# ST BARBARA MINES LIMITED

ACN 009 165 066

# ASX SHAREHOLDERS REPORT


*Enquiries regarding this report may be directed to:*

***Stephen W. Miller***
*Executive Chairman*
*Telephone (08) 9476 5555*
*Overseas +61 8 9476 5555*
*or*
***Colin G. Jackson***
*Investor Relations*
*Telephone 0417 929 107*

*St Barbara Mines Limited*
*Level 2, 16 Ord Street*
*West Perth*
*Western Australia 6005*
*Telephone (08) 9476 5555*
*Overseas +61 8 9476 5555*


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

30 January 2004

Company Announcements Officer
Australian Stock Exchange Limited
Exchange Centre
Level 4, 20 Bridge Street
SYDNEY NSW 2000

***For Release to the Market***

Dear Sir or Madam,

## Activity Update

Attached is an activity update which focuses on recent ASX releases comprising resource upgrades at both Prohibition and Mulla Mulla, new exploration joint ventures at Meekatharra and site mobilisation at the fully funded Paulsens gold project.

**Stephen W. Miller**
Executive Chairman

# ST BARBARA MINES LIMITED

## ACTIVITY UPDATE

**Exploration and development at St Barbara Mines' Meekatharra operations are at a three year high as the West Australian gold miner picks up the pace in 2004.**

**St Barbara's momentum is accelerating with activity at Paddys Flat, including resource upgrades at both Prohibition and Mulla Mulla, new exploration JVs at Reedys and Polelle, and on site mobilisation at the 100,000 ounce per annum fully funded Paulsens gold project.**

Down plunge drilling at Prohibition, plus the delineation of the shallower parallel Red Spider, has increased the resource inventory 170 percent to 270,000 ounces. A preliminary revision to the economic model indicates increased revenues earlier in the production schedule and a superior return-on-assets employed.

Also at Meekatharra, the new Polelle JV has had immediate success at the Mulla Mulla deposit with a 3,000 metre drill programme generating intersections which are superior to earlier averages.

Commenting on the results **Executive Chairman, Stephen Miller** said, "This year promises to be one of growth and development with the prospect of Paddy's Flat and Mulla Mulla significantly transforming our production profile at Meekatharra."

"We can leverage our existing infrastructure to the immediate benefit of shareholders", he said.

At the Paulsens gold project, in which St Barbara has a 54% interest through Taipan Resources, first gold production is scheduled for the end of 2004. On site mobilisation is in progress and a 64 hole stope definition and resource extension drilling programme has commenced.

Prior to Christmas, a $21 million equity funding programme was completed, which totally funds the development of the Paulsens gold mine.

Mr Miller said, "St Barbara's interest in the Paulsens gold project does not appear to be factored into its current valuation. I expect this to change as the mine development progresses."

"In the past three months St Barbara has retired debt in excess of $12 million, completed the recapitalisation of Taipan Resources, resulting in an economic value accruing to St Barbara of approximately $27 million (based on its 54% interest), and concluded multi-million dollar joint ventures on its exploration portfolio. These farm-in agreements could result in up to $18 million being spent on the Company's prospects over the next three to four years. All in all it's been a promising start to the year", he said.

*30 January 2004*

**LEVEL 2, 16 ORD STREET, WEST PERTH**
**POST OFFICE BOX 1161, WEST PERTH, WESTERN AUSTRALIA 6872**
**TELEPHONE + 61 8 9476 5555 FACSIMILE + 61 8 9476 5500**
**EMAIL perth@stbarbara.com.au ACN 009 165 066**