

St Barbara Mines Limited
23 March 2005
Eduard Eshuys



Strategy & Objectives

- Establish a landbank and explore for gold, nickel & copper in Australia
- Make strategic acquisitions which have potential for the discovery of major mineral deposits
- Create substantial corporate growth and shareholder wealth, through exploration success over the next two years and beyond

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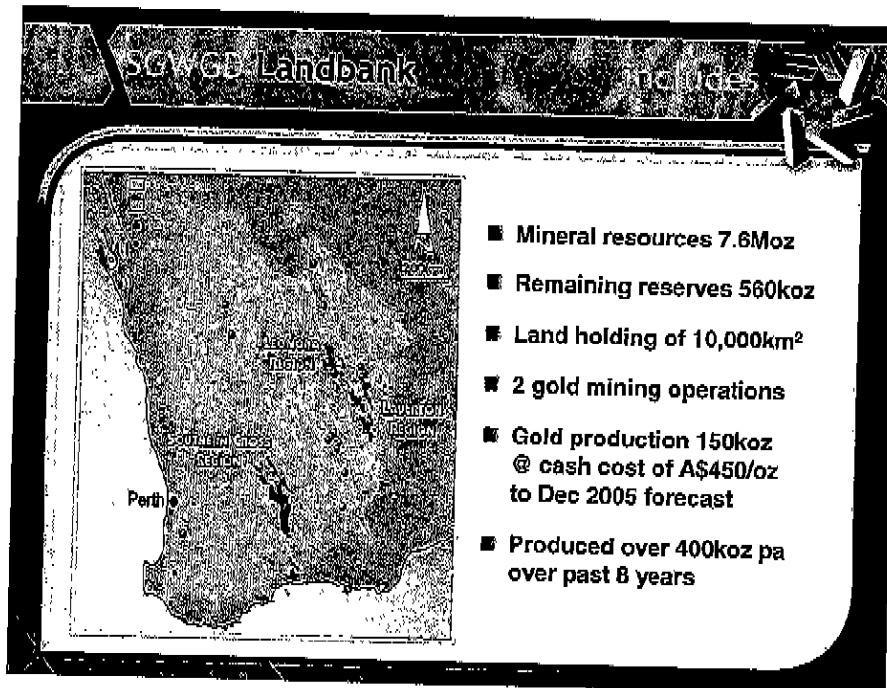
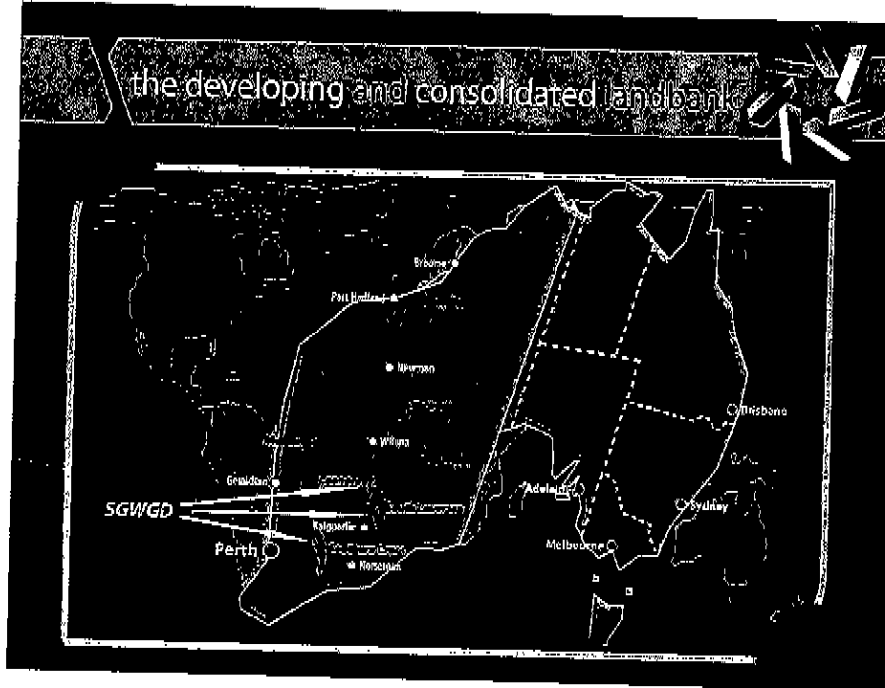


Operations of Gwalia
Gold Division
("SGWGD")
Position

The SGWGD

Acquisition of distressed
assets for cash flow,
exploration and
development potential

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SCM/GD Opportunity

- **Total cash payments of \$2M**
- 28 March 2005
- **Replace environmental Performance Bonds of \$30M within 60 days**
- **Additional Performance Bonds of \$5.7M**
- 30 September 2005
- **Control of operations**
- 28 March 2005

SCM/GD Environmental

■ Leonora	\$14.2M
■ Southern Cross	\$12.4M
■ South Laverton	<u>\$ 9.1M</u>
	\$35.7M

- Detailed analysis completed during due diligence
- Reductions possible
 - Rehabilitation
 - Transfer of liabilities
 - Sale of tenements and associated bonds
- Target - bond reduction of \$12M by Dec 05

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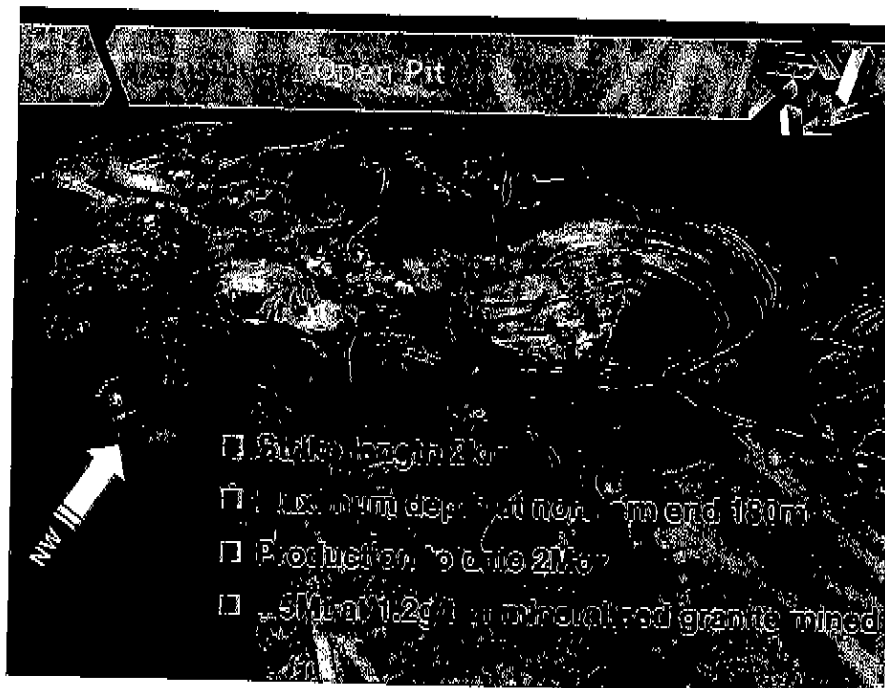
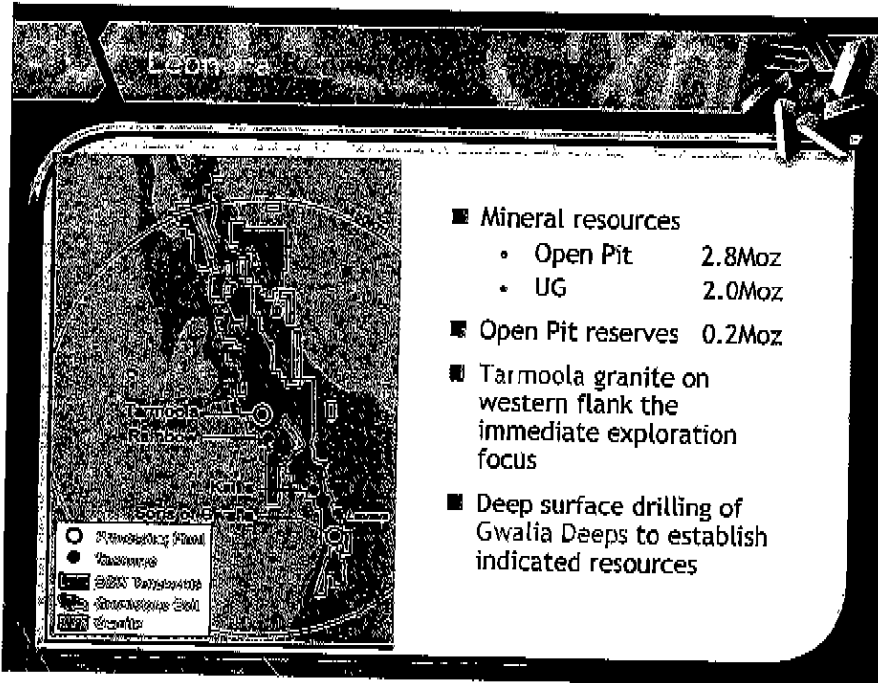


Summary of Acquisition

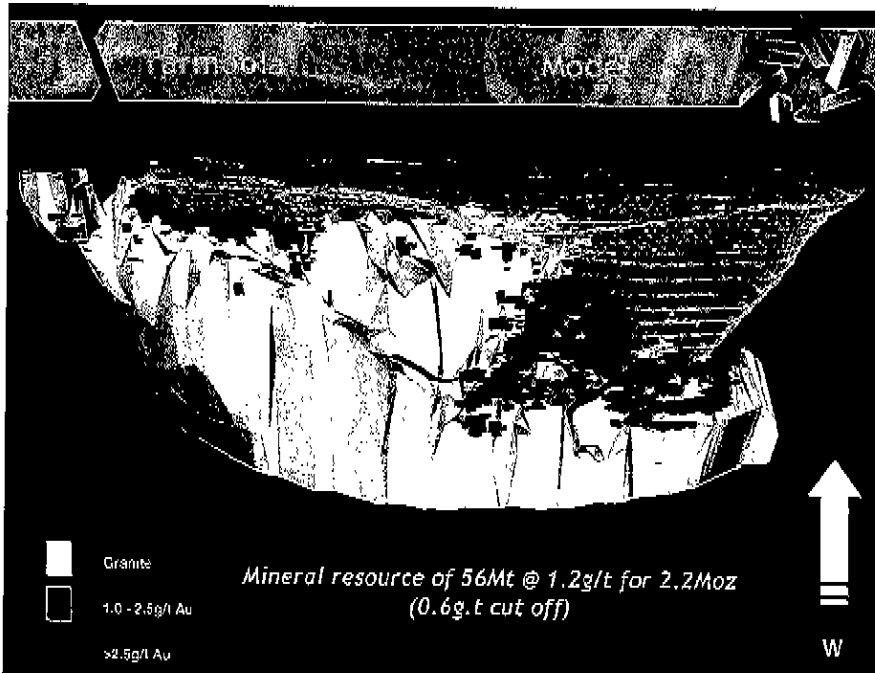
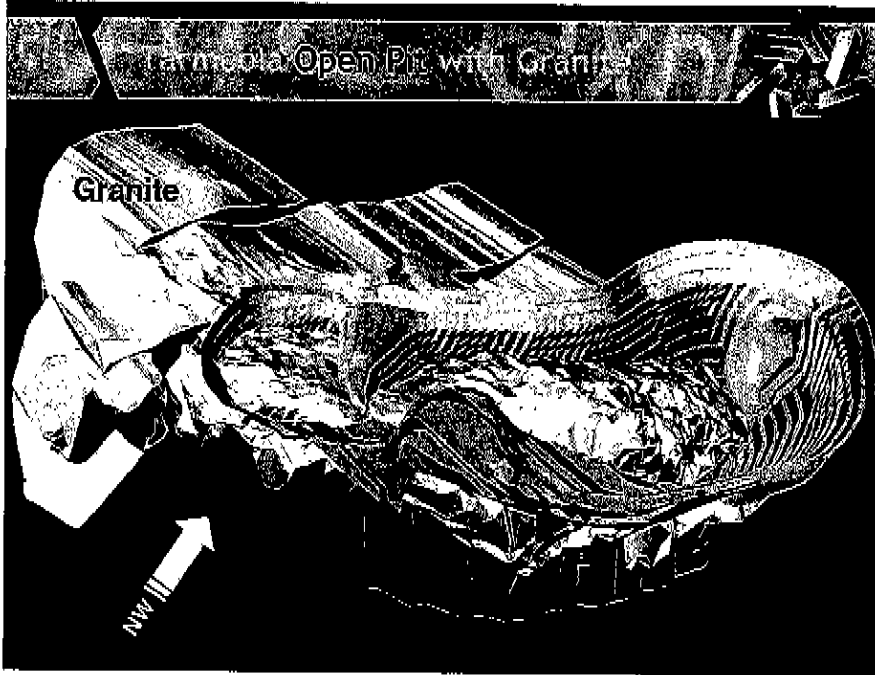
- **RCF III Facility**
 - \$40M line of credit
- **Draw down \$11M on Closing Date**
 - \$7M to be converted to shares @ 7 cents/share (shareholder approval required by 30 Nov 05)
- **Facility fee**
 - Royalty at 1.5%, can be reduced to 1%
 - 0.5% for bank guarantees
 - 8% interest on Bridging Facility draw downs

Barbara

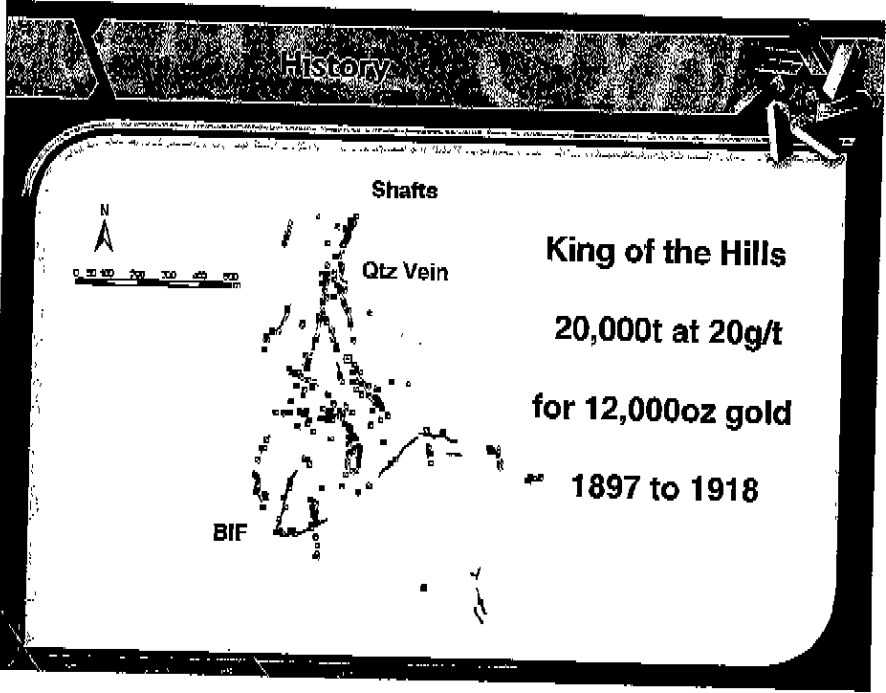
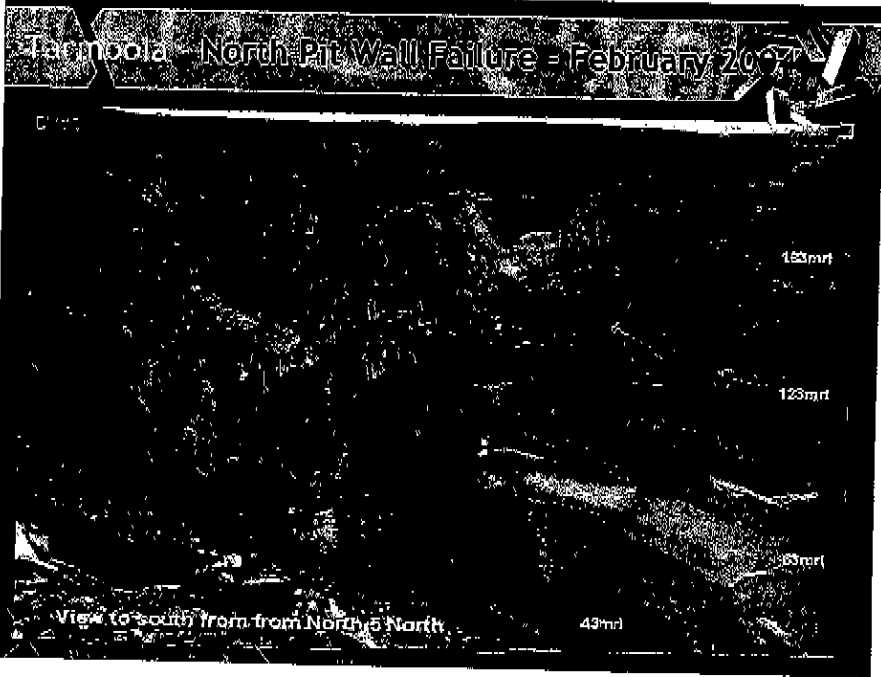
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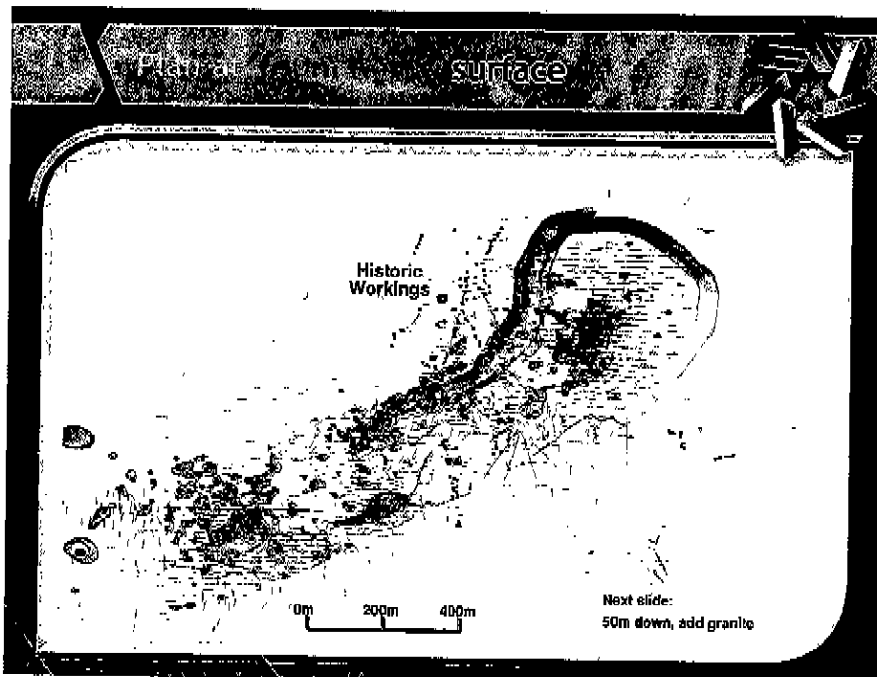
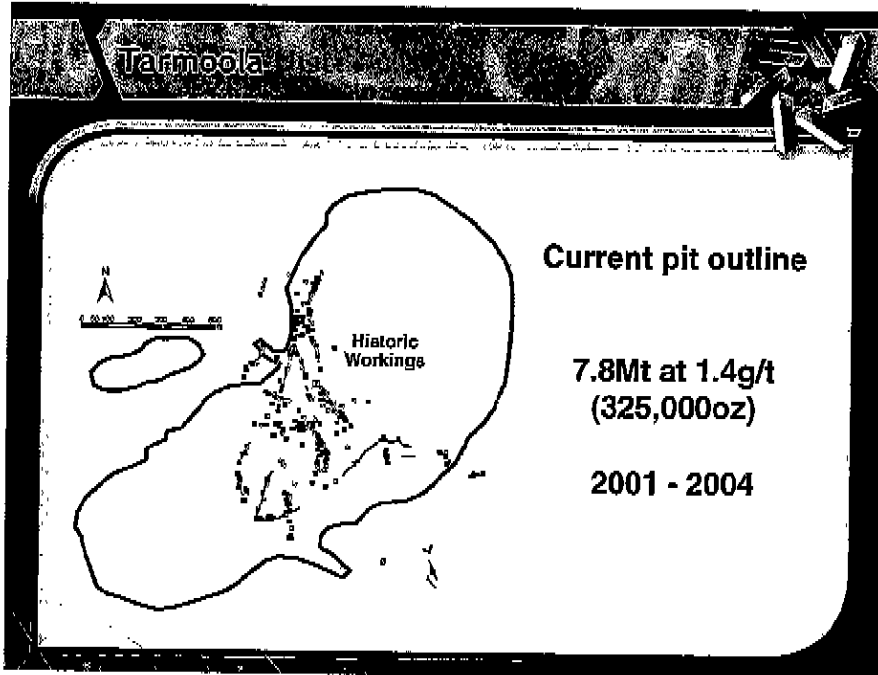
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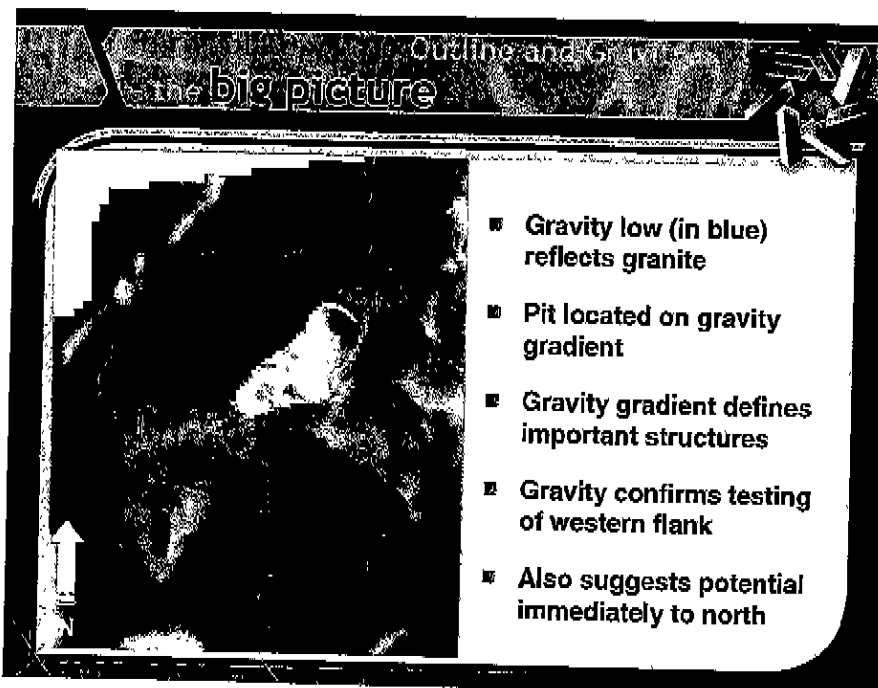
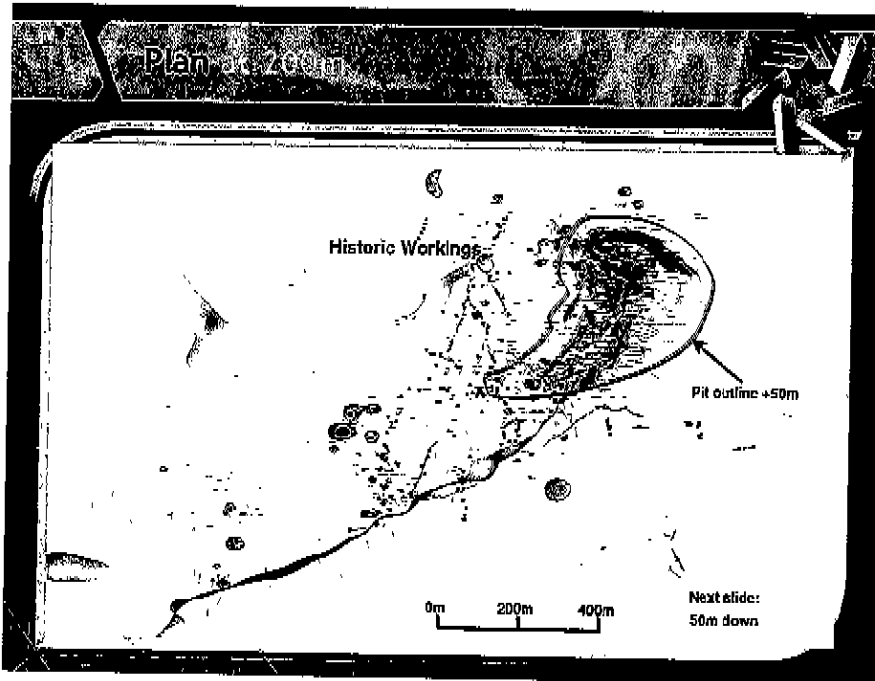
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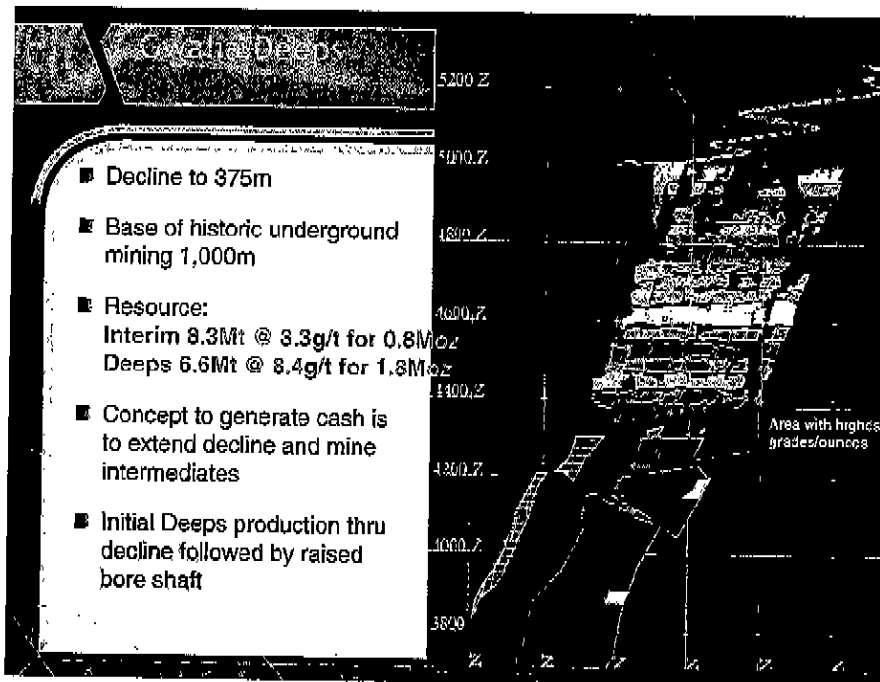


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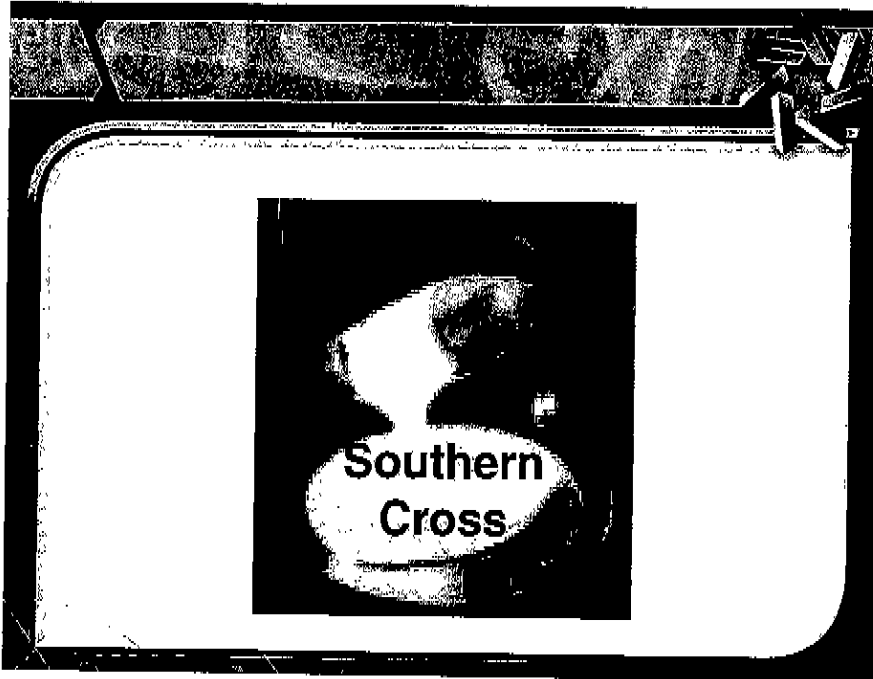


Historic Production

	Start	Finish	Tonnage (Mt)	Grade (g/t)	Gold (ozs)
Previous owner - UG mining to 1073mBS	1896	1963	7.3	11.4	2.60
SGW - Open Pit to 280mBS	1983	1999	12.5	3.3	1.30
SGW UG to 375mBS	1999	2003	1.1	4.1	0.15
Total			20.9	6.0	4.05

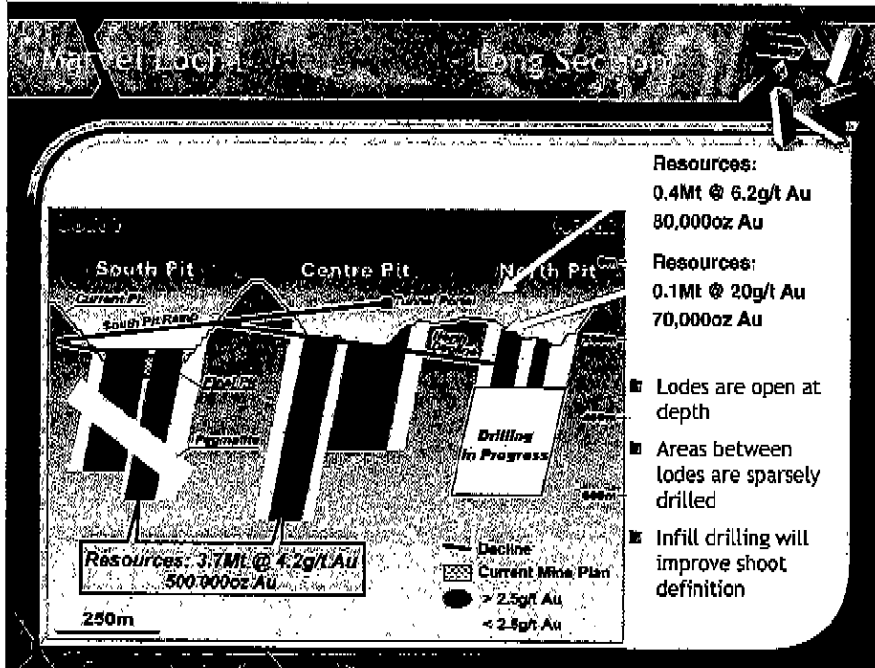


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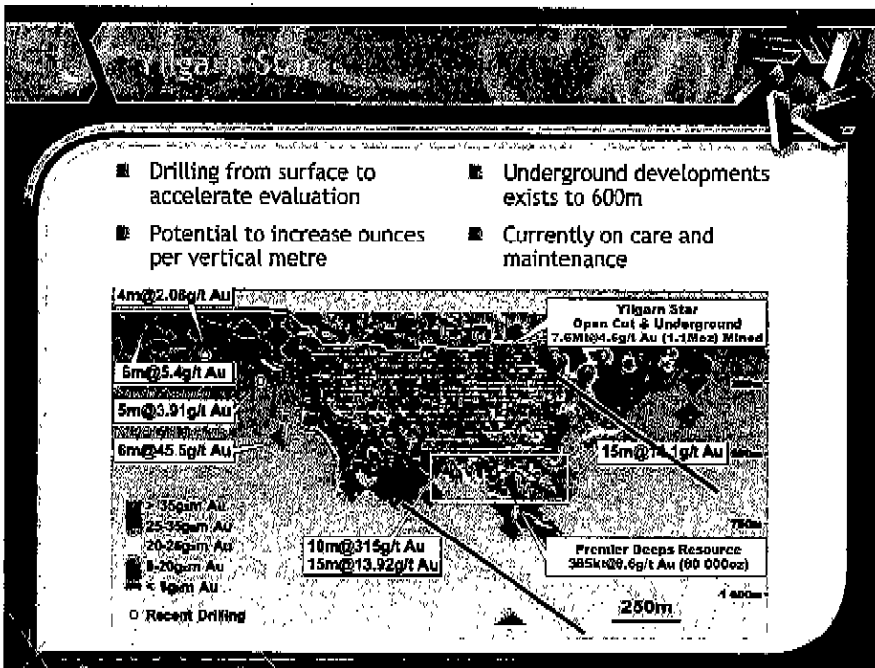


Southern Cross

- 2.1Moz Resources
- 0.5Moz Reserves
- Production from Marvel Loch Open Pit and Underground
- Suspension of Golden Pig April 2005
- Forecast gold production for June 2005 quarter 50,000oz
- Cash cost \$400/oz

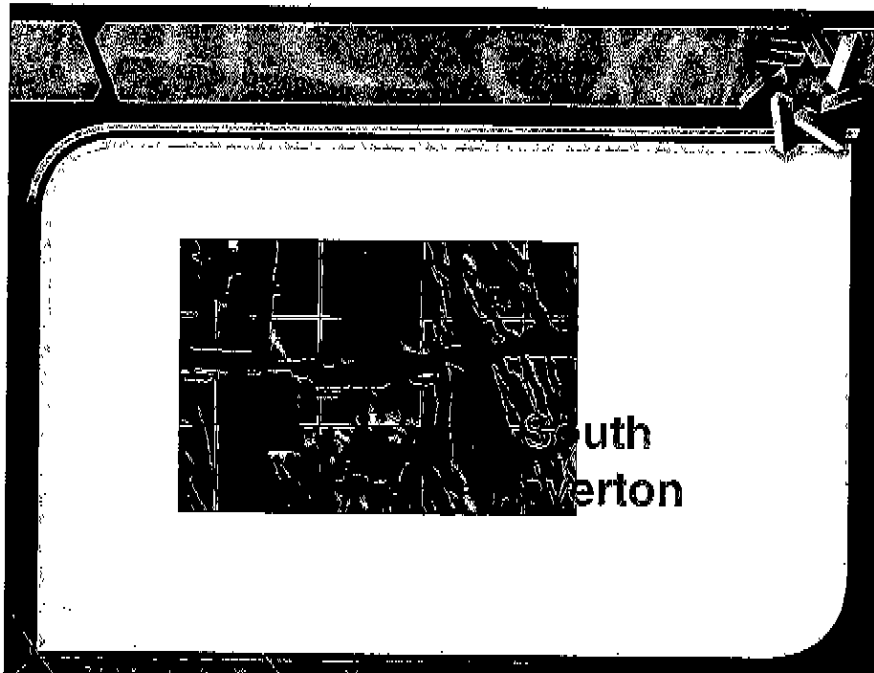
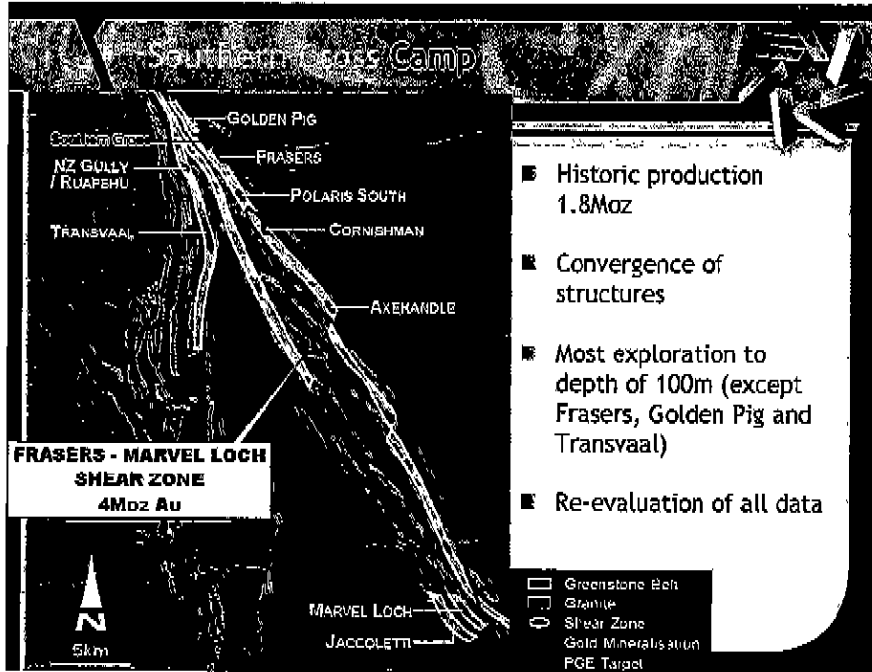


- Lodes are open at depth
- Areas between lodes are sparsely drilled
- Infill drilling will improve shoot definition

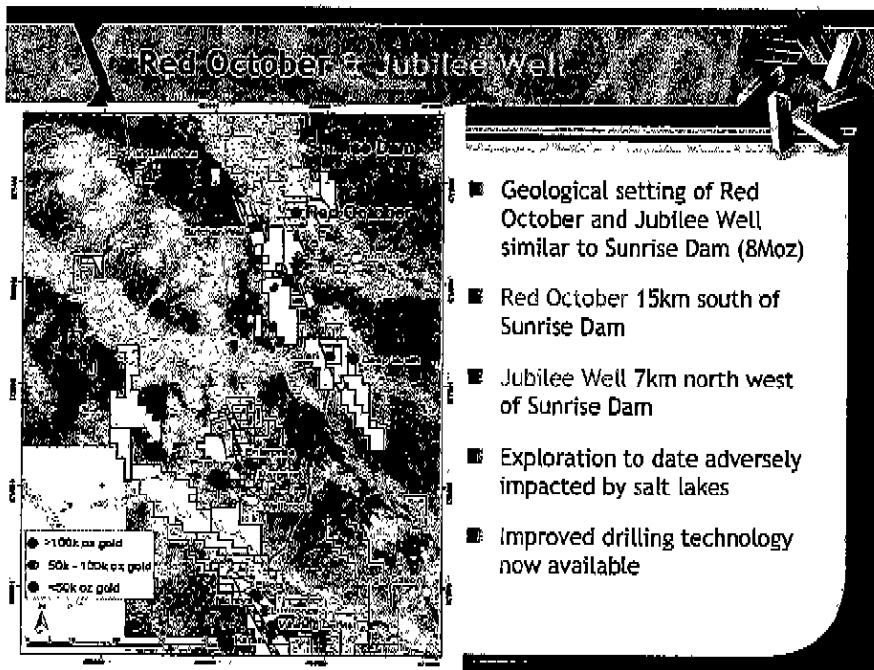
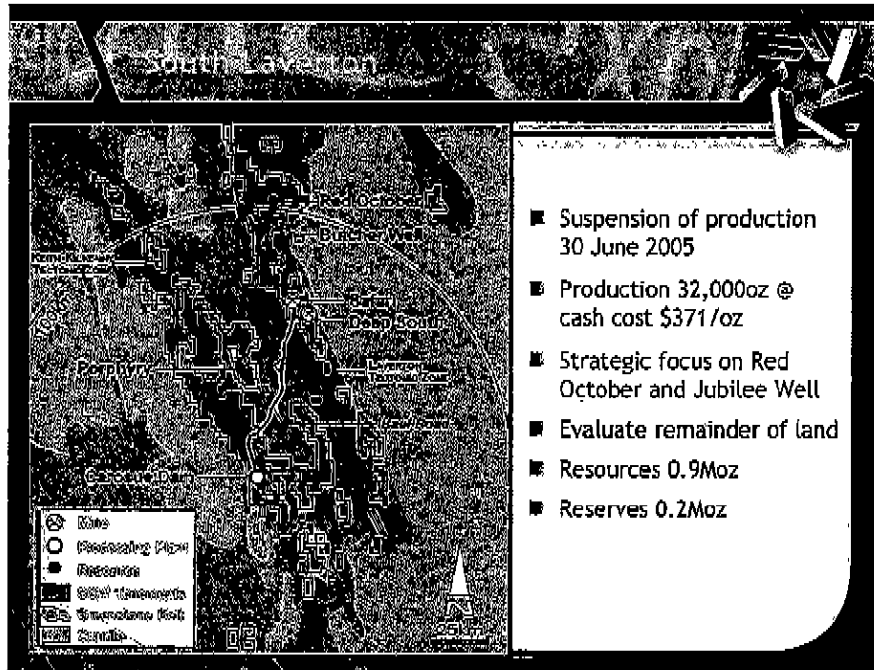


- Drilling from surface to accelerate evaluation
- Potential to increase ounces per vertical metre
- Underground developments exists to 600m
- Currently on care and maintenance

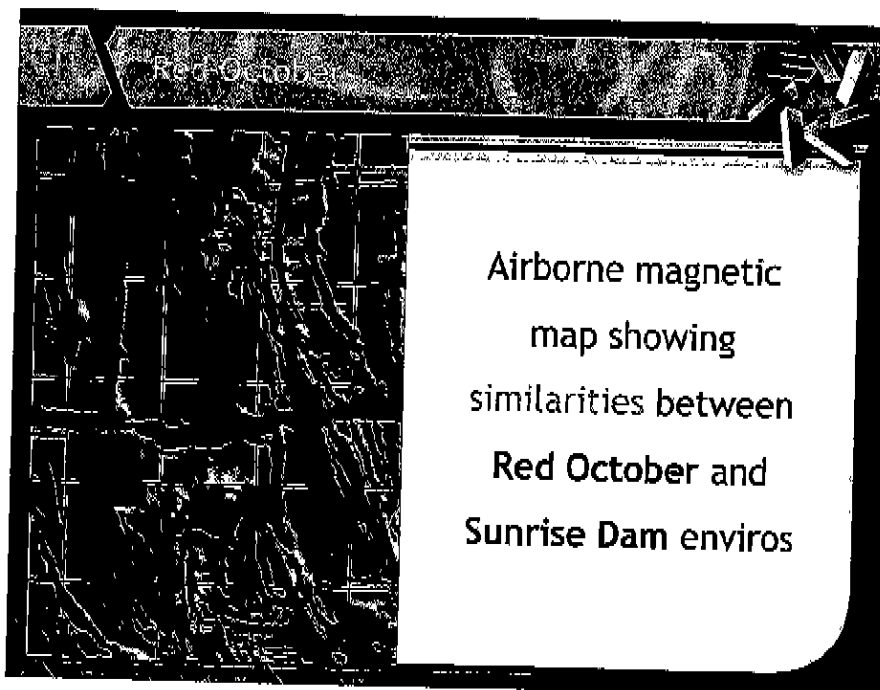
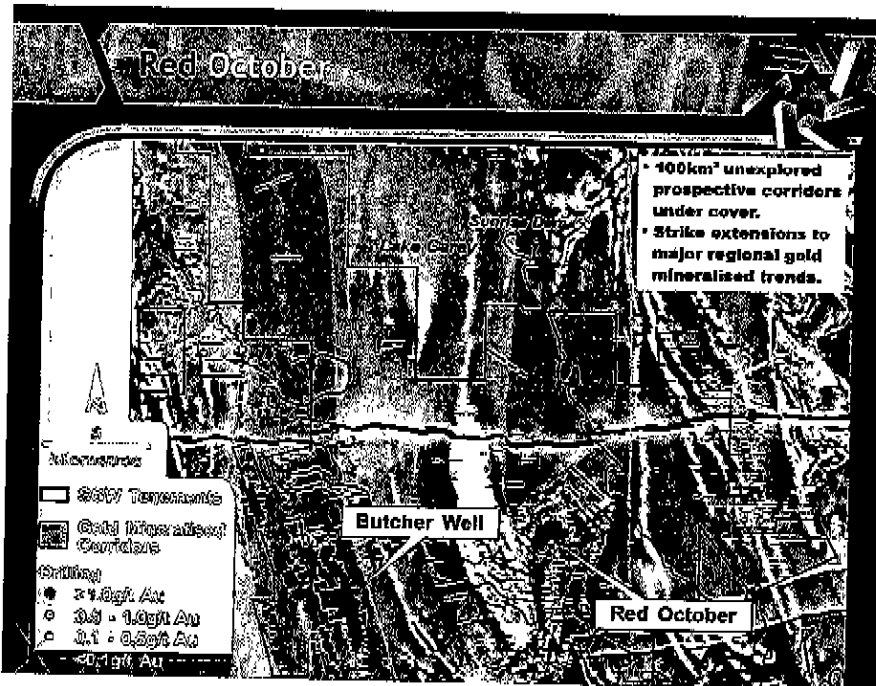
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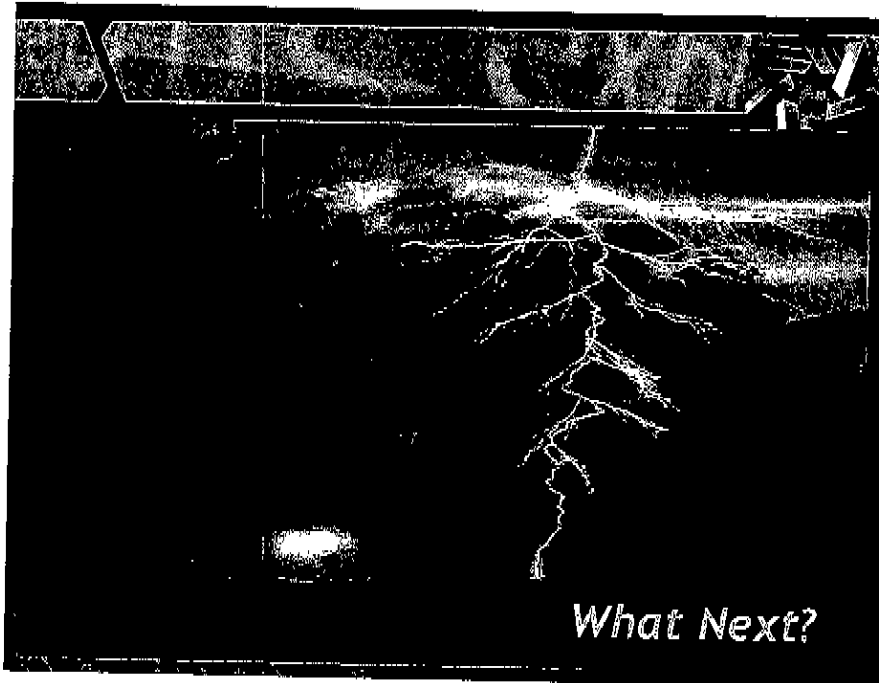
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Exploration & Development Strategy

- Tarmoola - drill granite and overlying ultramafic rocks along western and northern flanks of pit
- Gwalia - commence early deep drilling from the surface to convert at least 1Moz to indicated mineral resource status
- Performance Bonds - reduction program

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Leonora

Development & Production Objectives

- Drilling completed by June 2006
- Feasibility studies December 2006
- Tarmoola plant upgrade to 5Mt
- Ore production from Gwalia Intermediates and Tarmoola open pit Sept 2007 quarter
- Annual production rate 250,000oz

Tarmoola Treatment Facility

A photograph of the Tarmoola Treatment Facility, showing a large industrial complex with multiple buildings, conveyor belts, and structural steel. The facility is situated in an open area with some vegetation in the background.

3.46Mtpa

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Southern

- Optimise cashflow from production
- Performance bond reductions
- Marvel Loch North underground drilling to increase reserves
- Yilgarn Star surface drilling to test down plunge in mineralised envelope
- Southern Cross Camp data re-evaluation
- Nickel sulphide mineralisation potential assessment

South

- Optimise cashflows prior to suspension of operations scheduled 30 June 2005

Red October & Jubilee Well

- Evaluate all past data by September 2005
- Commence strategic drilling by December 2005 quarter

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Meekatharra District	
Historical Production	
■ Paddys Flat, open pit and underground	3.0
■ Bluebird, open pit (30mt @ 1.7g/t)	1.5
■ Reedys, open pit and underground	<u>0.4</u>
	4.9Moz
Resources & "Possible Reserves"	
■ Resources (100% owned) total - 11.1mt @ 3.2g/t for	
	1.132Moz
■ Target to expand by drilling to 15mt @ 3.0g/t for 1.5Moz	
	which may generate "reserves" of 8 mt @ 2.5 g/t for
	600,000 oz, if current drilling successful.

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District

Future Annual Production Target
 (commencing approximately March quarter 2006)

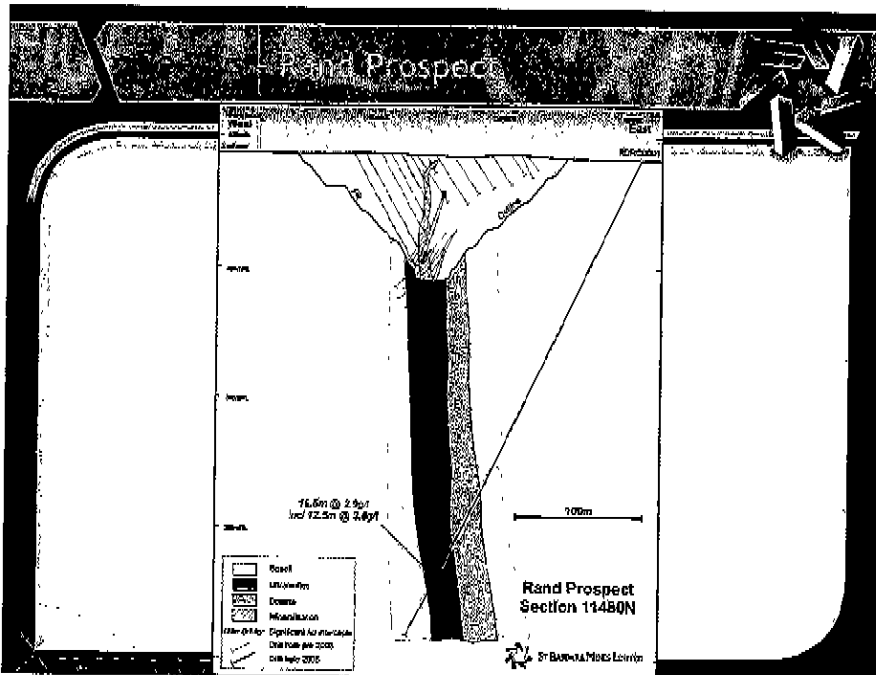
- Open Pit 1.50mt @ 1.7g/t for 70,000 oz
- Underground Prohibition 0.25mt @ 4.0g/t for 30,000 oz
- Underground Vivians-Consols 0.25mt @ 7.4g/t for 45,000 oz
 2.00mt @ 2.3g/t for 145,000 oz

■ Production of 145,000 oz per annum initially for 4 years

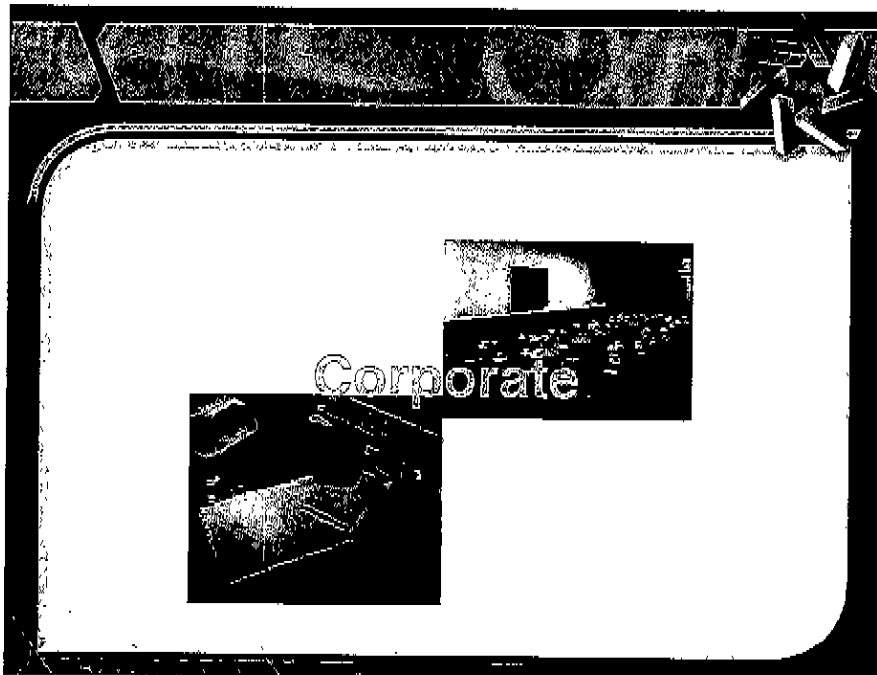
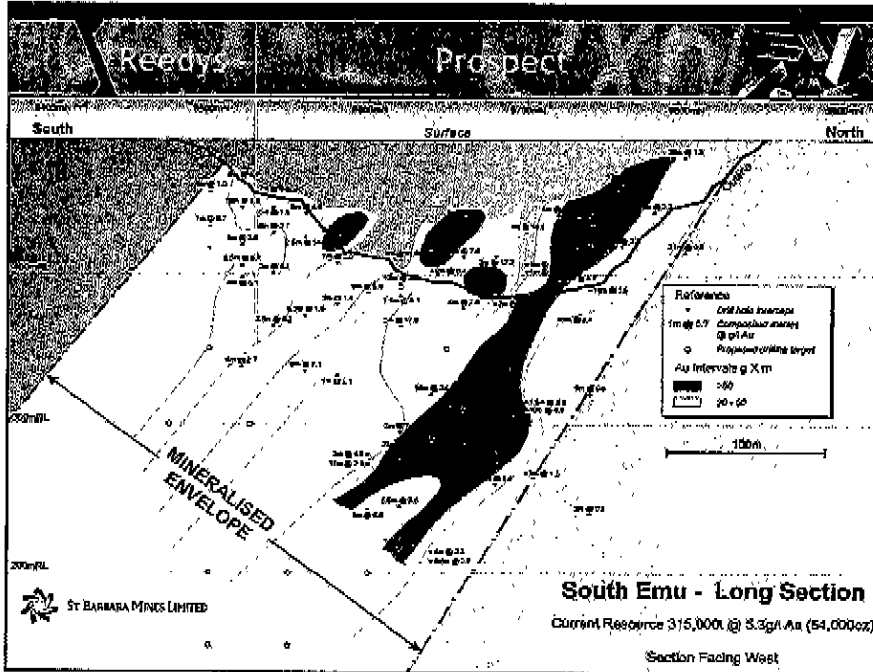
Development & Capital Estimate

- Underground (Vivians & Prohibition) 15
- Open Pit Pre-strip 5
- Plant refurbishment 5

5
\$25M



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Directors

- **Colin Wise:** Non-executive Chairman
legal counsel / corporate governance
- **Eduard Eshuys:** Managing Director & CEO
geologist
- **Hank Tuten:** Non-executive Director
investment banker
- **Mark Wheatley:** Non-executive Director
engineer / corporate development

	<i>shares</i>	<i>%</i>
■ Resource Capital Fund II LP	177.9M	31.4
■ RAB Europe Fund Ltd	45.0M	7.9
■ St James Place Recovery Trust	40.4M	7.1
■ Issued capital	566M	

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Diary of Events

- July 20th - Wise & Eshuys appointed by shareholders
- Company had no cash and debt of \$8.5M
- Oct 2005 - drilling commenced at Meekatharra
- Nov 29th - buy-back of shares & sale of royalty approved
- Dec 31st - Company had no debt and cash of \$4.57M
- currently hold 85M NuStar shares valued at \$4.25M
- Feb 2005 - acquired 15M Sedimentary shares now worth \$3.5M
- drilling underway at Reedys and Paddys Flat
- March 2005 - acquisition of Sons of Gwalia Gold Division assets

Exploration Strategy

- 16 high ranking nickel sulphide targets identified
- Acquired 3,900km² of land at Wallal and Scorpion
- Further target selection continuing

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the **new** St Barbara

- Landbank - 14,800km²
- Mineral resources - 9.4Moz
- Current reserves - 560koz
- Skilled workforce - 180 people
- Gold production objective - total of 400koz pa by Sept 2007

