ST-GEORGES PLATINUM AND BASE METALS LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three-month period ended March 31, 2014

INTRODUCTION

The following management's discussion and analysis of the financial condition and results of operations ("MD&A") for St-Georges Platinum and Base Metals Ltd. ("St-Georges" or the "Company") should be read in conjunction with the unaudited condensed interim financial statements and accompanying notes for the period ended March 31, 2014 and the audited financial statements and accompanying notes for the year ended December 31, 2013. Those financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All currency amounts are in Canadian dollars, unless otherwise stated. Additional information relating to the Company can be found on SEDAR (www.sedar.com) under St-Georges Platinum and Based Metals Ltd. or on the Company's website (www.stgeorgesplatinum.com).

This MD&A is dated May 29, 2014.

FORWARD-LOOKING STATEMENTSs

This MD&A contains certain forward-looking statements with respect to the Company. These forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated. The Company considers the assumptions upon which these forward-looking statements are based to be reasonable, but cautions the reader that these assumptions regarding future events, many of which are beyond the Company's control, may ultimately prove to be incorrect.

GOING-CONCERN

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. The Company has not generated revenues from operations. As at March 31, 2014, the Company had cash of $1,566 and negative working capital of $587,891. As such, the Company's ability to continue as a going concern depends on its ability to successfully raise additional financing. If additional capital is not raised, the going concern basis may not be appropriate with the result that the Company may have to realize its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts different from those stated in the financial information. No adjustments for such circumstances have been made in the financial information.

COMPANY DESCRIPTION

The Company was incorporated on June 21, 2002 under the Canada Business Corporation Act. On February 13, 2003, the Company became a publicly traded corporation.

On December 20, 2009, the Company purchased mineral claims, thereby expanding the nature of its activities to include the acquisition, exploration and development of mining properties in Canada. The acquisition of these mineral claims in Quebec's Abitibi and North Shore regions was valued at $2,947,510. This acquisition was approved by the shareholders of the Company at its annual and special meeting of shareholders held in Montreal on March 3, 2010 and was paid by the issuance of 117,900,400 common shares.

The Company's common shares are listed on CSE under the symbol ''SX'', on the OTCQX under the symbol "SXOOF" and on the Deutsche Börse in Frankfurt (FSE) under the symbol 85G1. The Company has one reportable segment in Canada and all of the assets are located in Canada.

OVERVIEW OF Q1 2014

On February 5, 2014, the Company entered into a binding Agreement with Mining Properties Corp. BVI (the vendor) to acquire 100% of two mineral mining projects in the Kasempa and Mwinilunga Districts in Western Zambia. Terms of the Agreement are as follows:

The parties agreed to a 90-day due diligence period following which, if successful, the Company agreed to make the following payments to the vendor:

- Issue an initial payment by way of a $400,000 CAD Convertible debenture with 5% capitalized interest, maturing in 10 years with a floor price of $0.15. The conversion will be possible after a 4-
- month hold at 20% discount of volume-weighted average price of the 10 previous trading days prior to written request to convert or at its minimum conversion floor price of $0.15.
- Issue a $800,000 CAD Convertible Debenture under the same terms than the initial payment 6 months after the initial issuance.
- Issue a $148,800,000 CAD 15 years convertible debenture, bearing a 5% accrued interest to be paid through proceeds of production of ore or conversion upon default or, when acceptable, based on the terms with a ratio limit of a maximum of 19,9% of all the issued and outstanding shares of the Company at any given time. A mandatory reimbursement percentage ratio should be in the final agreement in order to accelerate the reimbursement when certain production milestones are met. This debenture will be issued within 10 days following the completion of the due diligence by St-Georges and the transfer of all titles.

Other terms of the Agreement include:

- Royalties: upon exercising the Option to its 100% interest in the Property and upon commencement of Full Scale Production, St-Georges will be subject to a 1% NSR interest in favour of the Optionor. The Company shall have the right to purchase at any time from the Optionor 1% of the NSR for a total cash sum of USD $1,500,000.
- Finders' fees: A finder's fee equivalent to a total of $300,000 CAD will be paid to IFXBG Ltd of Madrid Spain and Mr. Robert Russell of Johannesburg, South Africa. $200,000 will be paid in shares of St-Georges within 10 days of the closing date at the then market value with $0.10 as the minimum floor price and $100,000 at the earliest convenience following the closing date.

During the first quarter of 2014 as part of its Public Awareness and Communications Campaign the Company concluded Agreements with various suppliers of such services. Payments due to these suppliers will be by cash or shares according to schedules detailed in the specific Agreements (refer to note 20 of the Audited Financial Statements for the year ended December 31, 2013).

On February 21, 2014 St-Georges issued a promissory note in the amount of $200,000 maturing on February 21, 2019 in favour of a Director of the Company. Under the terms of the Promissory Note the Director will provide financing to the Company in a series of scheduled payments between February 21, 2014 and March 30, 2015. Interest on the Promissory Note is calculated at 18% per annum of which 12% is payable in cash or shares and 6% is payable in shares. The Company has the right to repay the financing under the Promissory Note at any time.

On March 19, 2014 the Company signed an Agreement with Capital Libre whereby Capital Libre will provide consulting services to St-Georges and assist in raising investment capital for the Company. Under the terms of the Agreement, Capital Libre will be paid $6,500 in two equal instalments on March 31, 2014 and May 15, 2014. Capital Libre will also be eligible to receive a performance based payment in common shares of the Company on achieving pre-established milestones. The performance-based payment will be 8% of the gross proceeds of financings if no intermediaries are involved in a transaction and 2% if intermediaries are involved.

SUBSEQUENT EVENTS

On April 1, 2014, as part of its Public Awareness and Communications Campaign the Company concluded a one-year Agreement with another supplier of communication and consulting services under which payments can be made by St-Georges in cash or shares according to a schedule defined in the Agreement (refer to note 20 of the Audited Financial Statements for the year ended December 31, 2013).

On April 3, 2014, subject to the terms and conditions of its Stock Option Plan, St-Georges granted 1,125,000 stock options exercisable at a price of $0.20 per share before April 3, 2019. Officers of the Company were granted an aggregate of 775,000 stock options and members of the Board of Directors were granted an aggregate of 350,000 stock options. The Company also confirmed the expiry of 100,000 stock options issued in 2010 resulting in a total of 1,432,692 options outstanding as of April 3, 2014.

The following options were outstanding and exercisable as at April 3, 2014 and at the date of this MD&A:

Options outstanding and exercisable

Range of exercise prices	Number outstanding	Weighted average remaining contractual life	Weighted average exercise price
$		Years	$
0.98	307,692	1.55	0.98
0.20	1,125,000	5.00	0.20
0.20 - 0.98	**1,432,692**	**4.26**	**0.37**

On April 14, 2014 the Company entered into a 5-year Conditional Agreement with Copper Dynasty Corporation and Zhongda Power Fuel Co. Ltd. of Hong Kong, China for the delivery of copper concentrate expected to originate from the mining properties in Western Zambia which St-Georges acquired on February 5, 2014 (refer to note 20 of the Audited Financial Statements for the year ended December 31, 2013).

On May 5, 2014 the Company announced that it had signed an amendment to the February 5, 2014 Agreement to acquire mining properties in Zambia. This amendment extends the due diligence period to June 30, 2014 and the proposed closing date for the acquisition to no later than August 31, 2014.

On May 20, 2014 the Company was advised by OTC Markets in the United States that, following the impairment charge on its Exploration and Evaluation Assets in the year ended December 31, 2013, the value of its total assets has fallen below the USD $2,000,000 minimum requirement for listing on OTC International.

The Company has been provided a grace period up to June 19, 2014 to cure the deficiency or provide a plan of compliance acceptable to OTC Markets.

Following the end of the fiscal quarter at March 31, 2014, $637,305 of Convertible Debentures (refer to Note 8 of the Audited Financial Statements for the year ended December 31, 2013) plus accumulated interest to that date were converted into 6,159,560 common shares of the Company. As at the date of this MD&A, St-Georges had 28,448,661 common shares outstanding and $703,000 in Convertible Debentures outstanding.

QUALIFIED PERSON

The technical information disclosed in this MD&A has been reviewed and approved by Joel Scodnick, P. Geo. Vice-President Exploration for St-Georges and a Qualified Person, as defined by National Instrument 43-101 for the *Standards of Disclosure for Mineral Projects*.

SELECTED FINANCIAL INFORMATION

Statements of Comprehensive Loss
For the three-month periods ended March 31, 2014 and 2013 (unaudited)

Three-month periods ended March 31 (Unaudited)	**2014 $**	**2013 $**
Revenues	-	9,046
Operating expenses	(64,991)	(76,010)
Net loss and comprehensive loss for the period	(64,991)	(66,964)
Basic and diluted loss per share	(0.003)	(0.004)

Statements of Financial Position
As at March 31, 2014 (unaudited) and December 31, 2013 (audited)

	March 31, 2014 (unaudited) $	**December 31, 2013 (audited) $**
Cash and cash equivalents	1,566	707
Working capital	(587,891)	(493,533)
Exploration and evaluation assets	1,316,426	1,300,000
Total assets	1,491,161	1,428,804
Shareholders’ equity	398,790	270,675

RESULTS OF OPERATIONS

For the three-month period ended March 31, 2014, the Company recognized revenues of $Nil (March 31, 2013 – 9,046). The revenues earned by the Company in the quarter ended March 31, 2013 were primarily attributable to the recovery of sales taxes previously written off.

The Company incurred a net loss and comprehensive loss of $64,991 (or $0.003 per share) in the first quarter of 2014, which was a decrease of $1,973 compared to the net loss of $66,964 (or $0.004 per share) in the first quarter of 2013.

For the three-month period ended March 31, 2014, the Company generated operating expenses of $64,991 which was a decrease of $11,019 compared to the operating expenses of $76,010 for the three-month period ended March 31, 2013. The following table outlines the variation in operating expenses for the first quarters of 2014 and 2013.

Operating Expenses
For the three-month periods ended March 31, 2014 and 2013 (unaudited)

Three-month periods ended March 31 (Unaudited)	**2014 $**	**2013 $**	**Variation $**
Professional fees	2,838	838	(2,000)
Subcontractors	24,649	7,500	(17,149)
Publicity and promotions	1,454	34,973	33,519
Office expenses	111	2,245	2,134
Brokerage fees	8,635	8,733	98
Travel expenses	-	19,126	19,126
Financial fees and bank charges	245	2,595	2,350
Interest on convertible debentures	27,059	-	(27,059)
	64,991	76,010	(11,019)

SUMMARY OF QUARTERLY RESULTS

The following table outlines selected unaudited financial information of the Company for the last eight quarters. Investors should note that the figures presented for all quarters have been prepared in accordance with IFRS.

Quarters ended	Mar. 31 2014	Dec. 31 2013	Sep. 30 2013	June 30 2013	Mar. 31 2013	Dec. 31 2012	Sep. 30 2012	June 30 2012
($)								
Net income (loss)	(64,991)	(7,057,589)	(24,496)	(102,167)	(66,964)	(253,129)	(24,496)	(102,167)
Net income (loss) per share– basic and diluted	(0.003)	(0.443)	(0.002)	(0.006)	(0.004)	(0.016)	(0.002)	(0.006)
Basic and diluted weighted average number of shares	21,996,936	15,932,606	15,932,606	15,932,606	15,932,606	15,932,606	15,932,606	15,932,606

Please note that the share and per-share figures presented in the table above are shown taking into consideration the one-for-six point five (1:6.5) share consolidation that occurred on April 22,, 2013.

LIQUIDITY AND CASH FLOW

At March 31, 2014, the Company had cash and cash equivalents of $1,566, which was an increase of $859 compared to cash and cash equivalents of $707 at December 31, 2013. The increase in cash is attributable to the normal operations of the Company for the first quarter of 2014.

At March 31, 2014, the Company had negative working capital of $587,891, which was an increase of $94,358 compared to the negative working capital position of December 31, 2013 of $493,533. Management expects to finance future operations and growth as required, by the issuance of equity and debt securities.

CONVERTIBLE DEBENTURE

During 2013 the Company issued Unsecured Convertible Debentures including a debt component (refer to Note 8 to the Audited Financial Statements for the year ended December 31, 2013) and an equity component.

As at March 31, 2014 the balance outstanding on the debt component of the Convertible Debenture was $449,745 (December 31, 2013 - $615,792). The following is a summary of the changes in the debt component from December 31, 2013 to March 31, 2014.

($)	**Convertible Debenture**
Balance at December 31, 2013	**615,792**
Interest	27,059
Equity portion on conversion of debentures	(193,106)
Balance at March 31, 2014	**449,745**

At the date of this MD&A a further $637,305 of the capital value of the Convertible Debentures had been converted to common shares resulting in a total of $703,000 Convertible Debentures outstanding at May 29, 2014.

SHARE CAPITAL

Common Shares

The Company is authorized to issue an unlimited number of common shares, voting, participating and with no par value.

The holders of common shares are entitled to receive dividends, which may be declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares are ranked equally with regards to the Company's residual assets.

As at March 31, 2014 the Company had 21,966,936 common shares issued and outstanding. The following is a summary of the change in the common share capital from December 31, 2013 to March 31, 2014:

	Number of Common Shares
Balance at December 31, 2013	**15,932,606**
Issued on conversion of debentures	6,034,330
Balance at March 31, 2014	**21,966,936**

During the period ended March 31, 2014, a total $582,611 of the capital value of the debentures was converted into common shares. Including accumulated interest this represented a value of $603,433 for which the Company issued 6,034,330 common shares on conversion.

At the date of this MD&A a further 6,481,725 common shares had been issued since March 31, 2014 on conversion of debentures resulting in a total of 28,448,661 common shares outstanding at May 29, 2014.

Preferred Shares

The Company is authorized to issue an unlimited number of preferred shares without nominal or par value. As at March 31, 2014, the share capital of the Company does not include any preferred shares.

Equity component of Convertible Debentures

During 2013 the Company issued convertible debentures including a debt component and an equity component (refer to Note 8 to the Audited Financial Statements for the year ended December 31, 2013). The following is a summary of the changes in the equity component from December 31, 2013 to March 31, 2014.

	Amount ($)
Balance at December 31, 2013	**1,359,552**
Conversion of equity component to common shares	410,327
Balance at March 31, 2014	**949,225**

Warrants

The following is a summary of changes in warrants from December 31, 2013 to March 31, 2014:

	Number of Warrants	Weighted Average Strike Price
Balance as at December 31, 2013	**953,077**	**$3.16**
Expired	(796,154)	$3.60
Balance as at March 31, 2014	**156,923**	**$0.92**
Warrants exercisable, March 31, 2014	**156,923**	**$0.92**

As at March 31, 2014, the Company had outstanding warrants as follows:

Number of Warrants	Strike Price	Expiry Date
26,154	$0.65	December 29, 2014
130,769	$0.98	December 29, 2014
156,923	**$0.92**	

Share-based Payments

Stock Options

On June 1, 2009, the Company established a stock-based compensation plan. Under the stock-based compensation plan, the board of directors of the Company may, from time to time, at its discretion, and in accordance with CSE requirements, grant to directors, officers and technical consultants of the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed ten percent (10%) of the issued and outstanding common shares exercisable for a period of up to five (5) years from the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the issued and outstanding Common Shares.

Options may be exercised no later than 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised with a maximum period of one year after such death, subject to expiry date of such option.

The subscription price of the shares which may be issued under the plan must not be lower than the closing price of the last regular board lot (not less than $0.10) sold on the CSE on the trading day immediately preceding the date of grant. The option price is payable in full at the time the options is exercised. The vesting periods in respect of the options are determined by the Board of Directors at the time of each grant of options.

The following options were outstanding as at March 31, 2014:

				During the period					
Grant Date	Expiry Date	Exercise Price	Opening Balance	Granted	Exercised	Forfeited	Closing Balance	Vested	Unvested
6-Jan-10	6-Jan-15	$1.30	61,538	-	-	-	61,538	61,538	-
20-Oct-10	20-Oct-15	$0.98	346,154	-	-	-	346,154	346,154	-
			407,692	-	-	-	407,692	407,692	-
Weighted Average Exercise Price			$1.03	-	-	-	$1.03	$1.03	-

EXPLORATION AND EVALUATION ASSETS

($)	Villebon	Julie-Isoukustouc Complex	Manicouagan Constellation Franquelin	Total
Balance as at Dec. 31, 2013	**85,000**	**1,200,000**	**15,000**	**1,300,000**
Exploration costs	-	15,550	-	15,550
Property acquisitions	548	328	-	876
Balance as at Mar. 31, 2014	**85,548**	**1,215,878**	**15,000**	**1,316,426**

St-Georges is a junior platinum, palladium, rhodium, copper, cobalt, nickel and carbon graphite explorer with projects in the Province of Quebec, Canada. The Company owns a 100% interest in the Villebon Property in the Abitibi region, which hosts copper, nickel and PGEs. The Company owns a 100% interest in the Julie and Isoukustouc nickel-copper-PGEs projects on the Quebec North Shore. St-Georges also owns a 100% interest in 10 Quebec North Shore properties that constitute the Manicouagan Constellation, which are being explored for nickel, copper, platinum, palladium and graphite. The Company also has a 50% interest in six properties being explored for graphite with Amseco Exploration Ltd. These properties are on Quebec's North Shore near Baie-Comeau. The properties are described in more detail below.

Villebon

The Villebon property is located in the Abitibi region of Northern Quebec close to the north boundary of the La Vérendry Provincial Park and the Reserve in Villebon Township, close to Val-d'Or. This property is located less than 2 kilometres east of Highway 117, about 21 kilometres south of the community of Louvicourt and about 45 kilometres southeast of Val-d'Or. The Villebon property consists of 44 claims.

Julie – Isoukustouc Complex

The Julie – Isoukustouc Complex properties are located in the North Shore region of the St. Lawrence River, in proximity to the communities of Baie-Comeau and Sept-Îles. The Manic-3, Mathilda and Isoukustouc properties are located less than 10 kilometres west of the Manic-3 hydro generating station within the Manicouagan reservoir. The Julie – Isoukustouc Complex properties are located approximately

65 kilometres further to the east, close to Lac La Blache. The Julie – Isoukustouc Complex properties are composed of 367 claims.

Manicouagan Constellation Franquelin

The Manicouagan Constellation Franquelin properties are located along Quebec's North Shore region of the St. Lawrence River, in the Manicouagan sector. The Lac en Dentelle property is 65 kilometres northwest of Labrieville and about 200 kilometres from Forestville. The Franquelin property is located about 14 kilometres from Baie-Comeau. The Ste-Anne property is located east of Manicouagan. The Manic-5 property is located in the centre of Manicouagan. The five other properties (Lac Ste-Anne, Bois-Long, Indian Summer, Katshi and Tétépisca) are located in the northwestern sector of Manicouagan. The Manicouagan Constellation properties are composed of 77 claims.

Claims Held Jointly with Amseco Exploration Ltd.

On February 29, 2012, the Company announced that it had partnered with Amseco Exploration Ltd. ("Amseco") to acquire and explore properties known to host multiple graphite occurrences. These claims are divided into two areas. The Tétépisca West, Canadian Goose and Wooden Lake properties (collectively, the "Tétépisca West properties`) are all located to the southwest of the Manicouagan Reservoir, close to the Company's Tétépisca property; St-Georges and Amseco jointly have 118 claims on the Tétépisca West properties. In addition, the Pike River, Lake 222 and the Polynesian Lake Graphite properties (collectively, the "Southern properties") are located approximately 120 km northwest of Baie-Comeau, Quebec, close to the Company's Lac Julie properties; St-Georges and Amseco jointly have Nil claims on the Southern properties. St-Georges and Amseco jointly have 118 claims (December 31, 2013 – 185) on the Tétépisca West and Southern properties, which are owned 50-50 by each corporation. The relationship between the two corporations does not constitute a joint venture.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial data is based on accounting principles and practices consistent with those used in the preparation of the audited annual financial statements for the year ended December 31, 2013. The accompanying condensed interim financial statements should be read in conjunction with the Company's financial statements for the year ended December 31, 2013.

CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity and any debt that it may issue. As at March 31, 2014, the Company's shareholders' equity was $398,790 (December 31, 2013 – $270,675) and it had amounts due to related parties of $35,000 (December 31, 2013 - $50,000) The Company had no outstanding debt other than the debt component of the Unsecured Convertible Debentures of $449,745 (December 31, 2013 - $615,792). The Company's objectives when managing capital are to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements, internally determined capital guidelines and calculated risk management levels. To meet these objectives, management monitors the Company's capital requirements against unrestricted net working capital and assesses additional capital requirements on specific business opportunities on a case-by-case basis.

Capital for expansion is primarily from proceeds from the issuance of common shares. The net proceeds, when raised, are sufficient for a certain amount of exploration and development work on the Company's properties, and for working capital purposes. Additional future funds may subsequently be required to finance the Company's corporate objectives. There was no change in the capital management policy for the period ended March 31, 2014.

COMMITMENTS

Payments to Fancamp Exploration Ltd. and Sheridan Platinum Group

On February 15, 2009, the Company entered into an agreement to purchase claims in the Villebon area of Quebec from Fancamp Exploration Ltd. ("Fancamp") and Sheridan Platinum Group ("Sheridan") (collectively, the "Vendors"). St-Georges originally acquired 50% of these claims, with LiteWave acquiring the remaining 50%. Since LiteWave defaulted on its payments of a total of $100,000 to each of Fancamp and Sheridan (for a total of $200,000), St-Georges paid these amounts to Fancamp and Sheridan in February 2011 and assumed a 100% interest in these claims.

As per the terms of this agreement with Fancamp and Sheridan, St-Georges is obliged to pay an advance royalty payment of $40,000 per year to the Vendors, beginning in February 2012.

In addition, if the Company were to generate revenues from these claims, a Net Smelter Return of between 2% and 3% would be paid to the Vendors.

CONTINGENCIES

The Company is partly financed by the issuance of flow-through shares however there is no guarantee that the funds spent by the Company will qualify as Canadian exploration expenses even if the Company has committed to take all measures necessary for this purpose. Refusal of certain expenses by tax authorities could have negative tax consequences for investors.

Moreover, tax rules regarding flow-through placements set deadlines for carrying out the exploration work no later than the first of the following dates:

- Two years following the flow-through placements; and
- One year after the Company has renounced the tax deductions relating to the exploration work.

Commitments to carry out exploration work that are not respected are subject to a combined tax of 30% (Canada and Quebec).

The Company may provide an indemnification to subscribers of flow-through shares in an amount equal to the income tax that would be payable by subscribers in the event, and as a consequence, of the Company not incurring and renouncing qualifying exploration expenses as required under the subscription agreement.

The Company is not in a position to estimate any contingent liability representing such indemnification in the event of a reduction in the expenses or renunciations allowed.

RELATED PARTY TRANSACTIONS

Management Contracts

During the period, the Company incurred professional fees amounting to $15,220 (March 31, 2013 - $Nil) with a company controlled by its Chief Financial Officer. In relation to these transactions, $33,821 was payable as at March 31, 2014. This amount is included in accounts payable and accrued liabilities.

During the period, the Company has incurred professional fees amounting to $8,162 (March 31, 2013 - $Nil) with a Director of the company. In relation to these transactions, $43,803 was payable as at March 31, 2014. This amount is included in accounts payable and accrued liabilities.

Due to a Company Controlled by a Director

On March 9, 2012, the Company signed a promissory note with a company controlled by a Director of the Company for a principal amount of $50,000. The Company agreed to repay the principal of $50,000 and fees of $10,000 following the closing of a private placement or upon receipt of sales taxes receivable.

Due to a Director

On February 21, 2014 St-Georges issued a promissory note in the amount of $200,000 maturing on February 21, 2019 in favour of a Director of the Company. Under the terms of the Promissory Note the Director will provide financing to the Company in a series of scheduled payments between February 21, 2014 and March 30, 2015.

Interest on the Promissory Note is calculated at 18% per annum of which 12% is payable in cash or shares and 6% is payable in shares.

The Company has the right to repay the financing under the Promissory Note at any time.

St-Georges Family Trust

On October 5, 2013, following the final payment related to the 2007 initial acquisition of Julie and Isoukustouc properties, the St-Georges Family Trust (of which François Dumas, a Director of the Company, is one of the Trustees) became eligible to receive a perpetual production royalty of 1.5% of the Net Smelter Returns from these properties. The Company has the option to purchase 0.5% of these NSR within 12 months of commencement of industrial exploitation of the properties for an amount of $500,000.

As exploration of these properties is ongoing, there is currently no industrial exploitation.

RISK FACTORS

Exploration

Exploration and mining involve a high degree of risk. Few exploration properties end up going into production. Other risks related to exploration and mining activities include unusual or unforeseen formations, fire, power failures, labour disputes, flooding, explosions, cave-ins, landslides and shortages of adequate or appropriate manpower, machinery or equipment.

The development of a resource property is subject to many factors, including the cost of mining, variations in the quality of the material mined, fluctuations in the commodity and currency markets, the cost of processing equipment and others, such as aboriginal claims and government regulations, including regulations regarding royalties, authorized production, import and export of natural resources and environmental protection. Depending on the price of the natural resource produced, the Company may decide not to undertake or continue commercial production. There can be no assurance that the expenses incurred by the Company to explore its properties will result in the discovery of a commercial quantity of ore. Most exploration projects do not result in the discovery of commercially viable mineral deposits.

Environmental and Other Regulations

Current and future environmental laws, regulations and measures could entail unforeseeable additional costs, capital expenditures, restrictions or delays in the Company's activities. Environmental regulations and standards are subject to constant revision and could be substantially tightened, which could have a serious impact on the Company and its ability to develop its properties economically. Before it commences mining a property, the Company must obtain environmental permits and the approval of the regulatory authorities. There is no assurance that these permits and approvals will be obtained, or that they will be obtained in a timely manner. The cost of complying with government regulations may also impact the viability of an operation or altogether prevent the economic development of a property.

Financing and Development

The Company does not presently have sufficient financial resources to undertake its planned exploration and development programs. Development of the Company's properties therefore depends on its ability to raise the additional funds required. There can be no assurance that the Company will succeed in obtaining the funding required. The Company also has limited experience in developing resource properties, and its ability to do so depends on the use of appropriately skilled personnel or signature of agreements with other large resource companies that can provide the required expertise.

Commodity Prices

The factors that influence the market value of platinum, palladium, rhodium, copper, cobalt, nickel, carbon graphite and any other mineral discovered are outside the Company's control. The impact of these factors cannot be accurately predicted. Resource prices can fluctuate widely and have done so in recent years.

Risks Not Covered by Insurance

The Company may become subject to claims arising from cave-ins, pollution or other risks against which it cannot insure itself due to the high cost of premiums or other reasons. Payment of such claims would decrease and could eliminate the funds available for exploration and mining activities.

ST-GEORGES PLATINUM AND BASE METALS LTD. **Date: May 29, 2014**

signed "Robert Gardhouse"

Robert Gardhouse
President and Chief Executive Officer

signed "Vivian Doyle-Kelly"

Vivian Doyle-Kelly
Chief Financial Officer