol against magnetics (transparent) showing geology, soil anomalies and significant drill holes as well as the target areas outlined in red.

Windsor:

The Windsor prospect is located at the southern section of the Stella Range belt. The gold target at Windsor is associated with prominent magnetic anomalies in the eastern part of the Windsor prospect area, where drilling has been very limited.

Sixteen (16) drill holes have been completed to test two prominent magnetic anomalies; see Figure 4. Drilling intersected strong hydrothermal alteration and sulphide mineralisation within a mafic/dolerite host, with assays pending. Figure 5 contains an example of drill chips from WINRC032.

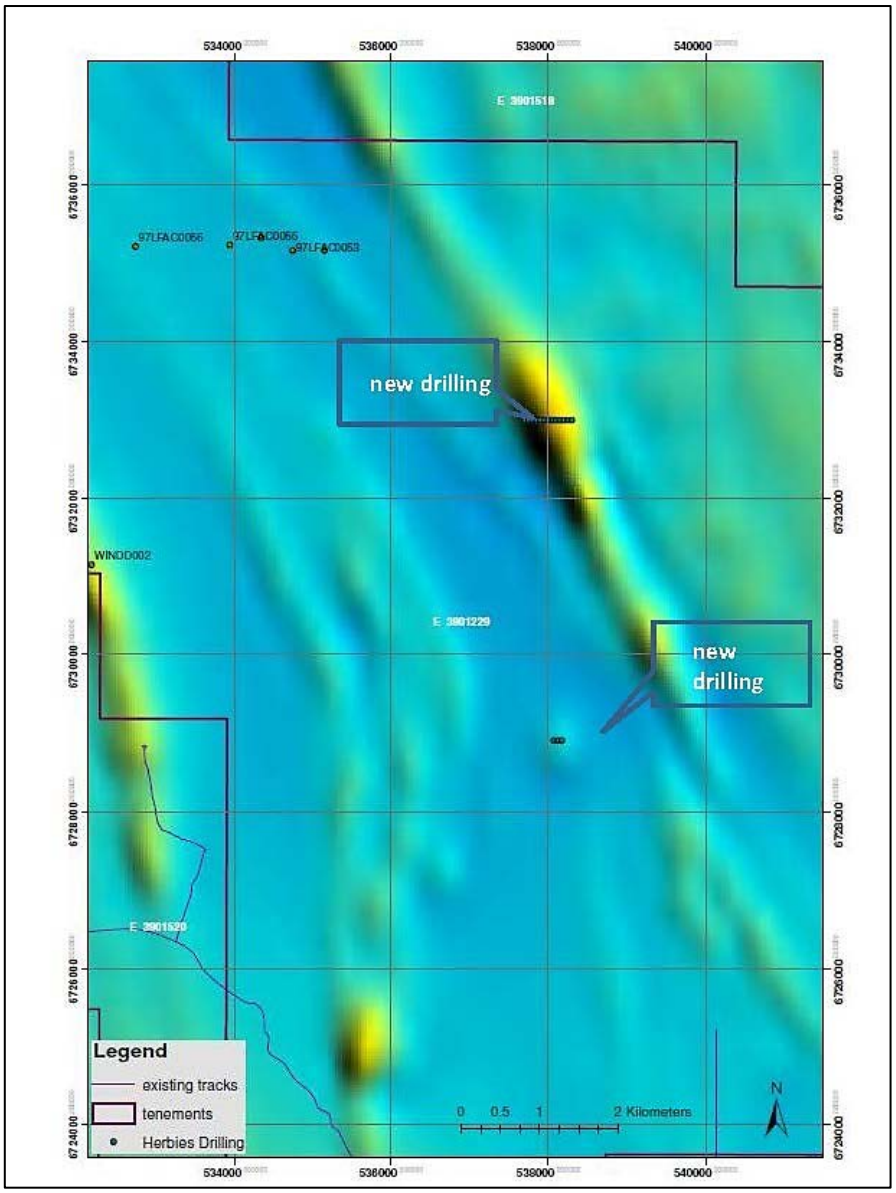

Figure 4 – a plan view map of the Windsor area showing recent drilling which intersected hydrothermal alteration with assays pending.

Figure 5 – a sample of the drill chips from WINRC032 which exhibit strong hydrothermal alteration and sulphide mineralisation, which may have a gold association.

Cambridge North:
A 3.6km long north-south mineralised structure at Cambridge North has been confirmed by the recent drilling as a priority target for follow-up exploration. The Cambridge North target is located on the northern extension of the Stella Range greenstone belt.

The mineralised structure was first identified by historical drilling that included the following intersections:

- 3m @ 0.97g/t Au from 27m within a larger gold halo of 10m @ 0.37g/t Au in SRAB081
- 3m @ 0.51g/t Au from 36m in SRAB083.

Previous reconnaissance drilling by St George also identified gold anomalism with the following intersections:

- 14m @ 0.237g/t Au from 32m and 3m @ 0.17g/t Au from 136m in CNR002
- 7m @ 0.54g/t Au from 35m including 1m @ 1.73g/t from 39m and 4m @ 0.24g/t Au from 84m in CNRC003

The latest drilling by St George has identified further gold anomalism with intersections of:

- 4m @ 0.07g/t Au from 52m within a larger gold halo of 24m @ 0.03g/t Au in CNRC011
- 4m @ 0.11g/t Au from 32m within a larger gold halo of 20m @ 0.06g/t Au in CNRC025

Figure 6 illustrates the mineralised structure at Cambridge North.

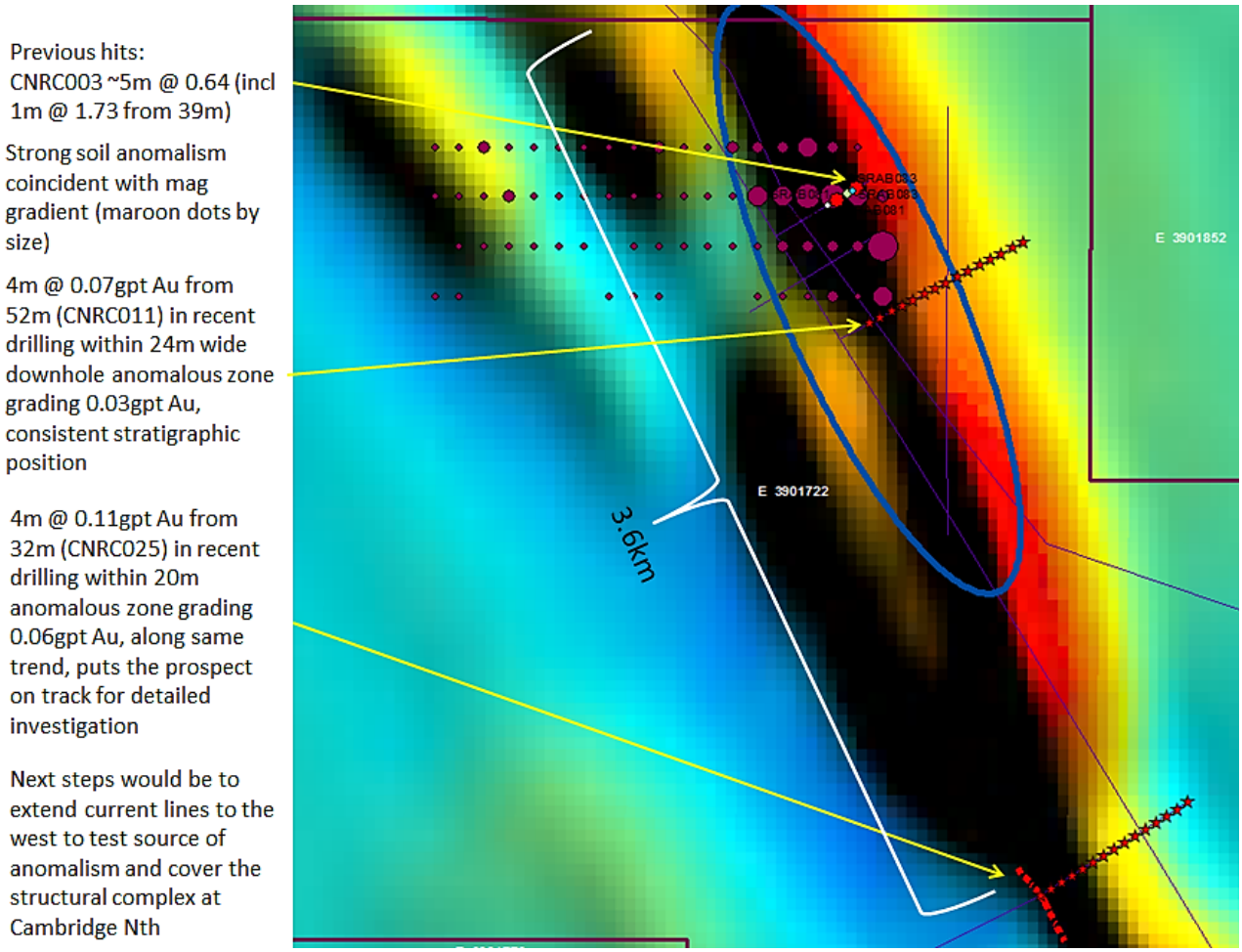

Figure 6 – plan view of Cambridge North against RTP magnetics. The 3.6km strongly magnetic structure has been confirmed by ongoing drilling to host significant gold anomalism.

CNRC011 and CNRC025 are spaced 2km apart. Importantly, they are along the same trend and in a consistent stratigraphic position. The drill holes intersected dolerite with quartz veining, which is indicative of alteration that may be associated with gold mineralisation. There is no effective drilling between these two intersections or to their west, indicating significant exploration upside along this underexplored mineralised structure.

Cambridge:

The Cambridge gold prospect is associated with a large dunite body situated to the immediate east of the Stella Range Belt. Figure 7 illustrates the four target areas at Cambridge that were tested in the current drill programme.

Two targets, Targets C and D, intersected gold anomalism – as indicated in Figure 8 - that warrants follow-up exploration.

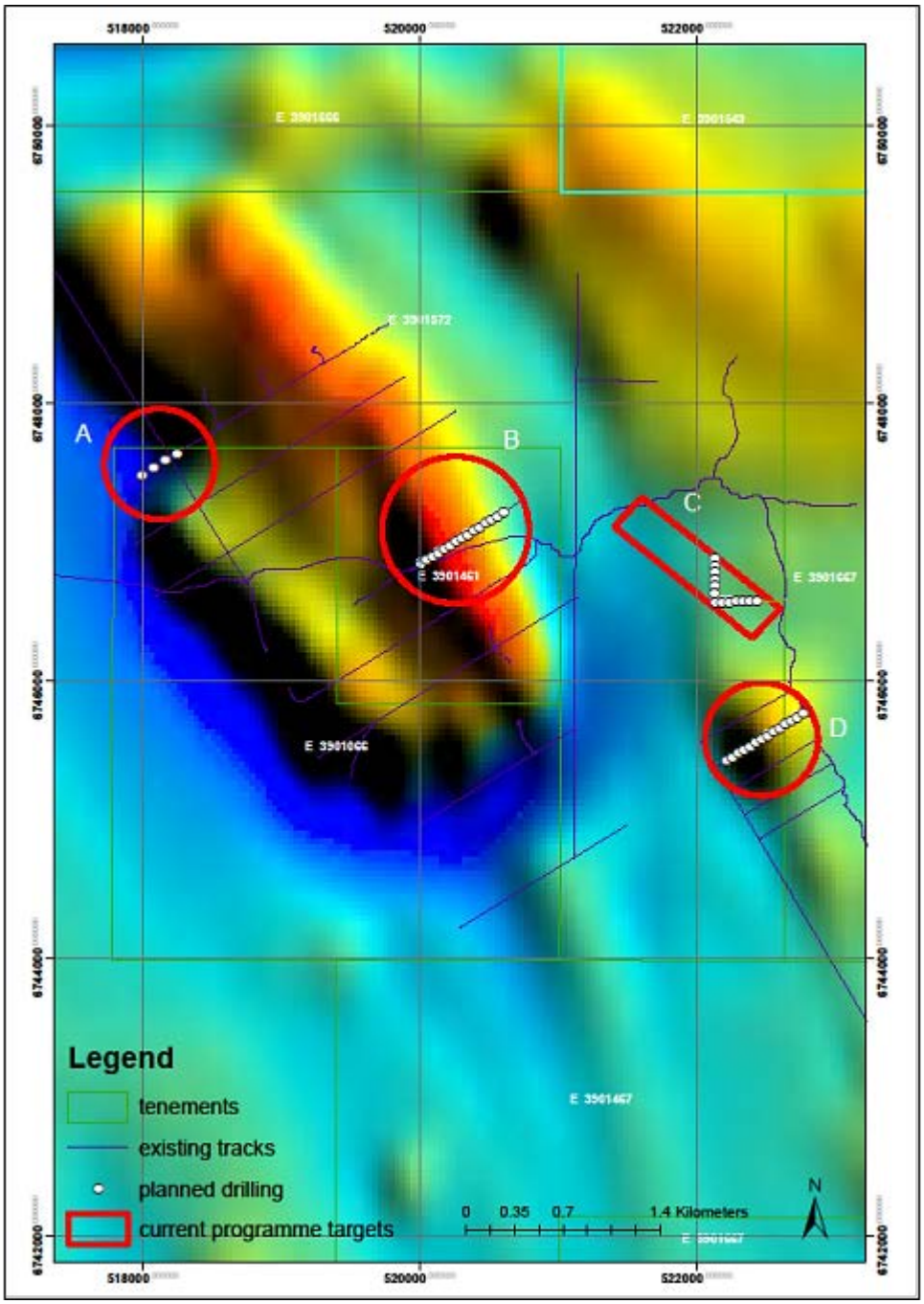

Figure 7 – a plan view of the Cambridge gold prospect (against RTP magnetic data) showing priority target areas and planned drilling.

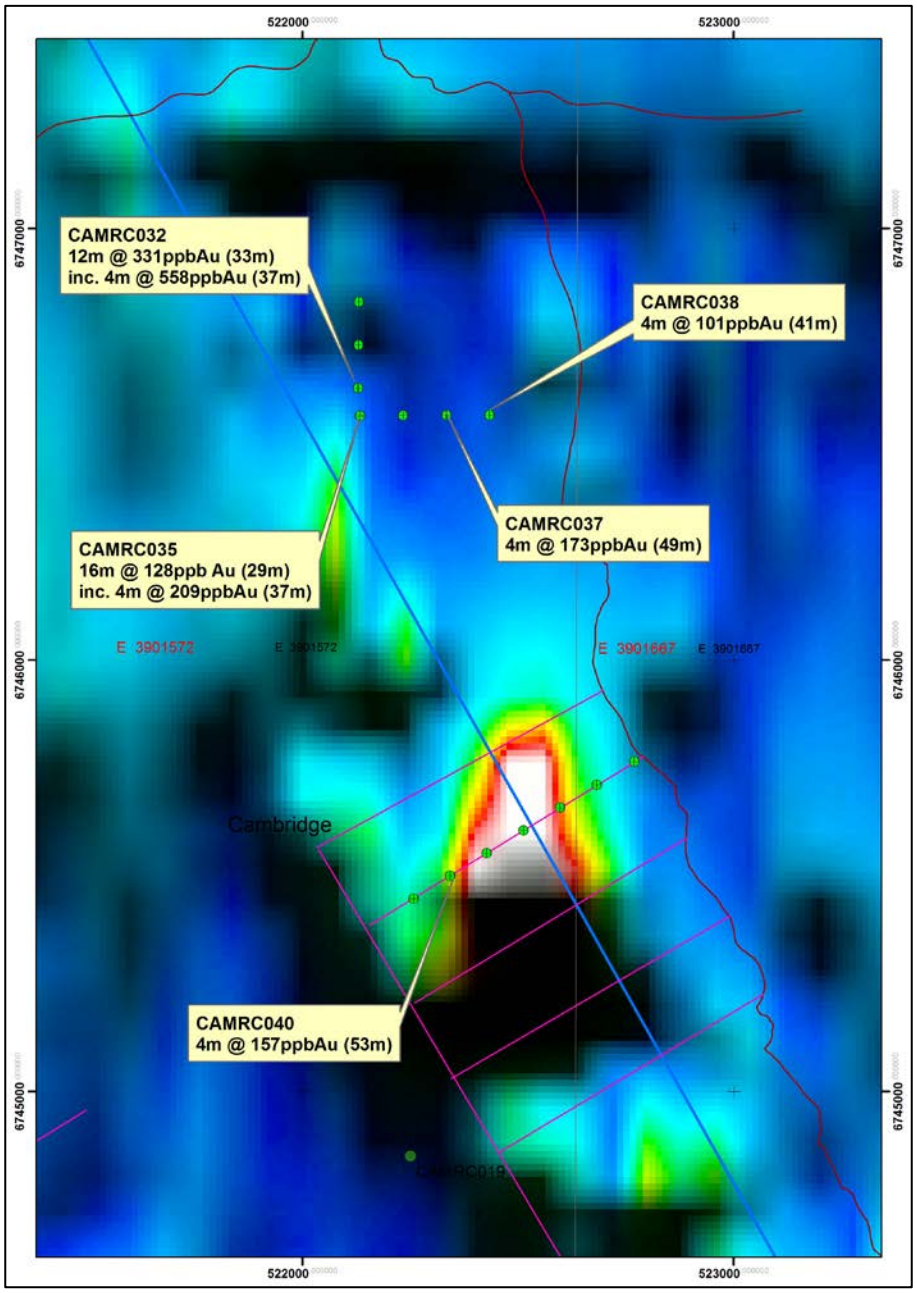

Figure 8 – gold anomalism at Targets C and D at Cambridge (plan view map against RTP magnetics)

Target C encompasses the intersection of a fold axis and a reactive Fe-rich unit, and drilling has confirmed the presence of supergene gold in dolerite mafic rocks.

Target D is a bulls-eye magnetic anomaly with drilling also confirming the presence of supergene gold in a BIF unit. Strong hydrothermal alteration and quartz veining were noted in the drill chips for the completed drill holes at these targets.

A follow-up drill programme is being designed for these targets to test for primary gold mineralisation in the bedrock.

GOLD DRILL PROGRAMME

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

Table 2 contains details of assay results showing significant gold anomalism, based on assays received to date for drilling at the Cambridge and Cambridge North prospects. Unless a drill hole is listed in Table 2, no significant intersection was achieved for that drill hole.

Assays for drill holes at other prospects are pending.

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

PROSPECT	HID	X	Y	DEPTH	DIP	AZI
Cambridge	CAMRC020	517990	6747485	100	-60	230
Cambridge	CAMRC021	518075	6747535	100	-60	230
Cambridge	CAMRC022	518160	6747590	100	-60	230
Cambridge	CAMRC023	518240	6747640	100	-60	230
Cambridge North	CNRC004	513760	6752850	84	-50	270
Cambridge North	CNRC005	514160	6752850	139	-50	270
Cambridge North	CNRC006	514560	6752850	120	-50	270
Cambridge North	CNRC007	514960	6752850	120	-50	270
Cambridge North	CNRC008	515360	6752850	97	-50	270
Cambridge North	CNRC009	515760	6752850	120	-50	270
Cambridge North	CNRC010	516160	6752850	144	-50	270
Cambridge North	CNRC011	508828	6763098	60	-60	230
Cambridge North	CNRC012	508872	6763121	50	-60	230
Cambridge North	CNRC013	508916	6763144	66	-60	230
Cambridge North	CNRC014	508961	6763168	50	-60	230
Cambridge North	CNRC015	509005	6763191	66	-60	230
Cambridge North	CNRC016	509049	6763214	50	-60	230
Cambridge North	CNRC017	509094	6763237	50	-60	230
Cambridge North	CNRC018	509138	6763260	50	-60	230
Cambridge North	CNRC019	509182	6763283	50	-60	230
Cambridge North	CNRC020	509227	6763306	50	-60	230
Cambridge North	CNRC021	509271	6763330	50	-60	230
Cambridge North	CNRC022	509315	6763353	50	-60	230
Cambridge North	CNRC023	509359	6763376	50	-60	230
Cambridge North	CNRC024	509515	6760802	132	-60	230
Cambridge North	CNRC025	509557	6760829	66	-60	230
Cambridge North	CNRC026	509599	6760855	50	-60	230
Cambridge North	CNRC027	509641	6760882	50	-60	230
Cambridge North	CNRC028	509684	6760909	50	-60	230
Cambridge North	CNRC029	509726	6760935	50	-60	230
Cambridge North	CNRC030	509768	6760962	50	-60	230
Cambridge North	CNRC031	509811	6760989	60	-60	230

Cambridge North	CNRC032	509853	6761015	72	-60	230
Cambridge North	CNRC033	509895	6761042	72	-60	230
Cambridge North	CNRC034	509938	6761069	72	-60	230
Cambridge North	CNRC035	509980	6761095	54	-60	230
Cambridge North	CNRC036	510057	6759506	54	-60	230
Cambridge North	CNRC037	510101	6759629	50	-60	230
Cambridge North	CNRC038	510151	6759557	50	-60	230
Cambridge North	CNRC039	510188	6759579	60	-60	230
Cambridge North	CNRC040	510225	6759602	50	-60	230
Cambridge North	CNRC041	510268	6759633	60	-60	230
Cambridge North	CNRC042	510312	6759660	60	-60	230
Cambridge North	CNRC043	510358	6759686	50	-60	230
Cambridge North	CNRC044	510397	6759711	54	-60	230
Cambridge North	CNRC045	510443	6759741	54	-60	230
Cambridge North	CNRC046	510483	6759766	66	-60	230
Cambridge North	CNRC047	510522	6759795	54	-60	230
Cambridge North	CNRC048	510565	6759826	54	-60	230
Cambridge North	CNRC049	508650	6763010	72	-60	230
Cambridge North	CNRC050	508738	6763057	72	-60	230
Cambridge North	CNRC051	509263	6760642	56	-60	230
Cambridge North	CNRC052	509347	6760698	56	-60	230
Cambridge North	CNRC053	509429	6760752	78	-60	230
Cambridge North	CNRC054	509888	6759398	50	-60	230
Cambridge North	CNRC055	509976	6759450	60	-60	230
Cambridge	CAMRC024	520008	6746843	84	-60	230
Cambridge	CAMRC025	520093	6746895	78	-60	230
Cambridge	CAMRC026	520178	6746948	78	-60	230
Cambridge	CAMRC027	520263	6747001	50	-60	230
Cambridge	CAMRC028	520348	6747054	50	-60	230
Cambridge	CAMRC029	520433	6747106	50	-60	230
Cambridge	CAMRC030	520518	6747159	50	-60	230
Cambridge	CAMRC031	520605	6747214	50	-60	230
Cambridge	CAMRC032	522129	6746630	66	-60	180
Cambridge	CAMRC033	522130	6746730	60	-60	180
Cambridge	CAMRC034	522131	6746830	78	-60	180
Cambridge	CAMRC035	522134	6746566	78	-60	270
Cambridge	CAMRC036	522234	6746566	66	-60	270
Cambridge	CAMRC037	522334	6746567	60	-60	270
Cambridge	CAMRC038	522434	6746568	66	-60	270
Cambridge	CAMRC039	522258	6745447	84	-60	230
Cambridge	CAMRC040	522343	6745499	90	-60	230
Cambridge	CAMRC041	522428	6745552	60	-60	230

Cambridge	CAMRC042	522512	6745605	78	-60	230
Cambridge	CAMRC043	522597	6745658	72	-60	230
Cambridge	CAMRC044	522682	6745710	60	-60	230
Cambridge	CAMRC045	522770	6745765	50	-60	230
Windsor	WINRC025	537700	6733000	90	-60	270
Windsor	WINRC026	537750	6733000	72	-60	270
Windsor	WINRC027	537800	6733000	72	-60	270
Windsor	WINRC028	537850	6733000	54	-60	270
Windsor	WINRC029	537900	6733000	72	-60	270
Windsor	WINRC030	537950	6733000	84	-60	270
Windsor	WINRC031	538000	6733000	72	-60	270
Windsor	WINRC032	538050	6733000	78	-60	270
Windsor	WINRC033	538100	6733000	126	-60	270
Windsor	WINRC034	538150	6733000	90	-60	270
Windsor	WINRC035	538200	6733000	60	-60	270
Windsor	WINRC036	538250	6733000	72	-60	270
Windsor	WINRC037	538300	6733000	100	-60	270
Windsor	WINRC038	538075	6728900	67	-60	270
Windsor	WINRC039	538125	6728900	88	-60	270
Windsor	WINRC040	538175	6728900	88	-60	270
Bristol	BRRC020	534438	6739415	100	-60	270
Bristol	BRRC021	536250	6742498	90	-60	270
Bristol	BRRC022	534200	6742100	138	-60	240
Cambridge	CAMRC011	519893	6747249	282	-60	252
Cambridge	CAMRC019	522250	6744850	200	-60	240
Cambridge North	CNRC002	508725	6763599	144	-60	240
Cambridge North	CNRC003	508791	6763641	144	-60	240

Table 2 – Significant Assay Results for Gold Drilling (Cambridge and Cambridge North)

Prospect	Hole ID	Depth From	Depth To	Width	Au PPB
Cambridge	CAMRC011	27	28	1	305
Cambridge	CAMRC019	32	40	8	268
Cambridge	CAMRC019	176	180	4	116
Cambridge	CAMRC032	32	44	12	331
Cambridge	CAMRC035	28	32	4	170
Cambridge	CAMRC035	36	40	4	209
Cambridge	CAMRC037	48	52	4	173
Cambridge	CAMRC038	40	44	4	101
Cambridge	CAMRC040	52	56	4	157
Cambridge North	CNRC002	32	41	9	330

Cambridge North	CNRC002	46	47	1	242
Cambridge North	CNRC002	49	56	7	296
Cambridge North	CNRC002	136	139	3	168
Cambridge North	CNRC003	33	42	9	449
Cambridge North	CNRC003	84	88	4	242
Cambridge North	CNRC003	99	100	1	339
Cambridge North	CNRC003	131	132	1	621
Cambridge North	CNRC011	33	34	1	121
Cambridge North	CNRC011	53	55	2	127
Cambridge North	CNRC025	32	36	4	110

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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 27 July 2017 reports on the 2017 nickel and gold drill programme at the Company's East Laverton Project. The current drilling programme is being completed by reverse circulation (RC) drilling and diamond core drilling. *Diamond Core Sampling:* The core is removed from the drill rig and laid out for initial analysis in the field. The core is measured and marked up at 1m intervals against the drillers blocks, which are themselves checked against the drillers log books where required. The visible structural features on the core are measured against the core-orientation lines. *RC Sampling:* All samples from the RC drilling are taken as 1m samples. Samples are sent to Intertek Laboratories for assaying. Appropriate QAQC samples (standards, blanks and duplicates) are inserted into the sequences as per industry best practice. Samples are collected using cone or riffle splitter. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays. Onsite XRF analysis is conducted on the fines from RC chips using a hand-held Olympus Innov-X Spectrum Analyser. These results are only used for onsite interpretation and preliminary assessment subject to final geochemical analysis by laboratory assays.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	*RC Sampling:* The RC drilling rig has a cone splitter built into the cyclone on the rig. Samples are taken on a one meter basis and collected directly from the splitter into uniquely numbered calico bags. The calico bag contains a representative sample from the drill return for that metre. This results in a representative sample being taken from drill return, for that metre of drilling. The remaining majority of the sample return for that metre is collected and stored in a green plastic bag marked with that specific metre interval. The cyclone is blown through with compressed air after each plastic and calico sample bag is removed. If wet sample or clays are encountered then the cyclone is opened and cleaned manually and with the aid of a compressed air gun. A large auxiliary compressor ("air-pack") is mounted on a separate truck and the airstream is connected to the rig. This provides an addition to the compressed air supplied by the in-built compressors mounted on the drill rig itself. This auxiliary compressor maximises the sample return through restricting air pressure loss, especially in deeper holes. In addition, the high and consistent levels of air pressure minimise the number of drill samples. Geological logging of RC chips is completed at site with representative chips being stored in drill chip trays. Downhole surveys of dip and azimuth are conducted using a single shot camera every 30m to detect deviations of the hole from the planned dip and azimuth. The drill-hole collar locations were recorded using a hand held GPS, which has an accuracy of +/- 5m. At a later date the drill-hole collar will be surveyed to a greater degree of accuracy. *Diamond Core Sampling:* For diamond core samples, certified sample standards were added as every 25th sample. Core recovery calculations are made through a reconciliation of the actual core and the driller's records. Downhole surveys of dip and azimuth were conducted using a single shot camera every 30m to detect deviations

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

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

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

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

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

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

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

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