



ACQUISITION OF REMAINING EQUITY OF ICELAND SUBSIDIARY AND UPDATE ON ISLENSK VATNSORKA EHF OPTION

Reykjavik / TheNewswire / October 11, 2018 - St-Georges Eco-Mining Corp. (CSE: SX) (OTC: SXOOF) (FSE: 85G1) is pleased to announce that it has entered into a share purchase agreement with the minority shareholders of St-Georges Iceland Ltd. pursuant to which St-Georges is acquiring the remaining 40% interest in SX Iceland, such that SX Iceland is now a wholly owned subsidiary of SX.

Under the terms of the SPA, the Corporation: (i) paid \$60,000, (ii) issued 727,124 common shares (each a "**Share**") of the Corporation, (iii) issued 6% capitalised interest debenture convertible into Shares at a price equal to a 5 days VWAP on the day of the conversion, subject to a minimum price of \$0.15, for an aggregate principal amount of \$300,000, and (iv) issued 300,000 Share purchase warrants of the Corporation exercisable at a price of \$0.15 for a period of 12 months.

The Iceland Acquisition remains subject to the final approval of the Canadian Securities Exchange.

Islensk Vatnsorka EHF Option

Further to its August 15 and August 31, 2018 press releases, the Corporation is also pleased to announce the execution of a share purchase and subscription agreement with Spa ehf ("**SE**") and Islensk Vatnsorka EHF ("**IV**"), to acquire a 15% interest in IV, a private company with its main project being Hagavatnsvirkjun, a 10-20 MW hydro power plant located just south of Langjokull in Iceland (the "**IV Option**").

The Corporation may earn a 15% interest in IV on or before November 1, 2018, as follows:

(i) acquiring 5% of the IV securities from SE in consideration of the issuance of a convertible debenture in the aggregate principal amount of \$200,000 bearing interest at a rate of 6% per annum capitalised annually, maturing on the date which is 10 years from its date of issuance (the "**Maturity Date**"), and convertible in Shares at a 20% discount from the 7 days VWAP of the Share price (the "**Discounted Price**") subject to a minimum of \$0.10 per Share, from its issuance until the Maturity Date, and

(ii) subscribing to 10% of the IV securities in consideration of a convertible debenture in the aggregate principal amount of CAD \$200,000 bearing interest at a rate of 6% per annum capitalised annually, maturing on the Maturity Date, and convertible in Shares at the Discounted Price subject to a minimum of \$0.15 per Share, from the date which is 4 months from its date of issuance until the Maturity Date, and a convertible debenture in the aggregate principal amount of CAD \$200,000 bearing interest at a rate of 6% per annum capitalized annually, maturing on

the Maturity Date, and convertible in Shares at the Discounted Price subject to a minimum of \$0.20 per share, from the date which is 6 months from its date of issuance until the Maturity Date.

All debentures issued pursuant to the IV Option will be subject to a forced conversion in favor of the Corporation if the Shares close at or above \$0.50 for 5 consecutive trading days from their date of issuance until the Maturity Date. The Corporation will also be entitled to convert the Debenture in Shares at the Discount Price on the day preceding the Maturity Date.

As a condition of closing, the Corporation shall have entered into a unanimous shareholders agreement with the IV shareholders and IV, granting the Corporation: (i) the right to appoint one director to the board of director of IV as long as the Corporation holds a 5% equity interest in IV, and (ii) a 30-day right of first refusal on all future equity issuance of IV.

All securities issued under the Iceland Acquisition and the IV Option will be subject to a hold period expiring four months and one day from their date of issuance.

Vilhjalmur Thor Vilhjalmsson, St-Georges' President and CEO stated: "We continue our work to streamline our portfolio and strategy. We are pleased to have had the opportunity to invest in the Eco Green energy project that Hagavatnsvirkjun presents and look forward to next phases of its development."

Related Party Disclosure

A portion of the Iceland Acquisition, is considered to be a "related party transaction" for purposes of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Corporation is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The Corporation is exempt from the formal valuation requirement in section 5.4 of MI 61-101 in reliance on sections 5.5(a) and (b) of MI 61-101 as the fair market value of each transaction is not more than the 25% of the Corporation's market capitalization, and no securities of the Corporation are listed or quoted for trading on prescribed stock exchanges or stock markets. Additionally, the Corporation is exempt from minority shareholder approval requirement in section 5.6 of MI 61-101 in reliance on section 5.7(b) as the fair market value of each transaction is not more than the 25% of the Corporation's market capitalization. The board of directors of the Corporation approved the Iceland Acquisition, with Vilhjalmur Thor Vilhjalmsson having declared a conflict of interest in, and abstaining from voting on, the matters being considered.

ON BEHALF OF THE BOARD OF DIRECTORS

"Vilhjalmur T. Vilhjalmsson"

VILHJALMUR THOR VILHJALMSSON, PRESIDENT & CEO

About St-Georges

St-Georges is developing new technologies to solve the some of the most common environmental problems in the mining industry.

The Company controls directly or indirectly, through rights of first refusal, all of the active mineral tenures in Iceland. It also explores for nickel on the Julie Nickel Project & for industrial minerals on Quebec's North Shore and for lithium and rare metals in Northern Quebec and in the Abitibi region. Headquartered in Montreal, St-Georges' stock is listed on the CSE under the symbol SX, on the US OTC under the Symbol SXOOF and on the Frankfurt Stock Exchange under the symbol 85G1.

The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.