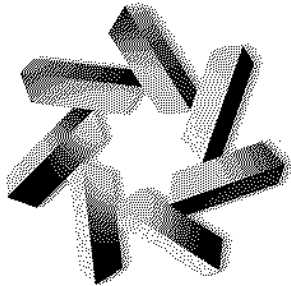


ST BARBARA MINES LIMITED

ACN 009 163 066



ASX SHAREHOLDERS REPORT

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Executive Chairman

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or

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*Dollar values in this report are
Australian Dollars unless
otherwise stated.*

Placement and Convertible Note exercise

The Company has placed 15 million shares to a UK institution at a price of 6.67 cents (at a substantial premium to the current market price) to raise a net \$1.0 million.

Ocean Resource Capital Holdings Limited has exercised early, at a price of 13 cents per share, 15 million shares pursuant to the convertible note issued February 2003 (and convertible up to 31 December 2007). Shares allotted pursuant to this exercise were approved by shareholders at the 6 June 2003 General Meeting.

The proceeds of the aforementioned funds are for working capital.

Stephen W. Miller
Executive Chairman

27 June 2003