

19 August 2016

ST GEORGE COMPLETES HEAVILY OVERSUBSCRIBED CAPITAL RAISING

St George Mining Limited (ASX: **SGQ**) ('St George Mining' or 'the Company') is pleased to confirm that, further to the ASX Release dated 15 August 2016, the Company has completed a private placement of ordinary shares that has raised \$6.47 million of funding for its exploration projects in Western Australia.

The Company has allotted 43,165,470 fully paid ordinary shares at \$0.15 per share with one (1) free attaching option exercisable at \$0.20 on or before 30 June 2017 for every five (5) shares applied for. The options are part of the option series that trade under ASX code SGQOA.

After the allotment of the above securities, the Company has the following listed securities on issue:

Fully Paid Ordinary Shares	250,359,725
Listed Options exercisable at \$0.20 on or before 30 June 2017	47,354,622

The shares issued under the Placement were issued pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1 and the Company's additional 10% placement capacity under ASX Listing Rule 7.1A. As such, the Company provides the below information under ASX Listing Rule 7.1A.4(b) in respect of the shares issued under ASX Listing Rule 7.1A.

- (a) The Company issued 20,719,425 shares under ASX Listing Rule 7.1A which resulted in the following dilution to existing shareholders:

Number of shares on issue 12 months before the issue date	207,194,255
Shares issued under ASX Listing Rule 7.1A	20,719,425
Percentage of voting dilution to existing shareholders as a result of the shares issued pursuant to the Placement	10%

Further details of the approximate percentage of the issued capital post 7.1A placement held by the pre-placement security holders and new security holders are as follows:

Percentage of pre-placement security holders who did not participate in the 7.1A placement	76%
Percentage of pre-placement security holders who did participate in the 7.1A placement	24%
Percentage of participants in the 7.1A placement who were not previously security holders	58%

- (b) The Company issued the shares as a placement under ASX Listing Rule 7.1A as it was of the view that it was the most efficient and expedient mechanism to raise the funds required to achieve its stated objectives.

- (c) The Company confirms that there was no underwriter in respect of the Placement.

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- (d) The fee payable by the Company in connection with the Placement comprises a selling fee of \$308,241 paid in cash and 3,000,000 unlisted options exercisable at \$0.25 on or before 3 years from the date of issue.

The Appendix 3B and Cleansing Notice in respect to the securities issued pursuant to the Placement follows.

For further information, please contact:

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19 August 2016

ASX Limited
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ST GEORGE MINING LIMITED SHARE PLACEMENT – NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

On 19 August 2016, St George Mining Limited (**Company**) issued 43,165,470 fully paid ordinary shares in the capital of the Company (**Shares**) and 8,633,094 Listed Options (**Options**) via a placement to Sophisticated and Professional Investors (as defined in the Corporations Act 2001 (**the Act**)).

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

- (a) the Shares and options were issued without disclosure to investors under Part 6D.2 of the Act;
- (b) as at 19 August 2016, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
- (c) as at 19 August 2016, the Company has complied with Section 674 of the Act;
- (d) as at 19 August 2016, there is no information to be disclosed which is excluded information (as defined in section 708A(7) of the Corporations Act) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.

Yours faithfully

St George Mining Limited

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

St George Mining Limited

ABN

21 139 308 973

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | 1. Ordinary Fully Paid Shares
2. Listed Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 43,165,470 Ordinary Fully Paid Shares
2. 8,633,094 Listed Options |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. Fully Paid Ordinary Shares
2. Listed Options exercisable at \$0.20 on or before 30 June 2017 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>1. Yes 2. Yes</p>
<p>5 Issue price or consideration</p>	<p>1. \$0.15 per share 2. Nil</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Issued pursuant to a placement to sophisticated investors.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>27 November 2015</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>22,446,045 Fully Paid Ordinary Shares 8,633,094 Listed Options</p>

+ See chapter 19 for defined terms.

6d	Number of *securities issued with security holder approval under rule 7.1A	20,719,425 Fully Paid Ordinary Shares							
6e	Number of *securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A							
6f	Number of *securities issued under an exception in rule 7.2	N/A							
6g	If *securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the *issue date and both values. Include the source of the VWAP calculation.	<p>Yes</p> <p>VWAP Date: 10 August 2016 Issued Date: 19 August 2016 15 Day VWAP: \$0.1998 75% VWAP: \$0.1498</p> <p>Source: 2016 Orient Capital Pty Ltd</p>							
6h	If *securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A							
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1							
7	<p>*Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	19 August 2016							
8	Number and *class of all *securities quoted on ASX (<i>including</i> the *securities in section 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">*Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">250,359,725</td> <td style="text-align: center;">Fully Paid Ordinary Shares</td> </tr> <tr> <td style="text-align: center;">47,354,622</td> <td style="text-align: center;">Options ex. \$0.20 on or before 30 June 2017</td> </tr> </tbody> </table>	Number	*Class	250,359,725	Fully Paid Ordinary Shares	47,354,622	Options ex. \$0.20 on or before 30 June 2017	
Number	*Class								
250,359,725	Fully Paid Ordinary Shares								
47,354,622	Options ex. \$0.20 on or before 30 June 2017								

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New issue announcement

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	600,000	Class D Options ex. \$0.30 on or before 28 November 2016
	600,000	Class E Options ex. \$0.50 on or before 28 November 2017
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Pro rata issue

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	N/A
13 Ratio in which the +securities will be offered	N/A
14 +Class of +securities to which the offer relates	N/A
15 +Record date to determine entitlements	N/A
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17 Policy for deciding entitlements in relation to fractions	N/A
18 Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of	N/A

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Appendix 3B
New issue announcement

their entitlements (except by sale through a broker)?

33 +Issue date

N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A	
39	+Class of +securities for which quotation is sought	N/A	
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	N/A	
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A	
42	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in clause 38)	Number	+Class
		N/A	

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Sarah Shipway
Company secretary

Date: 19 August 2016

Print name: Sarah Shipway

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	111,831,806
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>8 June 2015 – 20,007,864 Fully Paid Ordinary Shares – Approved at General Meeting held on 28 July 2015</p> <p>30 July 2015 – 5,555,556 Fully Paid Ordinary Shares – Approved at General Meeting held on 28 July 2015</p> <p>17 November 2015 – 22,630,631 Fully Paid Ordinary Shares – Approved at General Meeting held on 25 January 2016</p> <p>28 January 2016 – 3,500,000 Fully Paid Ordinary Shares – Approved at General Meeting held on 25 January 2016</p> <p>23 March 2016 – 27,169,591 Fully Paid Ordinary Shares</p> <p>22 April 2016 – 16,497,647 Fully Paid Ordinary Shares</p> <p>27 May 2016 – 1,160 Fully Paid Ordinary Shares – Exercise of Options</p>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	N/A
“A”	207,194,255

+ See chapter 19 for defined terms.

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Step 2: Calculate 15% of "A"	
"B"	0.15 <i>[Note: this value cannot be changed]</i>
Multiply "A" by 0.15	31,079,139
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>19 August 2016 – 22,446,045 Fully Paid Ordinary Shares</p> <p>19 August 2016 – 8,633,094 Listed Options</p>
"C"	31,079,139
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15	31,079,139
<i>Note: number must be same as shown in Step 2</i>	
Subtract "C"	31,079,139
<i>Note: number must be same as shown in Step 3</i>	
Total ["A" x 0.15] – "C"	0 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	207,194,255
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	20,719,425
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	19 August 2016 – 20,719,425 Fully Paid Ordinary Shares
“E”	20,719,425

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	20,719,425
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	20,719,425
Total ["A" x 0.10] – "E"	0 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.