

31 January 2023

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 DECEMBER 2022

MT ALEXANDER PROJECT – LITHIUM

- Ongoing field mapping and outcrop sampling identifies numerous new pegmatite occurrences within a 15km north-south prospective pegmatite corridor parallel to the Copperfield Granite
- Assays up to 3.25% Li₂O, 225ppm Cs₂O, 53ppm Ta₂O₅ and 1.24% Rb from rock chip samples confirm lithium-bearing pegmatites
- 23 drill holes (RC and diamond) completed in St George's maiden lithium drill programme with 20 drill holes intersecting pegmatites with visual lithium-bearing minerals (laboratory assays pending)
- St George expands its landholding at Mt Alexander with the 100% acquisition of Exploration Licence E29/1143 and application for Prospecting Licence P29/2680 providing St George near-continuous coverage over 15km of the prospective pegmatite corridor
- 2023 drill programme scheduled to commence in late February

CORPORATE

- \$9.2 million of new funds raised during the quarter including strategic investments by Shanghai Jayson Co., Ltd and Sunwoda Electronic Co., Ltd
- St George signs MoU's to pursue a strategic relationship for lithium business opportunities with three leading lithium-ion battery companies – Shanghai Jayson Co., Ltd, SVOLT Energy Technology Co., Ltd and Sunwoda Electronic Co., Ltd
- Strong backing from strategic investors supports the acceleration of exploration at Mt Alexander and provides a platform to grow the Company through expansion into additional lithium and other critical metals projects

Cautionary statement:

While the Company is very encouraged by the geology identified in the completed drill holes in the maiden lithium drill programme, no qualitative or quantitative assessment of mineralisation within intersected pegmatites is possible at this stage. Geological logging is based on visual interpretations and should not be considered a substitute for laboratory analysis.

The visual observation of lithium-bearing minerals within pegmatites does not necessarily equate to lithium mineralisation, and laboratory assays are required to confirm the presence and grade of any contained lithium. Given the nature of lithium mineralisation, it is not possible to estimate by visual assessment the abundance of any lithium within the pegmatites intersected by the completed drilling. Laboratory assays are required to determine the concentration of lithium mineralisation within the reported pegmatite intersections.

St George Mining Limited (ASX: SGQ) ("St George" or "the Company") is pleased to present its Quarterly Activities Report for the quarterly period ended 31 December 2022.

MT ALEXANDER PROJECT – LITHIUM

Lithium targets grow:

St George's Mt Alexander Project is emerging as a key landholding in an underexplored lithium province first identified by Red Dirt Metals (ASX: RDT) – see ASX Release by Red Dirt dated 28 September 2021 *Mt Ida – A New Lithium Province*.

Field mapping and rock chip sampling of pegmatites at Mt Alexander is ongoing. Two batches of assays for rock chip samples were received during the quarter.

The first batch comprised 42 samples with 13 samples returning high-grade lithium values of more than 1% Li₂O. The highest value of lithium was identified in sample MARK238 which returned assays of 3.25% Li₂O, 225ppm Cs₂O, 53ppm Ta₂O₅ and 1.24% Rb. For further details of these rock chip samples see our **ASX Release dated 7 November 2022 Drilling Intersects Pegmatites with Visible Lithium**.

The second batch of rock chip assays comprised 79 samples. Assays showed elevated levels of pathfinder elements including a low K:Rb ratio that is indicative of fractionated pegmatites that are prospective for lithium mineralisation. For further details of these rock chip samples see our **ASX Release dated 21 December 2022 More Positive Lithium Results at Mt Alexander**.



Figure 1 – photo of drill core from MAD214 which intersected 5m of pegmatites from 49.5m downhole.

Maiden lithium drilling:

St George's completed its first-ever lithium drilling during the quarter. Drilling was focused on testing several lithium-bearing pegmatite outcrops and confirmed that the fertile pegmatites extend from surface up to depths of 200m.

In total, 23 drill holes – both RC and diamond – were completed to test pegmatites for 2,409m drilled. Of those, 20 drill holes intersected pegmatites with intersections up to 13m thick.

Assays for the maiden drill programme are pending with unexpected delays in sample processing at the laboratory. For further details of the maiden drill programme see our **ASX Release dated 21 December 2022 More Positive Lithium Results at Mt Alexander.**

During the quarter Programmes of Work for the planned 2023 drilling were submitted to the Department of Mines and have been approved.

The 2023 drill programme is scheduled to commence in the final week of February. A further announcement outlining drill targets will be made prior to the start of drilling.



Figure 2 – drill core from MAD 211 showing pegmatite with lithium-bearing minerals. MAD211 intersected six pegmatite intervals that comprised 17.2-18m, 27.6-29.11m, 140.8-143.2m, 230.68-232.4m, 247.75-249.85m and 261.3-262.3m

Additional lithium tenure acquired at Mt Alexander:

St George increased its landholding across the highly prospective pegmatite corridor parallel to the Copperfield Granite with the 100% acquisition of Exploration Licence E29/1143 and application for Prospecting Licence P29/2680.

The additional ground is contiguous with St George's existing Mt Alexander tenure providing near-continuous coverage over 15km of the pegmatite corridor, plus the critical contact with the Copperfield Granite – the interpreted source of the mineralised pegmatites.

For further details of the expanded landholding, see **our ASX Release dated 7 November 2022 St George Increases Lithium Landholding.**

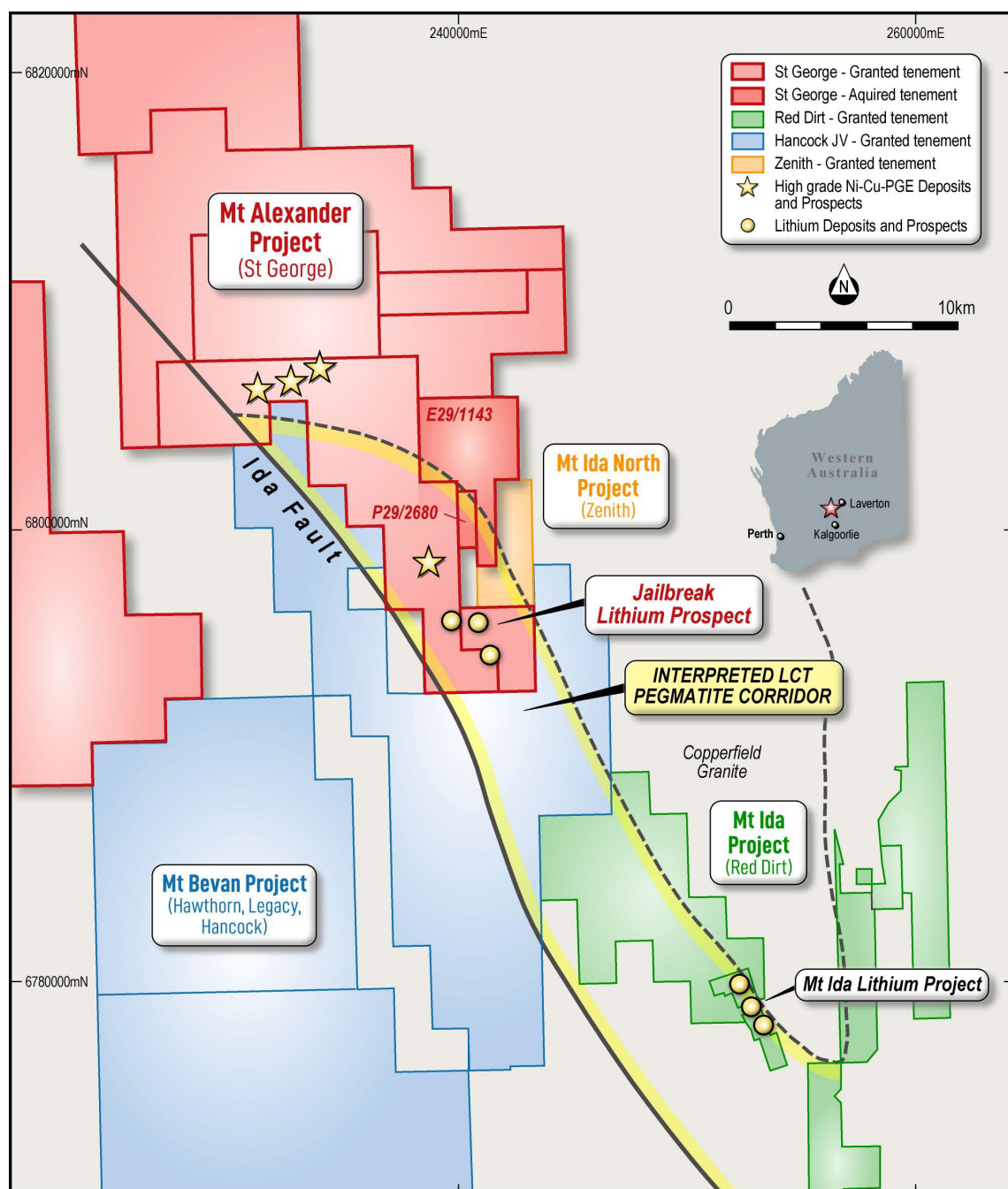


Figure 3 – map showing the interpreted prospective LCT pegmatite corridor, the new tenements acquired/applied for by St George and the location of lithium projects along strike to St George's Mt Alexander Project.

MT ALEXANDER PROJECT – NICKEL-COPPER-PGEs

Three RC drill holes and two diamond drill holes were completed to test nickel targets. These drill holes intersected intervals of thick massive and semi-massive sulphides but no apparent nickel sulphide mineralisation.

MAD212 was drilled to test electromagnetic plate P1 at the Manta Prospect and was completed to 405.6m downhole. The drill hole intersected intercalating sulphidic sediments and ultramafics from 260m to 338m downhole. Intensive alteration logged throughout this zone and in contact with intruding granites is indicative of a complex structural setting that still has the potential to host either nickel or base metal occurrences.

MAD213 was drilled to test a strong seismic reflector and was completed to 799m downhole. The drill hole intersected predominantly granite rocks. Preliminary logging indicates the hole does not contain a source for the reflector. Interpretations to resolve the source of the reflector are ongoing.

The intervals from the holes with sulphides have been sampled and submitted for assaying to test for base metal mineralisation and/or pathfinder elements. Assays are pending.

These drill holes have also been cased with downhole electromagnetic surveys to investigate for the potential of conductive bodies around the drill holes. The surveys are expected to be completed during February.

About the Mt Alexander Project:

The Mt Alexander Project is located 120km south-west of the Agnew-Wiluna Belt, which hosts numerous world-class nickel deposits. The Project comprises six granted exploration licences – E29/638, E29/548, E29/962, E29/954, E29/972 and E29/1041 – which are a contiguous package. An additional two exploration licences – E29/1093 and E29/1126 – are located to the south-east of the core tenement package.

The Cathedrals, Stricklands, Investigators and Radar nickel-copper-cobalt-PGE discoveries are located on E29/638, which is held in joint venture by St George (75%) and IGO Limited (25%). St George is the Manager of the Project, with IGO retaining a 25% non-contributing interest (in E29/638 only) until there is a decision to mine. The Jailbreak Lithium Prospect is on E29/268 and E29/962. With the exception of E29/638, all Project tenements are owned 100% by St George.

OTHER EXPLORATION ACTIVITIES

Stakeholder engagement is continuing with private landowners at each of the **Ajana Project** and **Broadview Project**.

Programmes of Work for each Project are expected to be lodged with the Department of Mines in February, with a view to drilling in Q2 2023.

Results for the 2022 diamond drill programme at the **Paterson Project** are under review with a report on final assays expected in February. A work programme for the Project will be determined once drill results are assessed.

CORPORATE

Annual General Meeting:

On 9 November 2022, the Company held its Annual General Meeting in Perth. All resolutions considered at the Meeting were approved.

Capital Raisings:

November 2022: On 29 November 2022, the Company announced that commitments to raise \$7.2 million had been received from investors for a placement of new shares at \$0.068 per share ("**November Placement**").

These commitments include a \$2,040,000 cornerstone investment by global battery minerals company, Shanghai Jayson New Energy Materials Co., Ltd ("**Jayson**").

A total of 105,941,190 ordinary shares were issued on 7 December 2022 under the November Placement.

Subscribers under the November Placement were also offered one (1) free-attaching option for every five (5) shares subscribed for and issued under the November Placement, with the options having an exercise price of \$0.10 and an expiry date of three years from their date of issue ("**Options**"). An Options Prospectus was issued on 8 December 2022 and the new Options, having an expiry of 13 December 2025, were issued on 13 December 2022. The Options are quoted on the ASX under code SGQO.

December 2022: On 21 December 2022, the Company announced that Hongkong Xinwei Electronic Co., Limited ("Xinwei"), a wholly-owned subsidiary of Sunwoda Electronic Co., Ltd ("Sunwoda") had agreed to invest \$2 million in St George by way of a placement of new shares at \$0.086 per share ("**December Placement**").

A total of 23,255,814 ordinary shares were issued under the December Placement on 5 January 2023. The \$2.0 million from the December Placement was received in January 2023, it is not included in the cash balance at the end of the quarter.

Following the above capital raisings, St George has the following listed securities:

Listed ordinary shares – SGQ	834,690,131
Listed options – SGQO	37,188,238

Strategic Relationships:

St George forged strategic relationships during the quarter with three world leading lithium-ion battery companies. A Memorandum of Understanding was signed with each of the three companies to consider and negotiate strategic collaboration on lithium business opportunities including potential offtake from any mining operation at Mt Alexander.

For further details of the MoU signed with Shanghai Jayson Co., Ltd, see our ASX Release dated 30 November 2022 *St George Signs MoU with Global Battery Investor*.

For further details of the MoU signed with SVOLT Energy Technology Co., Ltd, see our ASX Release dated 8 December 2022 *St George Signs MoU with Global Battery Giant - SVOLT*.

For further details of the MoU signed with Sunwoda Electronic Co., Ltd, see our ASX Release dated 21 December 2022 *Strategic Investment in St George*.

The strong backing from our strategic partners provides St George with funding support for business expansion and development including the acquisition of new lithium and other critical metals projects.

APPENDIX 5B:

An Appendix 5B – Quarterly Cash Flow Report for the quarter ended 31 December 2022, accompanies this Activities Report.

St George provides the following information in relation to payments to related parties and their associates, as required by section 6.1 of the Appendix 5B. During the quarter ended 31 December 2022, a total of \$153,000 was paid to the Directors of the Company as remuneration.

TENEMENT INFORMATION:

Details of the Company's tenement holdings are listed below. There were no changes to the tenement holdings during the quarter other than as mentioned below.

Mt Alexander Project

St George has 100% ownership of seven granted Exploration Licences. During the quarter, the Company acquired E29/1143 which has yet to be transferred to St George. The Company also applied for P29/2680 which has not yet been granted.

Additionally, Exploration Licence E29/638 is held in joint venture between St George (75%) and Western Areas/IGO (25%).

Paterson Project

St George has 100% ownership of two Exploration Licences.

Broadview Project

St George has 100% ownership of two Exploration Licences.

Ajana Project

St George now has 100% ownership of three granted Exploration Licences. Two further exploration licences are in the application stage.

Regional Tenements

St George has 100% ownership of the following regional tenements:

- E70/5626 at Boddington East
- E37/1382 at Sturt Meadows

COMPETENT PERSON STATEMENT:

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves for the Mt Alexander Project is based on information compiled by Mr Dave Mahon, a Competent Person who is a Member of The Australasian Institute of Geoscientists. Mr Mahon is employed by St George Mining Limited to provide technical advice on mineral projects, and he holds performance rights issued by the Company.

Mr Mahon 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 Mahon consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This ASX announcement contains information extracted from the following reports which are available on the Company's website at www.stgm.com.au:

- 29 March 2022 *Exploration Update - Mt Alexander*
- 31 March 2022 *Expansion Drill Programme - Mt Alexander*
- 12 April 2022 *Expansion Drill Programme - Mt Alexander*
- 3 May 2022 *Step-up in Exploration for St George*
- 25 May 2022 *St George Commences Drilling at the Paterson*
- 23 June 2022 *Exploration Update for St George Mining*
- 13 July 2022 *Drilling Update for Paterson Project*
- 1 September 2022 *New Nickel Targets at Mt Alexander*
- 7 September 2022 *Significant Lithium Potential at Mt Alexander*
- 20 September 2022 *Significant Expansion of Lithium Potential*
- 5 October 2022 *Nickel Targets Confirmed at Mt Alexander*

- 12 October 2022 *High-Grade Lithium Confirmed at Mt Alexander*
- 25 October 2022 *Lithium Drilling Underway at Mt Alexander*
- 4 November 2022 *Drilling Intersects Pegmatites with Visible Lithium*
- 7 November 2022 *St George Increases Lithium Landholding*
- 30 November 2022 *St George Signs MoU with Global battery Investor*
- 8 December 2022 *St George Signs MoU with Global Battery Giant - SVOLT*
- 21 December 2022 *More Positive Lithium Results at Mt Alexander*
- 21 December 2022 *Strategic Investment in St George*

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in any original market announcements referred to in this report and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Authorised for release by the Board of St George Mining Limited.

For further information, please contact:

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TENEMENT INFORMATION AS REQUIRED BY LISTING RULE 5.3.3

Other than as detailed in the body of the Quarterly Activities Report and, in the table, below, no tenements, in part or whole, were relinquished, surrendered or otherwise divested during the quarterly period ended 31 December 2022.

MT ALEXANDER:

Tenement ID	Registered Holder	Location	Ownership (%)	Change in Quarter
E29/638	Blue Thunder Resources Pty Ltd	Mt Alexander	75	N/A
E29/548	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/954	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/962	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/972	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/1041	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/1093	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/1126	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
E29/1143	Mining Equities Pty Ltd	Mt Alexander	100	Acquired on 7 Dec 2022

PATERSON:

Tenement ID	Registered Holder	Location	Ownership (%)	Change in Quarter
E45/5226	St George Mining Limited	Paterson	100	N/A
E45/5422	St George Mining Limited	Paterson	100	N/A

BROADVIEW:

Tenement ID	Registered Holder	Location	Ownership (%)	Change in Quarter
E70/5525	St George Mining Limited	Broadview	100	N/A
E70/5526	St George Mining Limited	Broadview	100	N/A

AJANA:

Tenement ID	Registered Holder	Location	Ownership (%)	Change in Quarter
E70/5521	St George Mining Limited	Ajana	100	N/A
E70/5522	St George Mining Limited	Ajana	100	N/A
E70/6142	St George Mining Limited	Ajana	100	N/A

REGIONAL TENEMENTS:

Tenement ID	Registered Holder	Location	Ownership (%)	Change in Quarter
E70/5626	St George Mining Limited	Boddington East	100	N/A
E37/1382	St George Mining Limited	Stuart Meadows	100	N/A

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

St George Mining Limited

ABN

21 139 308 973

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,498)	(3,073)
(b) development	-	-
(c) production	-	-
(d) staff costs	(465)	(811)
(e) administration and corporate costs	(275)	(586)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(58)	(31)
1.9 Net cash from / (used in) operating activities	(2,291)	(4,492)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(78)	(78)
(c) property, plant and equipment	-	(3)
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(78)	(81)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	7,204	7,204
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(436)	(436)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	6,768	6,768

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,899	4,103
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,291)	(4,492)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(78)	(81)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,768	6,768

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	6,298	6,298

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	11	63
5.2	Call deposits	6,287	1,836
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,298	1,899

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	153
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end	-	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Not applicable.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	2,291
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	2,291
8.4	Cash and cash equivalents at quarter end (item 4.6)	6,298
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	6,298
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Not Applicable	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Not Applicable	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Not Applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2023

Authorised by: Sarah Shipway
Non-Executive Director/Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.