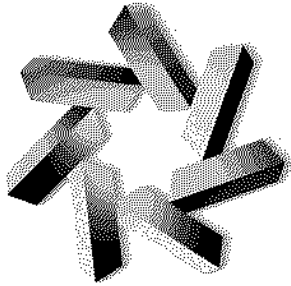


ST BARBARA MINES LIMITED



ASX SHAREHOLDERS REPORT

*Enquiries regarding this report
may be directed to:*

Eduard Eshuys

Managing Director

Telephone (08) 9476 5555

Overseas +61 8 9476 5555

St Barbara Mines Limited

ACN 009 165 066

Level 2, 16 Ord Street

West Perth

Western Australia 6005

Telephone (08) 9476 5555

Overseas +61 8 9476 5555

Settlement with former Executive Chairman

Following completion of an initial review of the Company by Deloitte, agreement has been reached with the former Executive Chairman, Mr Stephen Miller, for his employment with the Company to end with effect from 4 August 2004.

The terms of this agreement will entail a termination payment of \$257,543.32 inclusive of all statutory entitlements (less applicable taxes) under his contract by St Barbara to Mr Miller. Mr Miller will immediately resign from the Boards of all St Barbara subsidiaries and from the Boards of NuStar Mining Corporation Limited and its subsidiary.

Lee Boyd

Company Secretary

12 August 2004