

27 February 2025

St George completes acquisition of advanced high-grade Araxá niobium-REE Project, Brazil

Deal heralds new era for St George that positions the Company at heart of world's leading niobium-producing district

Highlights

- **100% acquisition completed:** St George has completed the 100% acquisition of the Araxá niobium-REE Project in Minas Gerais, Brazil, and immediately commenced work on mine development studies.
- **World-class niobium location:** The Araxá Project is adjacent to, and within the same carbonatite complex as, the niobium mine of CBMM that produces approximately 80% of the world's niobium.
- **Envable development potential:** The Araxá Project's location in an established mining district with existing infrastructure (roads/power), proven route to market and readily available workforce provides a strong platform to fast-track potential development.
- **A\$20m capital raising completed.** St George is fully funded for 2025 drilling and development studies at the Araxá Project including:
 - Commencement of 5,000m drill program in March 2025, with ongoing drilling planned in 2025
 - Maiden JORC-compliant Mineral Resource Estimate targeted for March 2025
 - Metallurgical test work
 - Production of sample niobium and REE products for distribution to potential off-take parties
 - Completion of environmental, heritage and geotechnical studies
 - Commencement of feasibility study work
- **Highly experienced in-country team:** St George hits the ground running having already established an in-country management team that includes industry leading experts who boast a combined experience in niobium mining and processing in the Araxá region of more than 80 years.

St George Mining Limited (ASX: SGQ) ("St George" or "the Company") is pleased to announce that it has completed the acquisition of all the issued capital of Itafos Araxá Mineracao E Fertilizantes S.A ("Itafos Araxá"), which owns 100% of the advanced niobium-REE Araxá Project in Minas Gerais, Brazil ("Araxá" or "the Project").

John Prineas, St George Mining's Executive Chairman, said:

"Today is a landmark day for St George as we enter a new era. The high-grade niobium-REE Araxá Project represents a tremendous opportunity for St George to potentially become a globally significant player in the niobium sector.

"The Project is positioned as a de-risked, world-class project with extensive high-grade niobium and REE mineralisation confirmed by historical drilling, a long history of commercial niobium production in the region, access to existing infrastructure and availability of an experienced workforce.

"We have assembled a first-rate in-country management team – which counts decades of combined experience in niobium mining and mineral production at Araxá – to drive development work. We have also established a relationship with the State Government to support expedited project approvals.

"We have been working hard to build the foundations from which we can accelerate development of the Project and safely and sustainably unlock its world-class potential.

"We welcome the vendor of the Araxá Project – Itafos Inc (TSX-V: IFOS), a global fertiliser company – as a new and substantial shareholder of St George with a shareholding of 10%.

"We look forward to providing all shareholders with exciting news as we move quickly to prove up the development potential at Araxá."

High-grade mineralisation from surface:

Historical drill results at Araxá have confirmed extensive near-surface mineralisation, with more than 500 intercepts of high-grade mineralisation starting from surface with grades up to **8% Nb₂O₅, 33% TREO and 32% P₂O₅ (using a cut-off of 1% Nb₂O₅ and 2% TREO)**¹ – including:

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|---|-------------------------------------|
| ▪ 43m @ 1.5% Nb ₂ O ₅ from surface | ▪ 60m @ 11.1% TREO from surface |
| ▪ 20m @ 2.4% Nb ₂ O ₅ from surface | ▪ incl. 30m @ 16.9% TREO from 27.5m |
| ▪ incl. 10m @ 3.2% Nb ₂ O ₅ from 2m | ▪ 45m @ 14.4% TREO from 15m |
| ▪ 33m @ 2.1% Nb ₂ O ₅ from 4m | ▪ incl. 7.5m @ 31.5% TREO from 40m |
| ▪ 14m @ 2.9% Nb ₂ O ₅ from surface | ▪ 29m @ 10.3% TREO from surface |
| ▪ 13m @ 2.8% Nb ₂ O ₅ from 20m | ▪ 43m @ 6.8% TREO from surface |
| ▪ incl. 1.2m @ 8.3% Nb ₂ O ₅ from 26m | ▪ 17m @ 14.6% TREO from surface |
| ▪ 11m @ 3% from Nb ₂ O ₅ from 5m | ▪ 10m @ 14.7% TREO from surface |

These historical drill results use categories of mineralisation consistent with those defined in the 2012 JORC Code and will be incorporated into St George's JORC compliant resource estimate. The outstanding drill results from historical drilling provide St George with a strong platform from which to expand the mineralised footprint at the Project.

St George's maiden, fully funded drill program at Araxá is scheduled to commence in March 2025.

¹ For details of historic drilling at the Araxá Project, see our ASX Release dated 6 August 2024 'Acquisition of High-Grade Araxá Niobium Project'

Completion Payments:

Pursuant to the sale agreement with Itafos (the "Sale Agreement") upon completion of the Araxá Acquisition by St George ("the Transaction"), St George has made the following payments and issued the following securities to Itafos:

- (a) a cash payment of US\$6,972,788.42 (being the amount of the first instalment of US\$10,000,000 less Brazilian withholding tax which was paid by St George on behalf of Itafos in Brazil);
- (b) 266,782,003 ordinary shares of St George ("SGQ Shares") representing 10% of St George's outstanding share capital;
- (c) 86,111,025 options to acquire SGQ Shares at an exercise price of A\$0.04, expiring two years from the date of issue; and
- (d) 11,111,100 performance rights, convertible into SGQ Shares for no additional consideration upon St George reporting an Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC) compliant inferred resource of no less than 25Mt @ 3.5% total rate earth oxide ("TREO") at a cut-off of 2% TREO within five years from the date of issue.

Under the terms of the Sale Agreement, St George is also required to make deferred cash payments of US\$6,000,000 nine months after completion of the Transaction, and US\$5,000,000 18 months after completion of the Transaction (collectively, the "Deferred Payments").

St George, its wholly owned subsidiaries and Itafos Araxá have granted security over their assets to Itafos to secure the Deferred Payments. Additionally, in the event that St George fails to make a Deferred Payment within five business days of the due date, Itafos may exercise a call option whereby it may acquire the shares of Itafos Araxá for consideration of US\$1.00 in lieu of having to enforce its security over the assets of St George and its wholly owned subsidiaries (including Itafos Araxá).

For further details in respect to the Acquisition and the Sale Agreement please refer to St George's announcement dated 7 January 2025.

Issues of additional securities:

In addition to the securities issued to Itafos, St George has also issued a number of other securities to its advisors and directors in connection with the Acquisition as approved by shareholders at St George's general meeting of shareholders on 18 February 2025. For further details refer to the Application for quotation of securities dated 27 February 2025.

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

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Competent Person Statement:

The information in this ASX Release that relates to historical and foreign results is based upon, and fairly represents, information and supporting documentation reviewed by Mr. Carlos Silva, Senior Geologist employed by GE21 Consultoria Mineral and a Competent Person who is a Member of The Australian Institute of Geoscientists.

GE21 an independent consultancy engaged by St George Mining Limited for the review of historical exploration data. Mr Silva 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".

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

6 August 2024 Acquisition of High-Grade Araxa Niobium Project

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.

Forward Looking Statements:

This announcement includes forward-looking statements that are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of St George, the directors and the Company's management. Such forward-looking statements are not guarantees of future performance.

Examples of forward-looking statements used in this announcement include use of the words 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of announcement, are expected to take place.

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, St George does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

This announcement has been prepared by St George Mining Limited. The document contains background Information about St George Mining Limited current at the date of this announcement.

The announcement is in summary form and does not purport to be all inclusive or complete. Recipients should not rely upon it as advice for investment purposes, as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate.

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Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments. To the extent permitted by law, no responsibility for any loss arising in any way (including by way of negligence) from anyone acting or refraining from acting as a result of this material is accepted by St George Mining Limited (including any of its related bodies corporate), its officers, employees, agents and advisers.

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