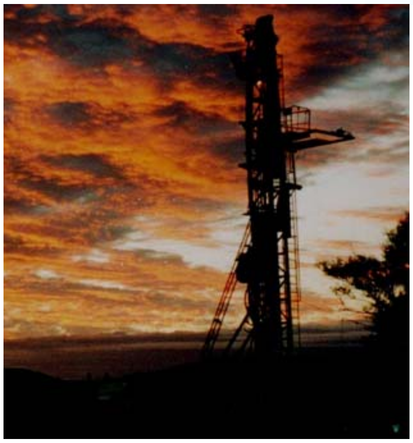
St Barbara LIMITED

St Barbara Limited ACN 009 165 066
Level 14, 90 Collins Street, Melbourne VIC 3000
Locked Bag 9, Collins Street East, Melbourne VIC 8003
Tel +61 3 8660 1900 **Fax** +61 3 8660 1999
www.stbarbara.com.au



Unmarketable Parcel Share Sale Facility

St Barbara is conducting an Unmarketable Parcel Share Sale Facility (the "Facility") for shareholders who hold less than A$500 market value of St Barbara shares as at 7.00pm (Melbourne time) on Friday 17 December 2010 ("Unmarketable Parcel").

As previously foreshadowed, the anticipated rationalisation of small shareholdings through the Facility is expected to assist in reducing share registry administration costs.

Unmarketable Parcel Share Sale Facility

The Facility follows the recent Share Top Up/Voluntary Share Sale facilities offered to small shareholders in October and November of this year. The Facility will only apply to shareholders with an Unmarketable Parcel who have a registered address in Australia or New Zealand ("Eligible Shareholders").

Eligible Shareholders will shortly be sent a letter explaining the Facility and the process to sell or retain their shares. Eligible Shareholders can choose to either:

1 **Retain their shares** by simply completing and returning a Share Retention Form accompanying their letter by 5:00pm (Melbourne time) on Thursday 17 February, 2011; or

2 **Sell their shares**, by taking no action.

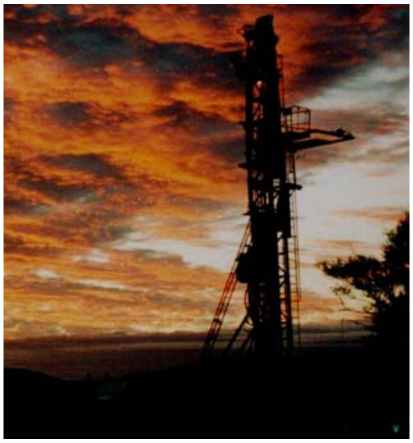
As provided for in ASX Listing Rule procedures and St Barbara's constitution, Eligible Shareholders who do not elect to retain their shares by returning the Share Retention Form will have their shares compulsorily sold on their behalf and the proceeds of sale will be distributed to them.

Sale Price

Proceeds from the sale of shares under the Facility are due to be paid to Eligible Shareholders by 8 March 2011. The sale price will be the volume weighted average price received by the appointed broker for shares sold pursuant to the Facility. St Barbara will pay the brokerage on the sale of the shares under the Facility. Any consequential tax issues arising from the sale will be each Eligible Shareholder's responsibility.

St Barbara LIMITED

St Barbara Limited ACN 009 165 066
Level 14, 90 Collins Street, Melbourne VIC 3000
Locked Bag 9, Collins Street East, Melbourne VIC 8003
Tel +61 3 8660 1900 **Fax** +61 3 8660 1999
www.stbarbara.com.au



Timetable

Event	Date
Cut-off for determining Eligible Shareholders	17 December, 2010 [7pm]
Offer opens	22 December, 2010
Closing Date - offer closes (Share Retention Forms must be received by Share Registry by 5pm)	17 February, 2011 [5pm]
Sale price and completion of facility announced	1 March, 2011
Payment advice dispatched to shareholders	8 March, 2011

Note: The timetable is indicative only and subject to change at the Company's discretion. Times quoted are Melbourne time.

Why conduct an Unmarketable Parcel Share Sale Facility?

St Barbara welcomes the support of all its shareholders, however, it incurs administrative costs in producing and distributing shareholding statements, annual reports, notices of meeting and other communications, irrespective of the size of any shareholder. The cost of maintaining shareholder accounts can be disproportionately high when compared with the dollar value of relatively small shareholdings. Hence, St Barbara has initiated the Facility as a convenient and cost effective way for Eligible Shareholders to sell their Unmarketable Parcels of shares, free of brokerage.

Further information

Shareholders with queries regarding the Facility should contact St Barbara's nominated broker, EL & C Baillieu Stockbroking Ltd on 1800 339 521 (within Australia) or on +61 3 9602 9222 (outside Australia).

Shareholders wishing to consolidate multiple holdings or with questions regarding their shareholding should contact the St Barbara Share Registry Call Centre on 1300 653 935 (within Australia) or on +61 3 9415 4356 (outside Australia).

Ross Kennedy
Executive General Manager Corporate Services
Company Secretary
17 December 2010