St Barbara Limited

Quarterly Report

For the three months ended
31 March 2008

Summary

Operations – Southern Cross

- Year to date gold production of 119,462 ounces at a cash operating cost of A$529/oz (US$466/oz)
- Revised full year production forecast is 165,000-170,000 ounces (previously 170,000-175,000 ounces). Cash operating cost of A$525-A$550 (US$479-US$502) per ounce, as previously forecast.

Development - Leonora

- Hoover Decline at 995 metres below surface (mbs) and has reached the Gwalia reserves
- Lateral development for ore production has commenced
- Primary ventilation shaft, the largest in Australia, successfully completed ahead of schedule
- Refurbishment of Gwalia Mill is 60% complete and on schedule to commence production in September Quarter 2008, as previously forecast
- Pre-commissioning capital expenditure for year ending 30 June 2008 forecast at A$117 million, compared to budget of A$110 million. Additional A$10 million to be spent next financial year.

Exploration

- Encouraging results achieved at Kailis and Tarmoola - Leonora, and Marvel Loch underground depth extensions and Transvaal - Southern Cross
- Recognition of depth potential of GVG at Southern Cross where previous drilling intersected high grade mineralisation including **28m @ 8.2 g/t** and **67m @ 3.9g/t** at depths of 255mbs and 320mbs respectively
- High grade copper mineralisation of 5.6% Cu, 0.4% Zn and 221g/t Ag intersected over an interval of 0.3m at depth of 243m provides significant encouragement to the base metal exploration effort.

Reserves and Resources

- The targeted update in Resources and Reserves for the March 2008 Quarter will now be incorporated into a more comprehensive revision of Resources and Reserves to be completed in the June 2008 Quarter, reflecting a change in gold price and long term mine production planning.

Eduard Eshuys
Managing Director & CEO
23 April 2008

Southern Cross Operations

Gold Production

Gold production for the quarter was 36,581 ounces. Production reflected lower Marvel Loch underground grades and reduced mill throughput due to maintenance requirements.

Production in the June Quarter will be sourced from higher grade ore from Norton (Nevoria), Tenacious Pig (GVG) open pits and Marvel Loch Underground (including ore from Undaunted and New Lode).

Ore production from Marvel Loch underground was above plan, achieving an annualized rate of 935,000 tonnes per annum for the March 2008 quarter. The average grade from Marvel Loch underground was 3.3g/t, reflecting the lower grade of Exhibition Lode, which was the main source of ore for the quarter. Marvel Loch underground development is already sufficiently advanced to facilitate a high level of ore production for the next six months.

Run of Mine (ROM) stockpiles of open pit ore totalling 400kt at an average grade of 1.6 g/t were established as at 31 March 2008.

Cash operating costs for the quarter were A$565 (US$511) per ounce. Year to date gold production totalled 119,462 at a cash operating cost of A$529 (US$466) per ounce.

The revised full year forecast for gold production is 165,000 - 170,000 ounces (previously 170,000 - 175,000 ounces) at an unchanged cash operating cost of A$525 - A$550 (US$479 - US$502) per ounce, as a result of the lower gold production during the March Quarter.

		Quarter Mar 08	**YTD Mar 08**
Open Pit Ore Mined	t	323,374	**1,372,000**
Grade	g/t	1.6	**1.8**
Underground Ore Mined	t	233,625	**606,032**
Grade	g/t	3.3	**3.7**
Ore Milled	t	575,932	**1,737,593**
Grade	g/t	2.3	**2.4**
Recovery	%	87	**88**
Gold Production	oz	36,581	**119,462**
Cash Operating Cost	A$/oz	565	**529**

	Quarter Mar 08 $/oz	**YTD Mar-08 $/oz**
Gold Sales (ounces)	36,435	**120,202**
Mining	413	**385**
Processing	251	**223**
Site Services	24	**26**
Royalties	26	**23**
Cash Operating Costs	714	**657**
Cost of Sales Adjustments	(149)	**(128)**
Total Cash Operating Costs	565	**529**

Gwalia Development

The Hoover Decline has reached the top of the Gwalia reserves at 995mbs on schedule. Lateral development for ore production purposes has commenced. A development drive on the 480mbs level has also accessed ore from the West Lode.

The Primary Ventilation Shaft – 800m deep and 5.5m in diameter was completed one month ahead of schedule. This ventilation shaft is the largest Raise Bore in Australia and the seventh largest in the world.

The refurbishment of the Gwalia mill and construction of other associated infrastructure is 60% complete and on schedule to be completed in the September 2008 Quarter. A feasibility study is in progress to consider expanding the plant to 1.8Mtpa hard rock capacity.

Total pre-commissioning capital expenditure covering underground development and Gwalia refurbishment is now forecast at A$117 million for the year ended 30 June 2008 compared to the budget of A$110 million. Design changes to allow for potential future expansion of the Gwalia mill, and higher refurbishment costs have resulted in an increase of 6 per cent this year.

An additional $10 million of pre-commissioning capital expenditure is forecast to be incurred in the September 2008 Quarter.

Gold production remains on schedule to commence in the September Quarter 2008, as previously forecast. Initial production grade from Gwalia will be 5g/t - 6g/t. Planned open pit mining at Kailis and Trump, located approximately 8 km north of the Gwalia mill will complement Gwalia underground ore.

Gwalia Pre-commissioning Capital Expenditure:

	YTD Actual Expenditure (A$m)	**FY08 Forecast Expenditure (A$m)**
Mine development	40.2	**54.1**
Process plant & borefields	18.7	**33.5**
Other infrastructure	14.7	**29.2**
	73.6	**116.8**

Safety and Environment

The Lost Time Injury Frequency Rate (LTIFR) was 4.3 at the end of the March Quarter 2008, 20% lower than the previous quarter, with no recordable injuries for the month of February 2008. The 2008 financial year target is to achieve a LTIFR of 3.5.

A water management assessment of the Southern Cross Operations has been conducted. The results will be incorporated in the Water Efficiency Management Plan for the site which is due to be completed by July 2008.

Resources and Reserves

The targeted update in Resources and Reserves during the March 2008 Quarter will now be incorporated into a more comprehensive revision of Resources and Reserves to be completed during the June 2008 Quarter. The update will incorporate a change in gold price and long term mine production planning. Current reserves of 2.3 million ounces are largely based on a long term gold price of A$700/oz.

Gold Exploration

Leonora

Tower Hill

Detailed studies indicate the potential for open pit mining and underground development. These studies are anticipated to be completed by 30 June 2008.

Drilling results, included in Table 1, confirm that the mineralisation is open at depth and along strike.

A programme of drilling has commenced to test for extensions to the high grade zones down to 1000mbs.

Gwalia

Underground drilling at Gwalia has commenced to extend resources within the current mine plan envelope.

Gwalia to Kailis Trend

High grade mineralisation was intersected at Kailis and Trump deposits and included **17m @ 4.9g/t from 68m** and **9.3m @ 6.3 g/t from 94m**.

This drilling and resource and reserve modelling has confirmed that Kailis and Trump can provide shallow open pit ore to complement the Gwalia ore at the Gwalia mill.

Tarmoola

Drilling at Tarmoola of high grade shoots on the north-east flank intersected **3m @ 14.9g/t from 209m, 4m @ 8.0 g/t, from 128m** and **2m @ 18.1g/t from 32m.** See Diagram 4. The resource estimate at 31 December 2007 for higher grade mineralisation at depth totalled 3.2 million tonnes at 3.5g/t for 350,000 ounces. This current drilling confirms the potential for underground development of this resource. Drilling will continue through the June quarter targeting this mineralisation at depth and along strike.

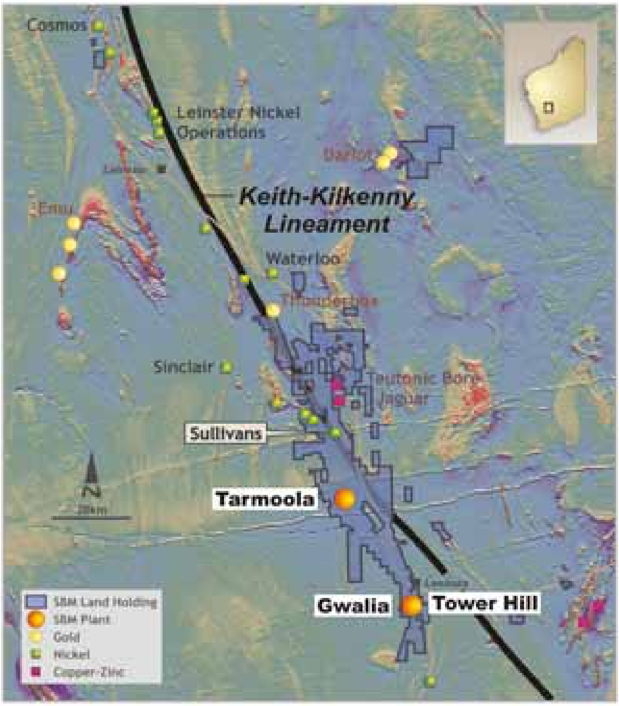

Diagram 1: **Leonora**

Gold exploration at Leonora for the June Quarter 2008 will focus on Tower Hill and Tarmoola.

See Diagram 1.

Southern Cross

Marvel Loch Underground

Resource definition drilling and testing for depth extensions intersected from underground **10m @ 10.6g/t from 646mbs** and **2.9m @ 21g/t from 587mbs** in the Undaunted lode.

Drilling to extend the resources further at depth is continuing.

Nevoria

High grade Banded Iron Formation-hosted mineralisation has continued to be intersected including **3m @ 32.4 g/t from 224m, 13m @ 5.3g/t from 204m** and **3m @ 18.7g/t from 188m**. Infill drilling, resource estimation and geotechnical work at the western end of Nevoria was completed. A comprehensive open pit and underground mining study of Nevoria which has Indicated and Inferred Resources of 4.6Mt @ 3.6g/t for 532,000 ounces, is near completion. Open pit mining has commenced at Norton at the eastern end.

GVG Lode 1 Depth Potential

Recognition that gold mineralisation at GVG Lode 1, associated with pyrite is present in a pipe-like shoot with a diameter approximately of 80m, is open at depth and has lead to a detailed review. The ore body has previously been mined as an open pit to 105mbs, underground to 230mbs. A decline has been developed to 300mbs. Previous intersections of the mineralisation include up to **28m @ 8.2 g/t** and **67m @ 3.9g/t** at **255mbs** and **320mbs** respectively (apparent widths). Diamond drilling from surface of the primary mineralisation below 230mbs at GVG Lode 1 will commence in the June 2008 Quarter.

See Diagram 5.

Transvaal

Drilling of the eastern line of Transvaal was completed as part of a program to estimate open pit resources to 150mbs. A best intersection of **4m @ 21.8g/t from 140m** was achieved. A resource estimate is scheduled for the June Quarter 2008. Metallurgical test work to date suggests metallurgical recoveries of 70-80%.

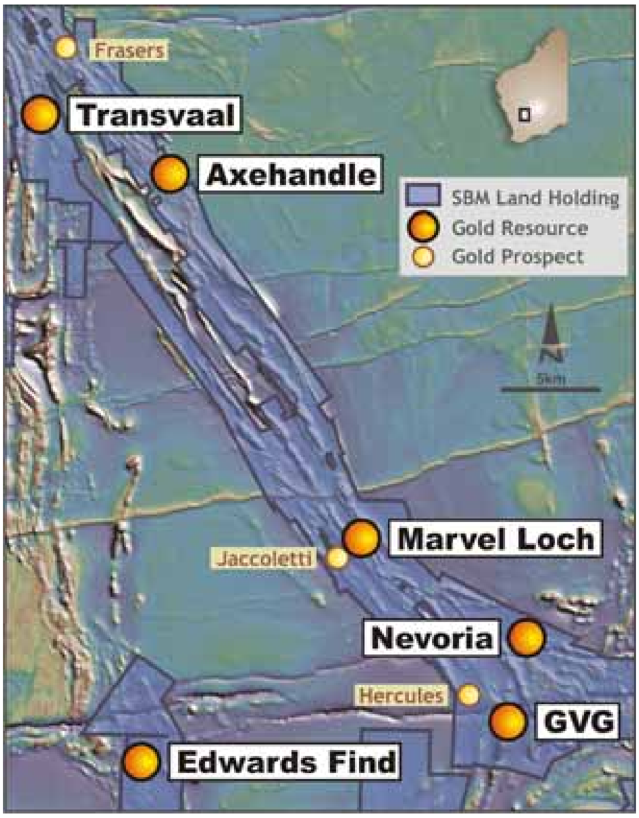

Diagram 2: **Southern Cross – Current and Planned Sources of Production**

Drilling during the June Quarter at the Southern Cross Operations will focus on testing the higher grade mineralisation at depth at GVG Lode 1, Transvaal and Marvel Loch underground. Drilling will also be completed for open pit resources at GVG and Edwards Find. See Diagram 2

Base Metal Exploration

Leonora

Diamond drilling along strike from the Teutonic Bore and Jaguar Cu-Zn deposits at Leonora has intersected strongly altered mafic and felsic volcanic rocks hosting a number of sulphidic cherts and shale horizons. The intensity of alteration reflects a dynamic hydrothermal system and supports the potential for concealed deposits in the area. Drill hole JHDD0005 returned 5m @ 20.1 g/t Ag from 236m, within the altered felsic sequence. Drill hole JHDD0009 at Garden Well intersected narrow veins of remobilised copper sulphides, with the best result being 0.32m @ 5.6% Cu, 0.39% Zn, 221 g/t Ag from 242.9m. This intersection is associated with extensive alteration and will be followed up by down hole electromagnetic testing as well as further drilling.

See Diagram 3.

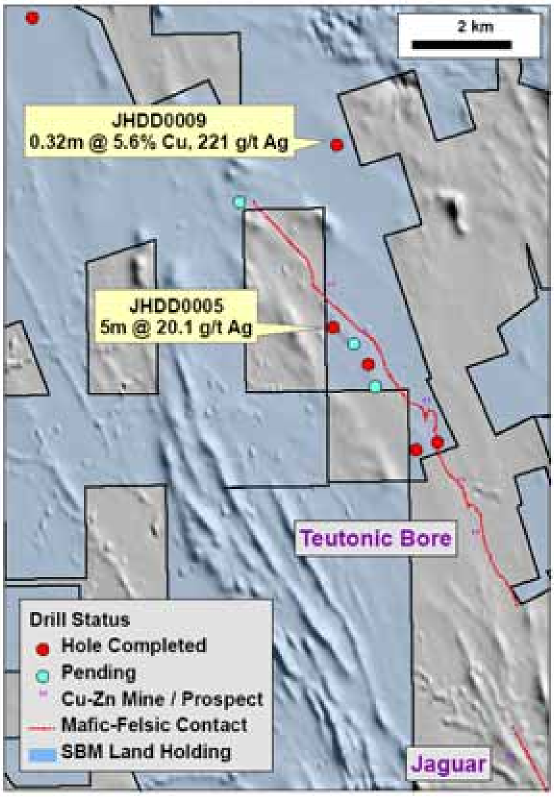

Diagram 3: **Base Metal Drilling - Leonora**

Drilling for nickel sulphide mineralisation recommenced along the Sullivans ultramafics horizon, targeting untested channel positions to the south of previous drilling. Drill hole SUDD0011 has intersected a narrow interval of disseminated sulphides at the base of the ultramafic. Nickel results were subdued, but copper was elevated with the interval returning 0.4m @ 0.15% Ni and 0.22% Cu from 246m.

Financials

Gold shipped in the Quarter of 36,435 ounces was sold at an average price of A$1,023 (US$927) per ounce.

Cash at bank and investments totalled A$84 (US$77) million as at 31 March 2008, including investments in listed securities with a mark-to-market value of A$15 (US$14) million.

At 31 March 2008 the mark to market value of the put options (which secure a minimum gold price) was A$24 (US$22) million.

The Company's put option position as at 31 March 2008 comprised:

	Ounces	Price/oz	Maturity
Bought put options	42,200	A$760	Apr 08–Jun 08
Bought put options	222,000	A$700	Jul 08–Apr 10
Bought put options	280,000	A$800	Jul 09–Jun 12
Bought put options	1,106,400	A$700	Jul 10-Apr 17
Total	1,650,600		

As at 31 March 2008 the Company remained unhedged with no gold delivery commitments.

Share Capital

Changes in issued capital for the Quarter were:

Shares on issue as at 31 December 2007	993,111,570
Share Purchase Plan	373,039
Exercise of unlisted employee options	890,000
Shares on issue at 10 April 2008	**994,374,609**

Options on issue as at 31 December 2007	19,750,000
Less employee options exercised	890,000
Options on issue at 10 April 2008	**18,860,000**

The unlisted options are exercisable at various prices between 15¢ and 58.1¢ up to 21 May 2012.

In addition, the Company has issued A$100 million in Convertible Notes, with a five year term, coupon of 8% per annum and strike price of A$0.726.

Corporate

Mr Robert Rae was appointed a Non-Executive Director of the Company with effect from 10 April 2008.

The Company's land bank comprising granted tenements and tenement applications as at 31 March 2008 totalled 18,700 km^2.

Information as at 22 April 2008

Directors

S J C Wise .... Chairman
E Eshuys .... Managing Director & CEO
D W Bailey .... Non-Executive Director
B J Gibson .... Non-Executive Director
P C Lockyer .... Non-Executive Director
R K Rae .... Non-Executive Director
R J Kennedy .... Company Secretary

Registered Office

Level 21, 90 Collins Street
Melbourne Victoria 3000
Telephone: .... +61 3 8660 1900
Facsimile: .... +61 3 8660 1999
Email: .... melbourne@stbarbara.com.au
Website: .... www.stbarbara.com.au

Substantial Shareholders

M&G Group
- shares held 90,034,852
- percentage holding 9.05%

Deans Knight Capital Management
- shares held 61,593,814
- percentage holding 6.20%

JPMorgan Chase & Co
- shares held 58,097,789
- percentage holding 6.07%

AMP Limited
- shares held 52,351,771
- percentage holding 5.27%

Merrill Lynch & Co. Inc.
- shares held 51,345,491
- percentage holding 5.17%

* M&G Group's interest includes 62,350,000 shares disclosed by Vanguard Precious Metals & Mining Fund

Australian Securities Exchange Listing .... SBM
Singapore Exchange Listing .... Convertible Notes

Shareholder Enquiries

Computershare Limited
GPO Box 2975
Melbourne Victoria 3001
Telephone (within Australia): 1300 653 935
Telephone (international): .... +61 3 9415 4356
Facsimile: .... +61 3 9473 2500

Exchange Rate

A$ amounts converted at A$1:
- at 31/3/08 .... US$0.9134
- for Quarter average .... US$0.9052
- 9 months to 31/3/08 .... US$0.8809

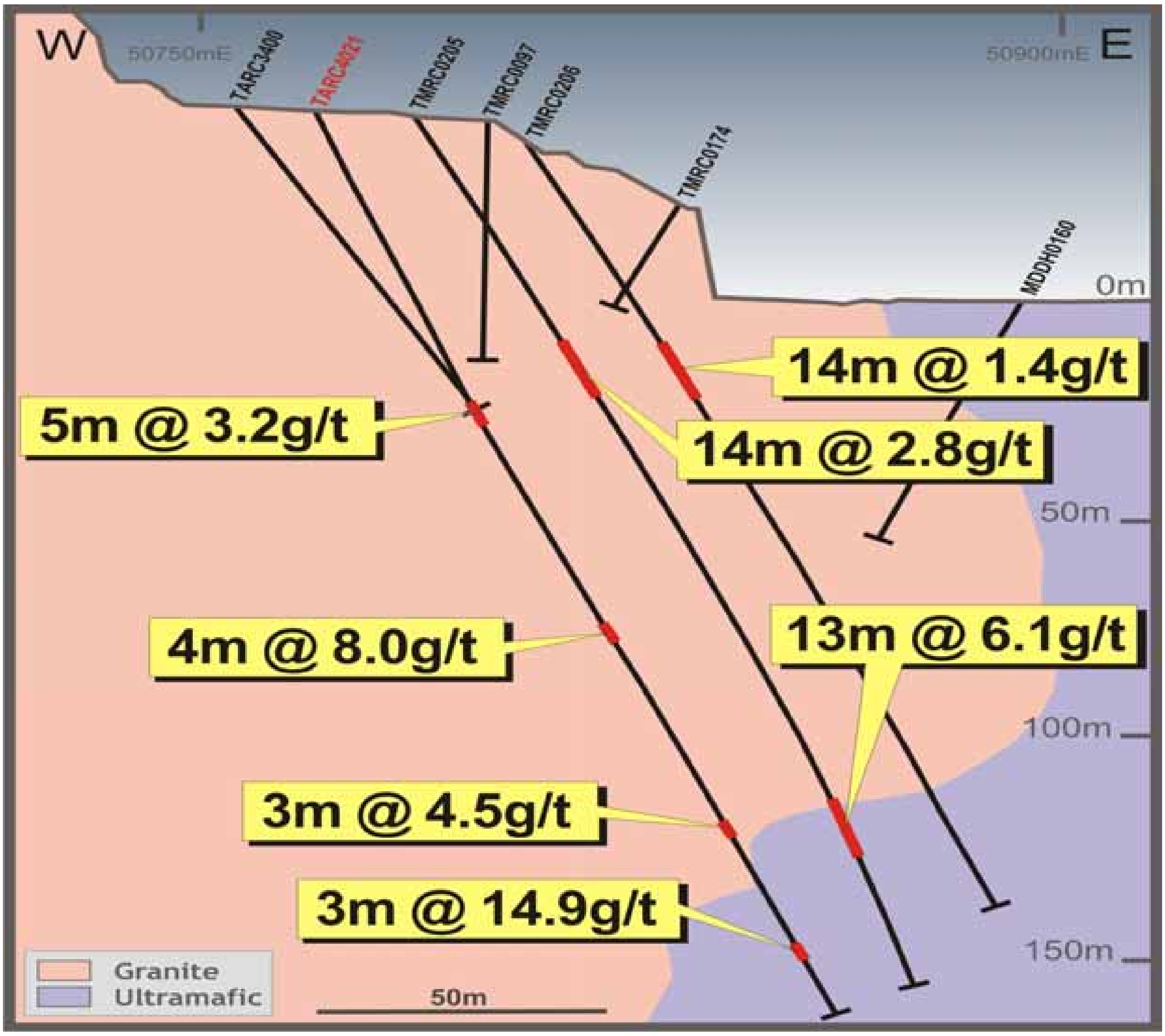

Diagram 4: **Tarmoola Cross Section**

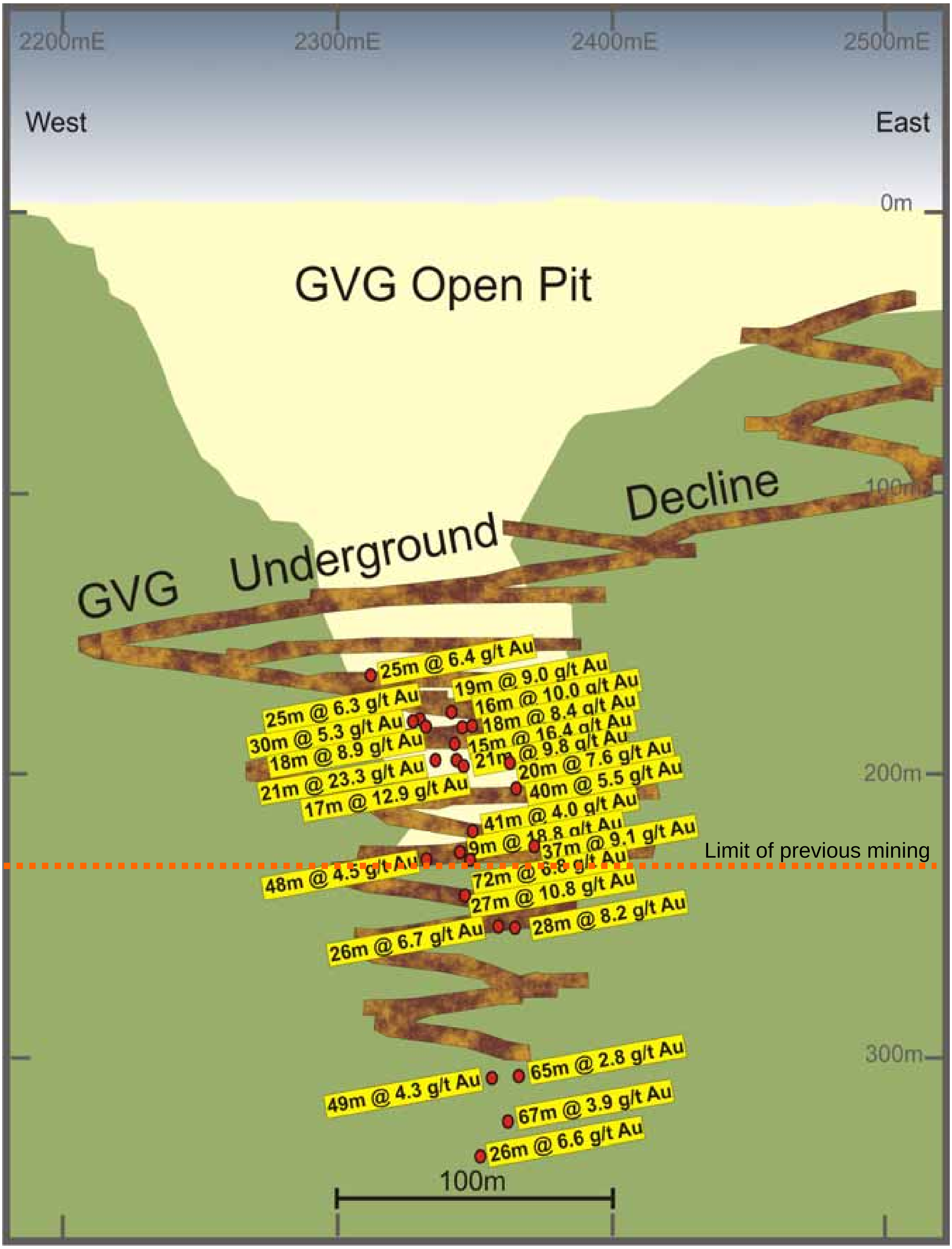

Diagram 5: **GVG Depth Potential**

Note: all drill hole results are historic. Apparent widths are shown.

Table 1: Significant Gold Intersections

Hole No	North	East	Dip/Azi	Vertical Depth mbs	Mineralised Intersection From m	Length m	Gold g/t
LEONORA							
Kailis (open pit resource drilling)							
KARC0228	33750	174600	Vertical		68.0	17.0	4.9
KARD0226	33740	174630	-60/94		94.2	9.3	6.3
Tower Hill (open pit / underground resource drilling)							
TWRC0294	6802581	336633	-80/270		174.0	28.0	2.6
TWDD0290	6802101	336966	-68/271		310.0	7.1	8.5
TWDD0282	6802460	337122	-75/271		455.0	28.0	2.1
					517.0	2.6	20.2
TWDD0270	6802179	337181	-75/273		442.5	8.7	5.7
Tarmoola (underground resource drilling)							
TARC4021	6827759	320705	-67/64		209.0	3.0	14.9
					128.0	4.0	8.0
TARD4010	6827710	320695	-66/63		32.0	2.0	18.1
TARC4015	6827244	320287	-72/67		122.0	4.0	8.9
Gwalia							
UGD838	6220	8163		765	116.4	9.2	5.7
UGD892	6525	7911		553	75.0	2.5	17.9
UGD826	6218	8179		766	109.8	8.8	4.5
	6209	8189		756	93.0	7.1	5.0
SOUTHERN CROSS							
Marvel Loch (underground resource drilling)							
NUG071	10749	4762		646.2	276.0	10.0	10.6
NUG075A	10701	4842		587.1	163.4	2.9	21.0
CUG172	10445	4772		494.4	150.5	11.1	4.4
NUG072	10752	4766		740.9	371.0	1.8	26.2
NUG066	10766	4770		688.3	324.0	5.5	7.3
CUG175	10458	4815		513.7	137.0	5.6	6.8
CUG187	10412	4787		550.5	192.0	6.0	5.5
Nevoria (open pit / underground resource drilling)							
NVC093	6511243	745235	-50/20		224.0	3.0	32.4
NVC081	6511535	745193	-50/200		204.0	13.0	5.3
					188.0	3.0	18.7
					132.0	8.0	5.5
					173.0	8.0	4.4
NVC095	6511156	745311	-49/21		283.0	11.0	6.2
NVC082	6511221	745206	-60/19		190.0	15.0	4.4
NVC101	6511524	745108	-90/219		64.0	10.0	4.4
Transvaal (underground resource drilling							
TVDD0009	6537312	721460	-59/262		140.0	4.0	21.8
					239.0	10.6	3.7
TVDD0005	6536839	721534	-59/262		217.0	7.0	4.8
GVG (shallow open pit resource drilling)							
MSRC0149	6506505	744234	-60/91		29.0	38.0	1.3
MSRC0088	6506487	744235	-58/97		39.0	28.0	1.6
MSRC0136	6506305	744216	-60/181		26.0	28.0	1.5
MSRC0086	6506488	744246	-60/91		3.0	27.0	1.5
					36.0	19.0	1.3
MSRC0093	6506524	744286	-60/91		3.0	31.0	1.2
MSRC0102	6506486	744225	-60/94		58.0	15.0	2.2

Vertical depths and North and East co-ordinates shown for Gwalia relate to the mid-point of the intercept.

Intersection lengths for Kailis, Tarmoola, Nevoria, Transvaal and GVG are downhole. Vertical depths and North and East co-ordinates shown for Marvel Loch relate to the mid-point of the intercept. For Marvel Loch, the NUG holes are from Sherwood and Undaunted lodes; CUG holes are from Exhibition Lode.

Intersection lengths for Tower Hill, Gwalia and Marvel Loch are true width.

Competent Person Statement

Significant gold intersections and geological interpretations contained in this report have been compiled by Mr Peter Thompson. Mr Thompson is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of the Company. Mr Thompson has sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. Mr Thompson consents to the inclusion in the report of the matters based on their information in the form and context in which they appear.