



# St Barbara LIMITED

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## Presentation to Investors at Leonora Operations

Attached is a presentation to investors attending a site visit today at Leonora Operations, Western Australia.

**Ross Kennedy**  
Executive General Manager Corporate Services  
Company Secretary  
11 March 2011





**St Barbara**  
LIMITED

## **LEONORA OPERATIONS INVESTOR SITE TOUR**

Leonora Operations  
Friday 11 March, 2011

**Garth Campbell-Cowan, CFO**  
**David Rose, COO**  
**Philip Hopkins, GM Leonora Operations**

VALUE FOCUSED GOLD COMPANY MARCH 2011  
SLIDE 1



# Forward statements



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Financial figures are in Australian dollars unless otherwise stated.

# Emerging mid-cap Australian gold producer & explorer



## STOCK CODE: SBM

Australian based producer <sup>(1)</sup>	231Koz
ASX market capitalisation <sup>(2)</sup>	A\$726M
Producing operations	2
Exploration land bank	5,000+ kms <sup>2</sup>
Ore Reserves <sup>(3)</sup>	15.7Mt @ 5.8g/t Au for 2.9Moz
Mineral Resources <sup>(3)</sup>	47.6Mt @ 5.0g/t Au for 7.7Moz
Cash <sup>(4)</sup>	A\$96M
Debt <sup>(4)</sup>	A\$12.5M



1 Production for fiscal year 2010 (1 July 2009 - 30 June 2010)  
 2 As at 7 March, 2011, based on \$2.23 per share  
 3 As at 30 June 2010  
 4 As at 31 December 2010



### Timeline

**2005**

Gold assets of Sons of Gwalia acquired

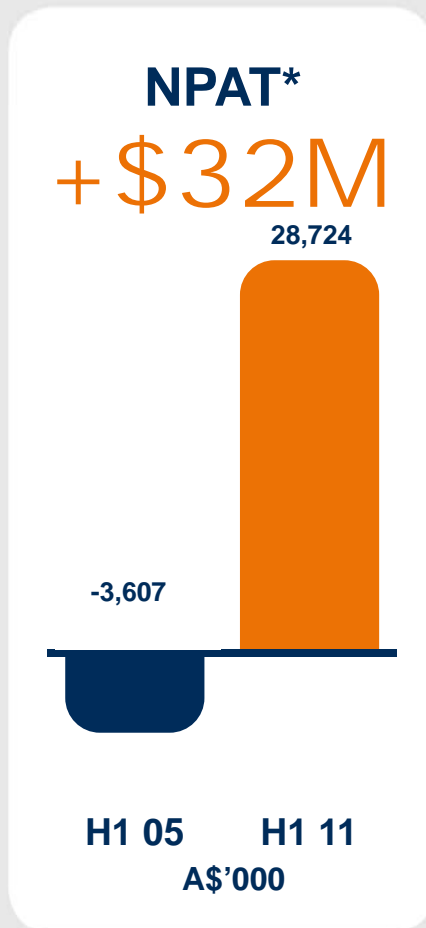
**2008**

Production commences from Gwalia, Leonora

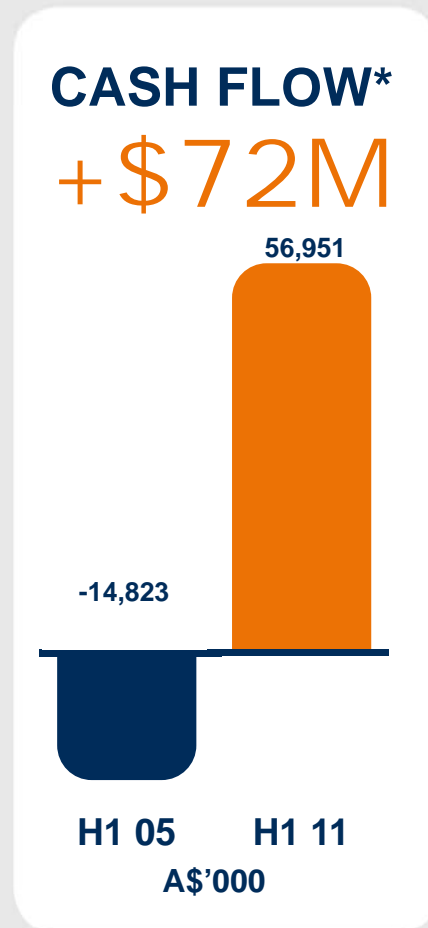
**2010**

Consolidated production of 231Koz

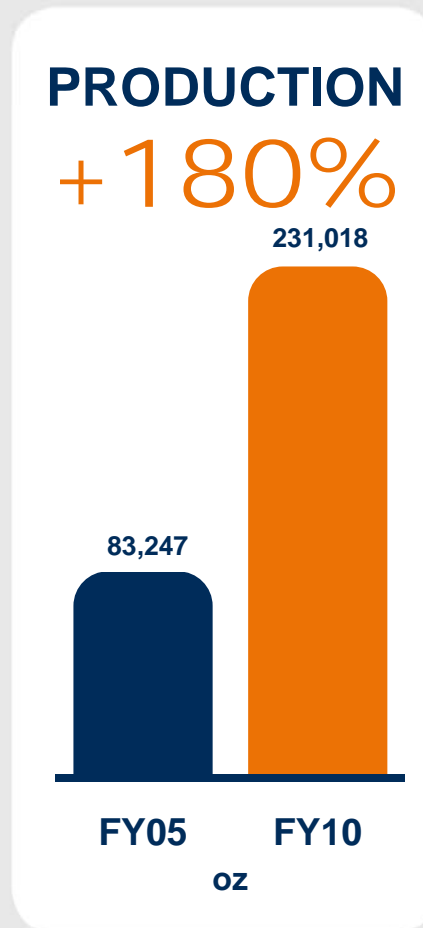
# Delivering growth since 2005



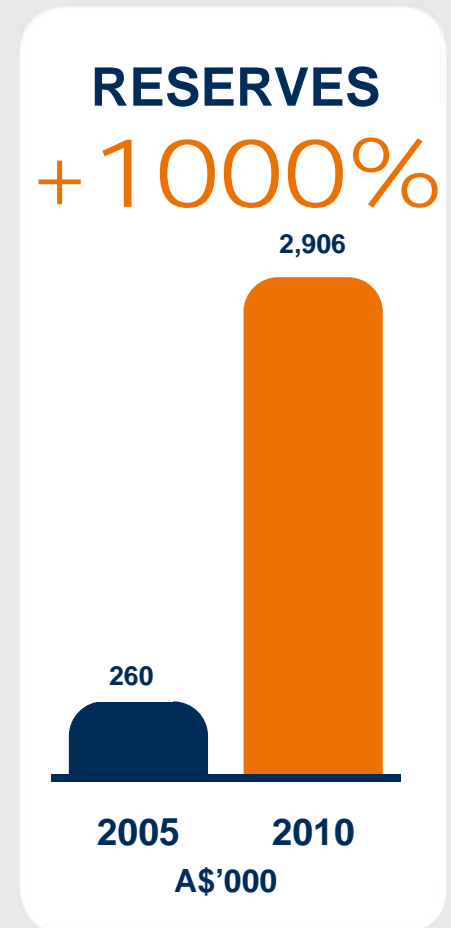
31 December 2004 to 31 December 2010  
\* Underlying NPAT



31 December 2004 to 31 December 2010  
\*Operating cash flow



30 June 2005 to 30 June 2010



As at 30 June 2005 and 30 June 2010

# Growing the business and increasing margins



## ORGANIC GROWTH

- Increasing Gwalia production
- New mine being developed – King of the Hills
- Exploration success

## DRIVING BUSINESS MARGINS

- Procurement savings
- Systems improvement program
- Productivity improvement program

## CAPITAL MANAGEMENT

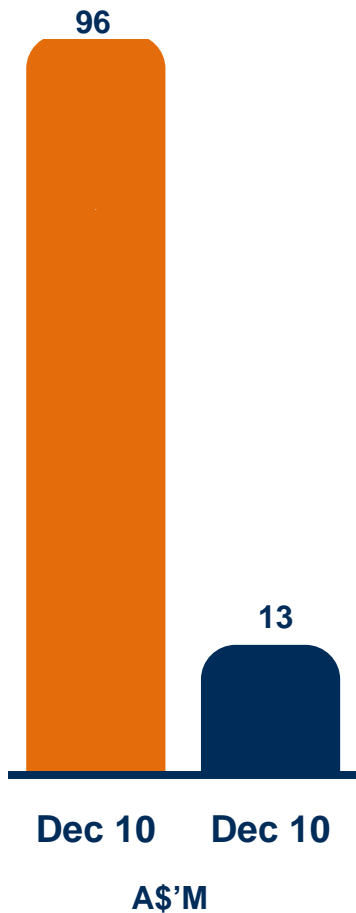
- Increasing cash flows from production
- Organic growth to be funded internally
- Significant tax losses available  
(\$330M gross value as at 30 June 2010)



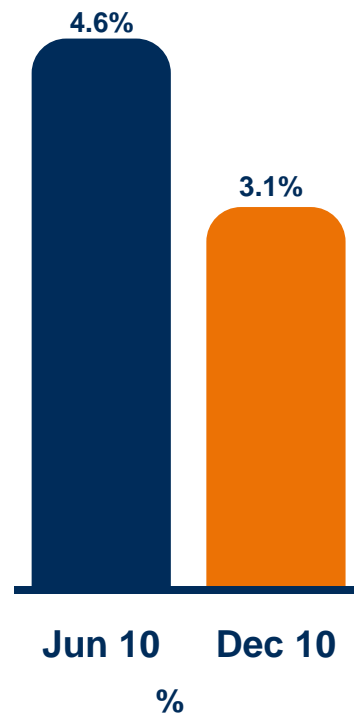
# Strong financial performance = flexibility



## CASH DEBT



## DEBT ÷ EQUITY



## Record 1H 2011 Results

Underlying NPAT of \$28.7M

Underlying EPS of 8.82¢

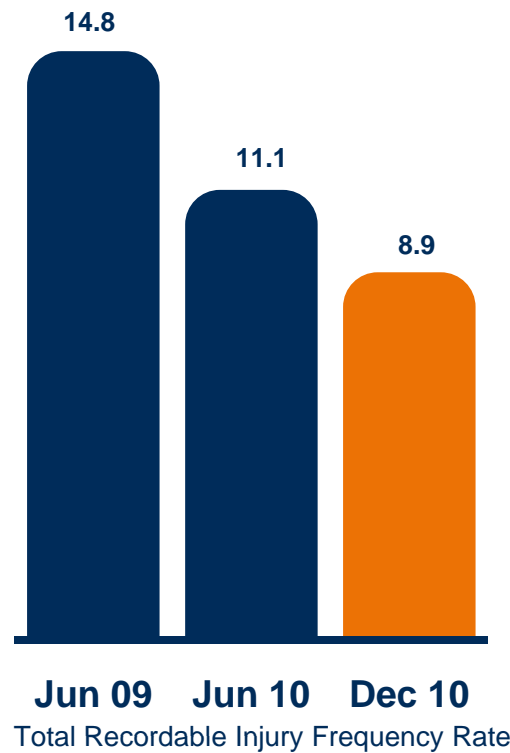
NTA per share \$1.24



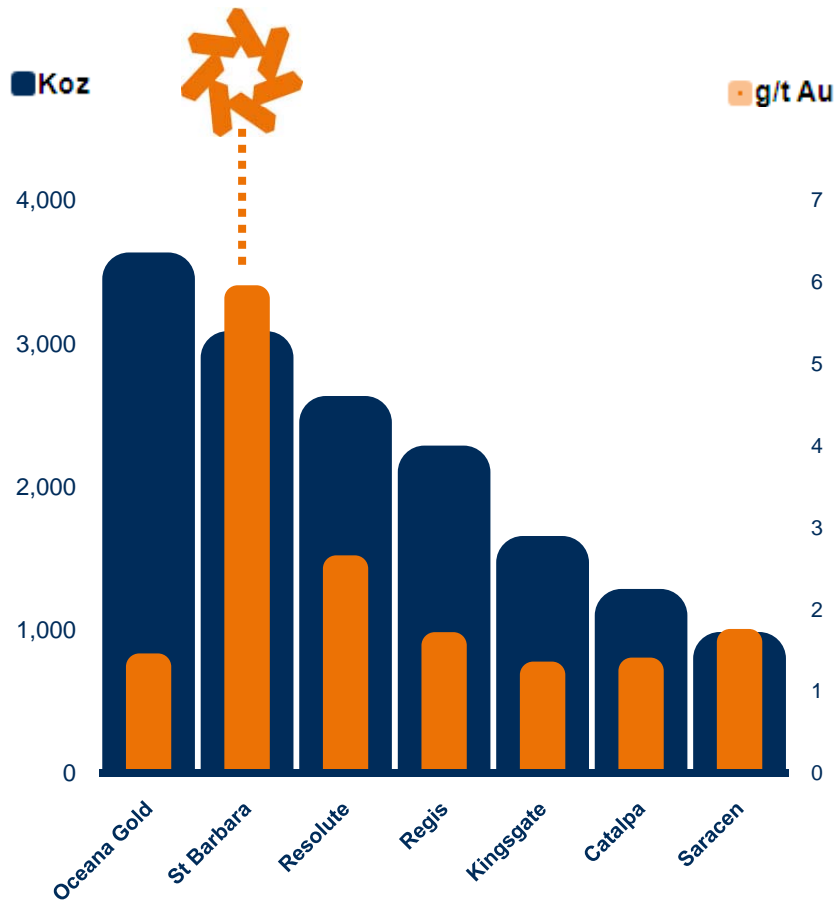
# Building a high performance business



## IMPROVING SAFETY PERFORMANCE



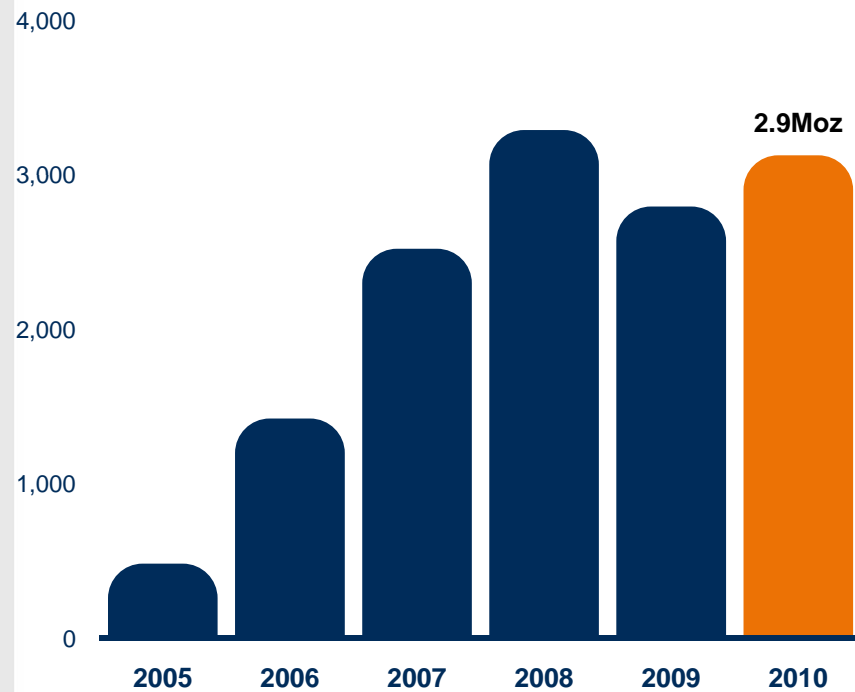
# Building reserves – extending mine life



## Reserve & Reserve Grade

AT 30 JUN 2010

## 2.9Moz in Ore Reserves



## St Barbara Ore Reserves

AT 30 JUN 2010

# Rain disruption at Gwalia



## Exceptionally heavy rain

- 171 mm of rain fell in the Leonora region in the third and fourth weeks of February
- Total rainfall for February was 191mm
- This contrasts with the long term median for February of 13 mm

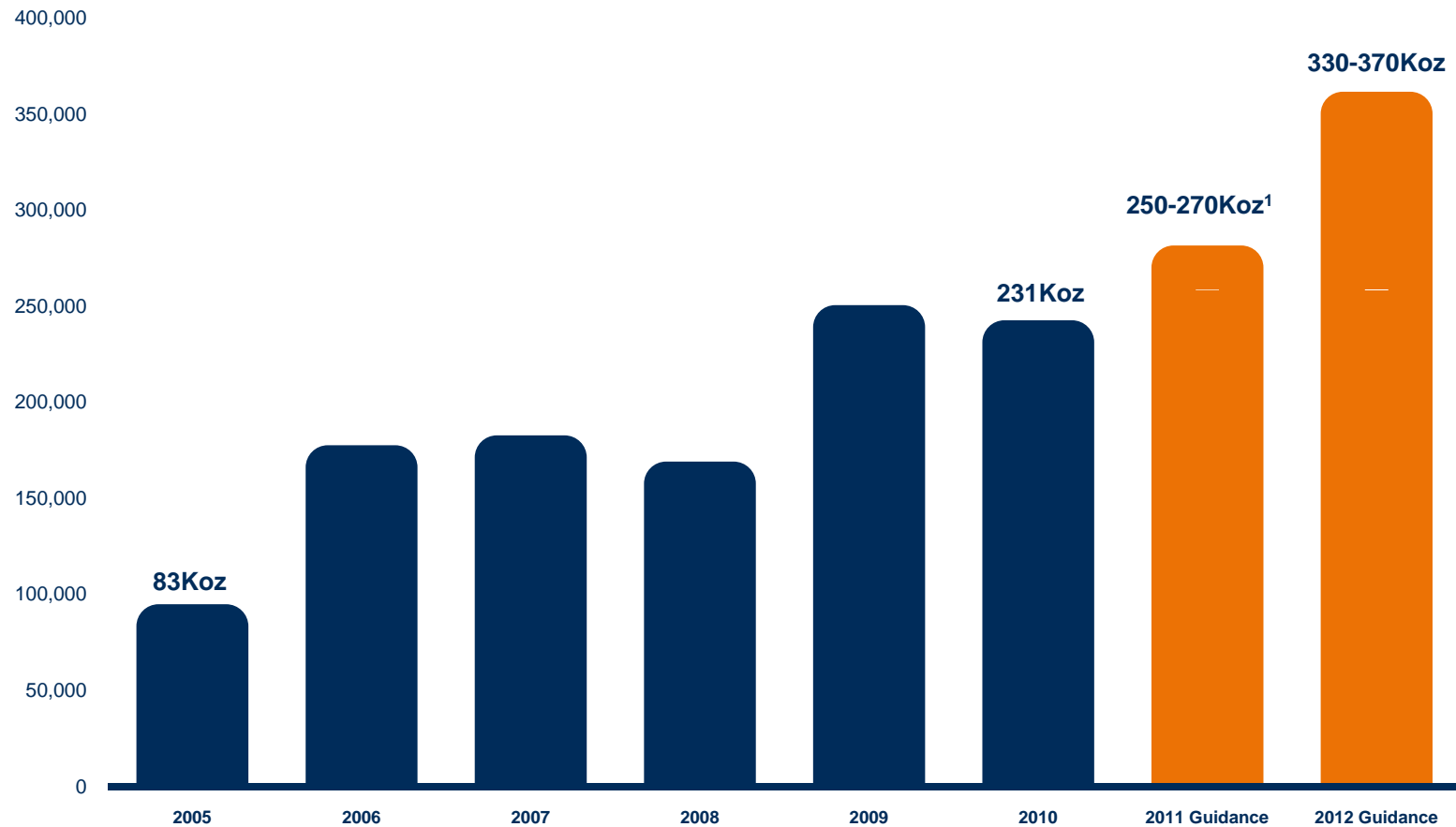
## Void intercepted decline

- Rain appears to have contributed to the subsidence of an historic void at 235 mbs in the Hoover Decline
- All haulage stopped while the void was filled

## Water ingress flooded bottom of decline

- Rain water from the Gwalia pit and old workings overflowed underground storage and pumping areas
- Operations were temporarily suspended
- Pumping system reconfigured
- Haulage and production have resumed

# Growing gold production



1 = FY11 updated guidance incorporates the reduction in Gwalia gold production caused by the exceptionally heavy rain as reported on 11 March 2011. Previous FY11 guidance was at the lower end of the range of 265,000 - 295,000 ounces.

# Our Operations



## Leonora

**Mine life:**  
9+ years

**Ore Reserves:**  
10.2Mt @ 7.3g/t Au for 2.4Moz

**Mineral Resources:**  
27.7Mt @ 6.1g/t Au for 5.4Moz

**Gwalia Cash Operating Cost:**  
FY10 A\$686/oz  
FY11 A\$630-680/OZ (guidance)

**Production:**  
FY10 109Koz  
FY11 140-145Koz\*  
FY12 245-270Koz\*

\*Guidance including King of the Hills



## Southern Cross

**Mine life:**  
24+ months (AT JUNE 2010)

**Ore Reserves:**  
5.4Mt @ 2.8g/t Au for 500Koz

**Mineral Resources:**  
19.9Mt @ 3.5g/t Au for 2.3Moz

**Cash Operating Cost:**  
FY10 A\$883/oz  
FY11 A\$950-990/oz\*

**Production:**  
FY10 122Koz  
FY11 110-125Koz\*  
FY12 85-100Koz\*

\*Guidance.

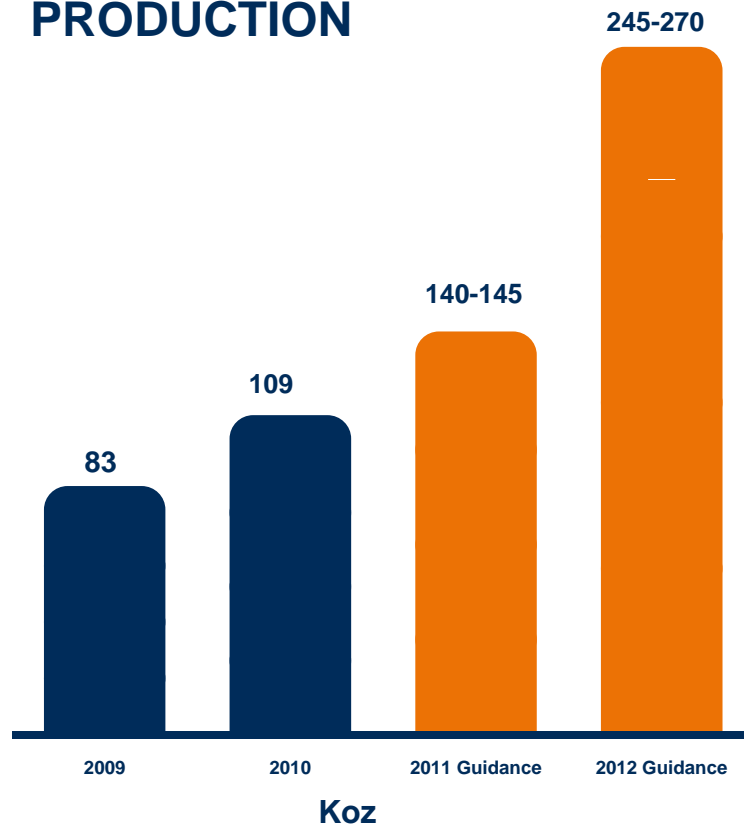
### PRODUCTION GUIDANCE RANGE FY12

# 330 — 370Koz

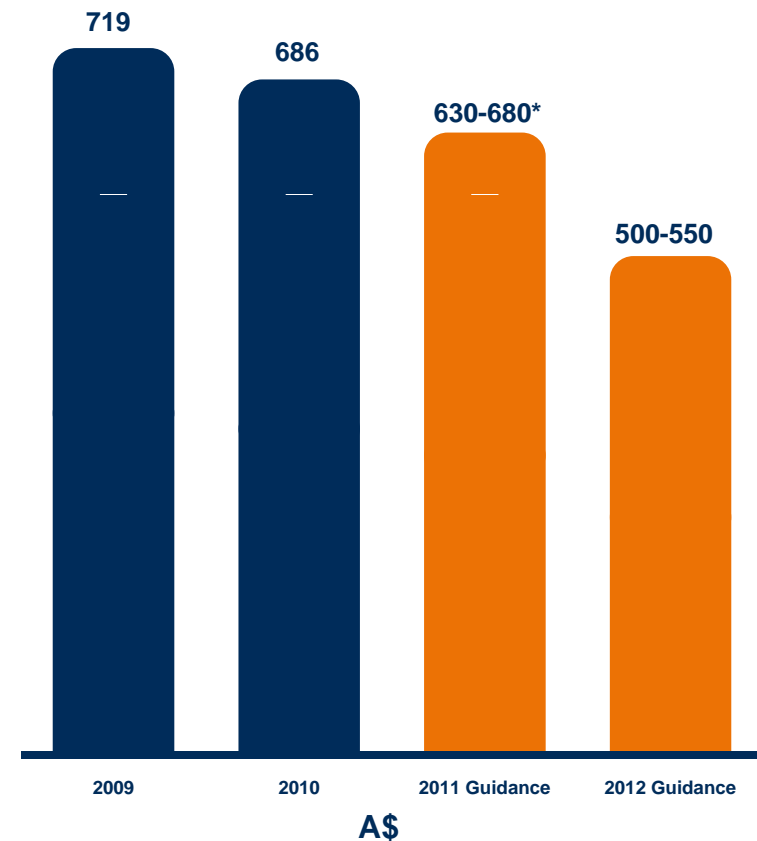
# Leonora Operations - driving higher returns



## GROWING GWALIA AND KING OF THE HILLS PRODUCTION



## REDUCING GWALIA CASH OPERATING COSTS



\* Unit cash operating costs will be proportionately higher due to the lower forecast production. This guidance for FY11 will be updated in the March 2011 quarterly report

# Leonora Operations - two mines, quality facilities



## Personnel Onsite

- 139 SBM employees
- 218 Barmenco
- 42 Byrnegut
- 102 Other  
(drilling, catering, maintenance)
- 501 total

## Fit for Purpose Facilities

- Village expansion Phase II underway
- King of the Hills infrastructure & mine commissioning complete
- Underground Infrastructure upgrades to complete in Q3
- Site upgrades (offices, workshop & warehouse) underway



# Scaleable infrastructure designed for Life of Mine



## Leonora Operations – Surface facilities

- Ventilation Fans  
2 x 1350kW – Final Duty 450 m<sup>3</sup>/sec @ 4kPa
- Refrigeration  
4 MWr – Upgradable to 8 MWr (2011/12)
- Paste fill plant  
100 m<sup>3</sup>/hr (current rate 130 m<sup>3</sup>/hr)
- Power station  
4 MW (Dual Fuel) + 11MW (Gas) – Upgradable



# Leonora Processing plant 10+ year life



- 1.2 mtpa processing plant
- +95% recovery and +98% availability
- Operating above design recovery level
- Hybrid Carbon-in-Leach circuit
- Readily expandable to ~1.7mtpa



# Leonora Operations - two mines

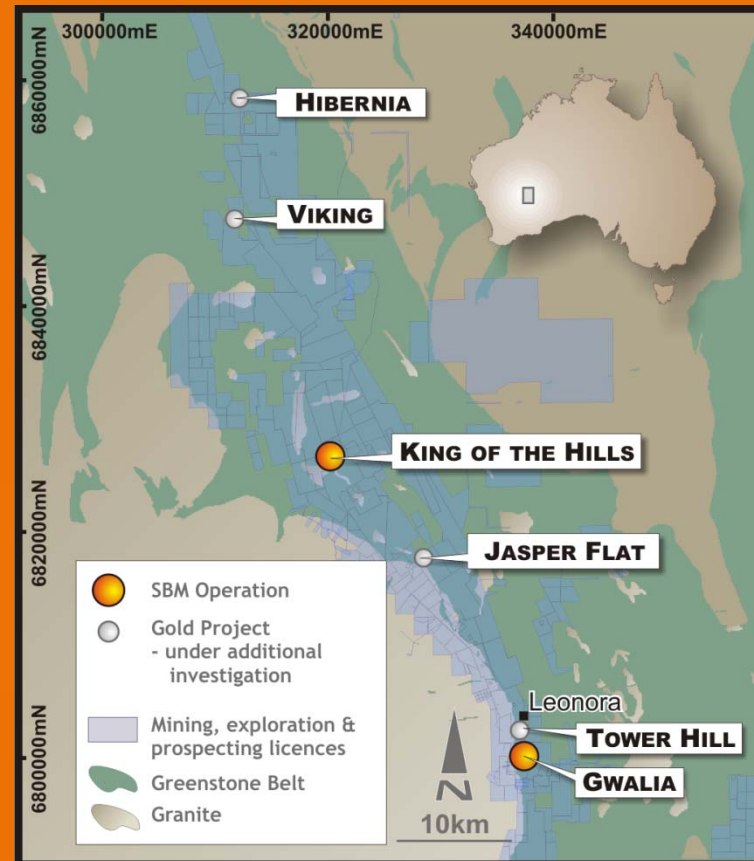


## Gwalia

- Gwalia continues to build gold production to a sustainable level of 200,000 oz pa
- Targeting first quartile cash cost position during FY12
- Increasing grades drives lower costs
- Gwalia mineralization extended at depth to 1900mbs

## King of the Hills

- Satellite underground project
- On target for first production June 2011
- Fully utilizes Gwalia mill capacity
- Life of 5+ years, potentially more



# Gwalia - rich in history, rich in gold



**1897**  
Herbert Hoover buys  
mine for Bewick Moreing

**1896**  
Welsh syndicate  
discovers the  
Gwalia Reef

**1963**  
Mine closes having  
produced more than  
>2.5Moz over 67 years

**1983**  
Lalor brothers purchase mine and  
open cut mining commences

**1999**  
Open pit finishes and the  
Hoover Decline is established  
for underground mining

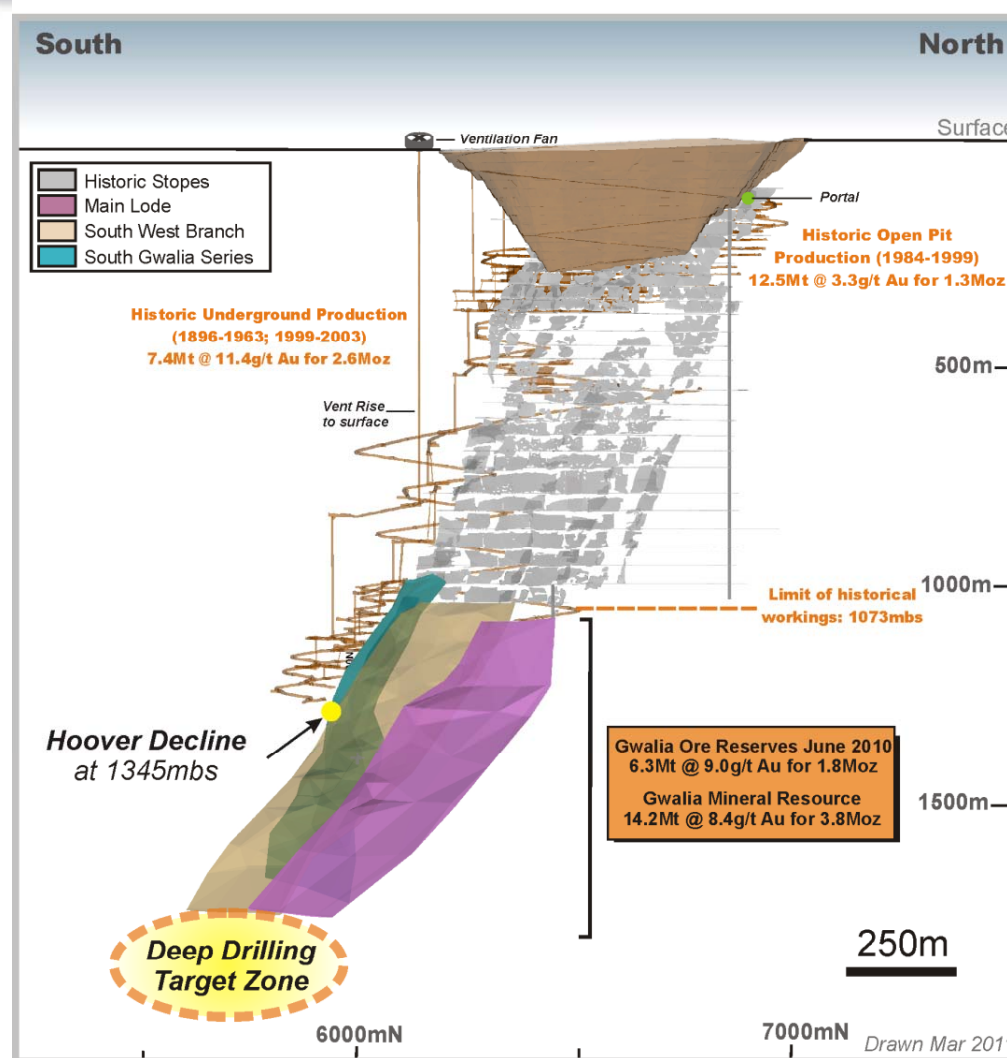
**2002**  
Mine placed on care and  
maintenance  
SOG produces 1.3Moz

**2005**  
Mine acquired by  
St Barbara Ltd

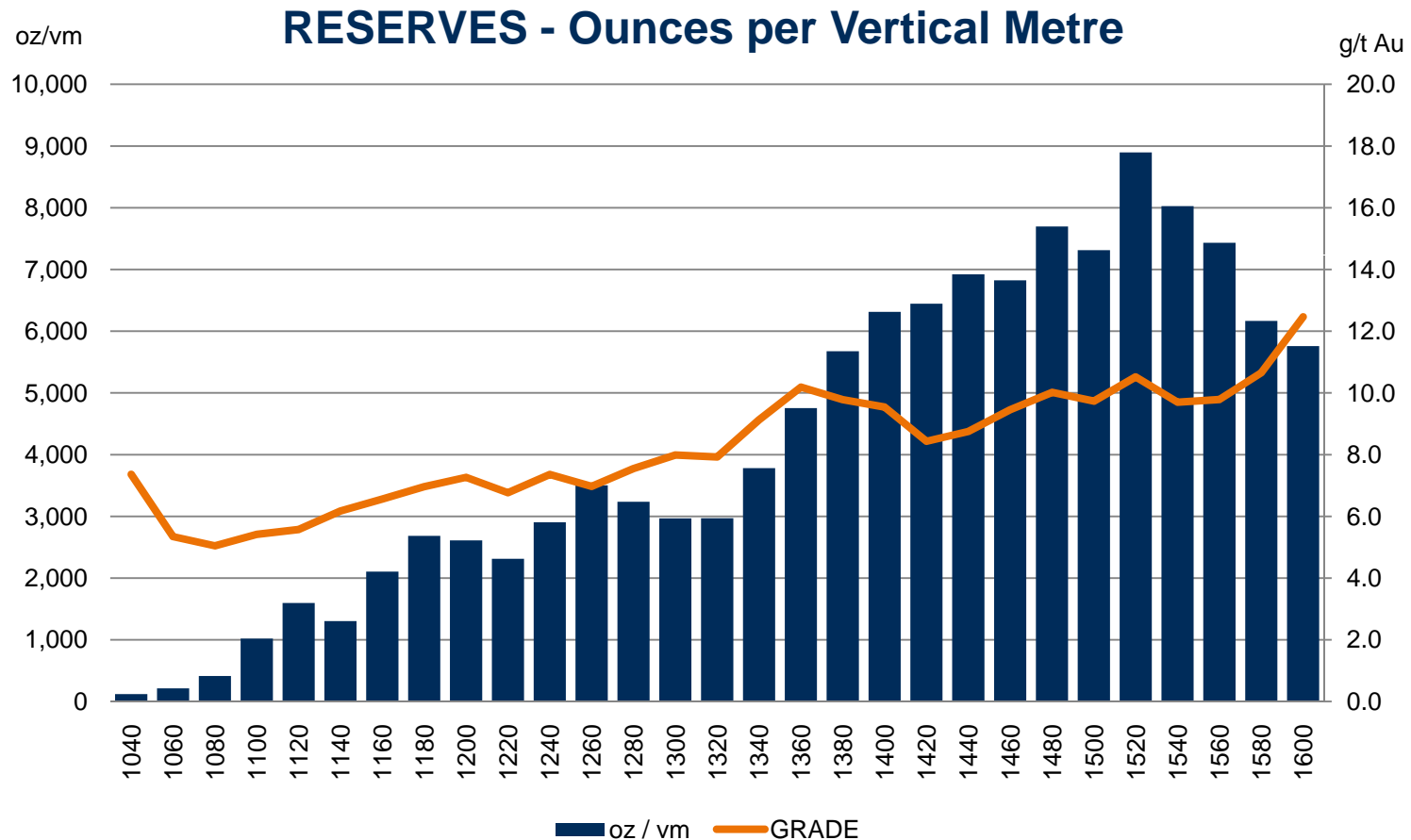
**2008** SBM pours first gold in Oct 2008

**2009** SBM first 100koz in Sept 2009

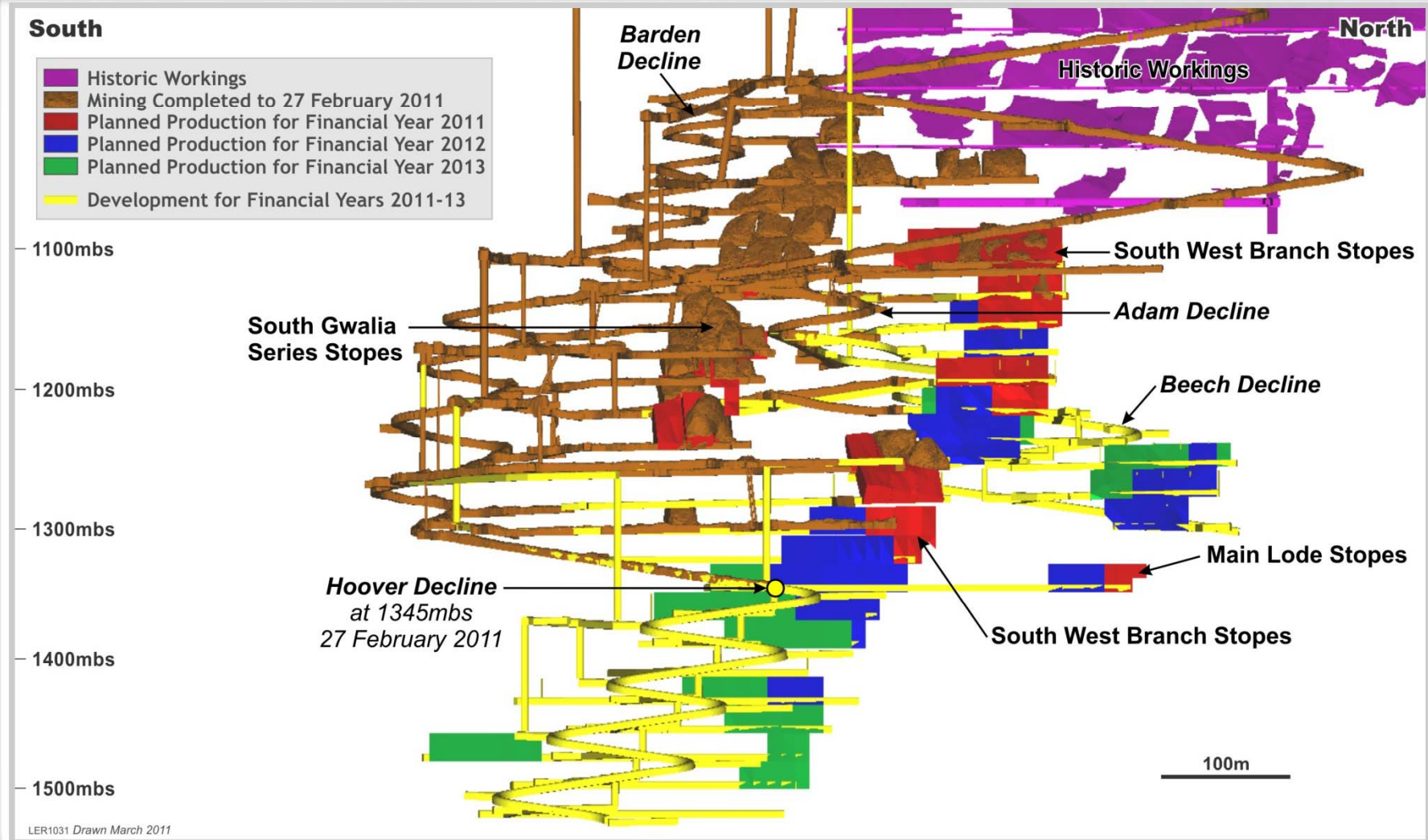
# Gwalia - the cornerstone asset



# Gwalia - grade and thickness increases with depth



# Gwalia - accessing the high grade South West Branch



# Gwalia - mining improvements



## Stopping

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- Opening up multiple independent mining areas
  - four areas now available
- Stopping parameters improved
  - strike length
  - firings sequence
- Focus on stope cycle time to maintain production rate

## Haulage

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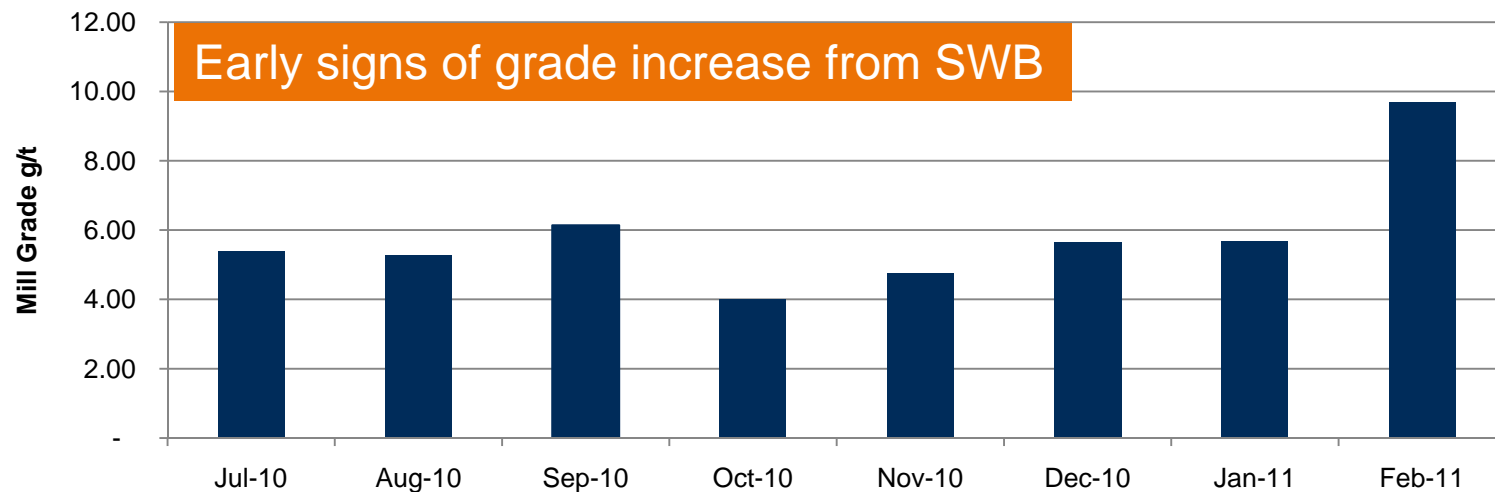
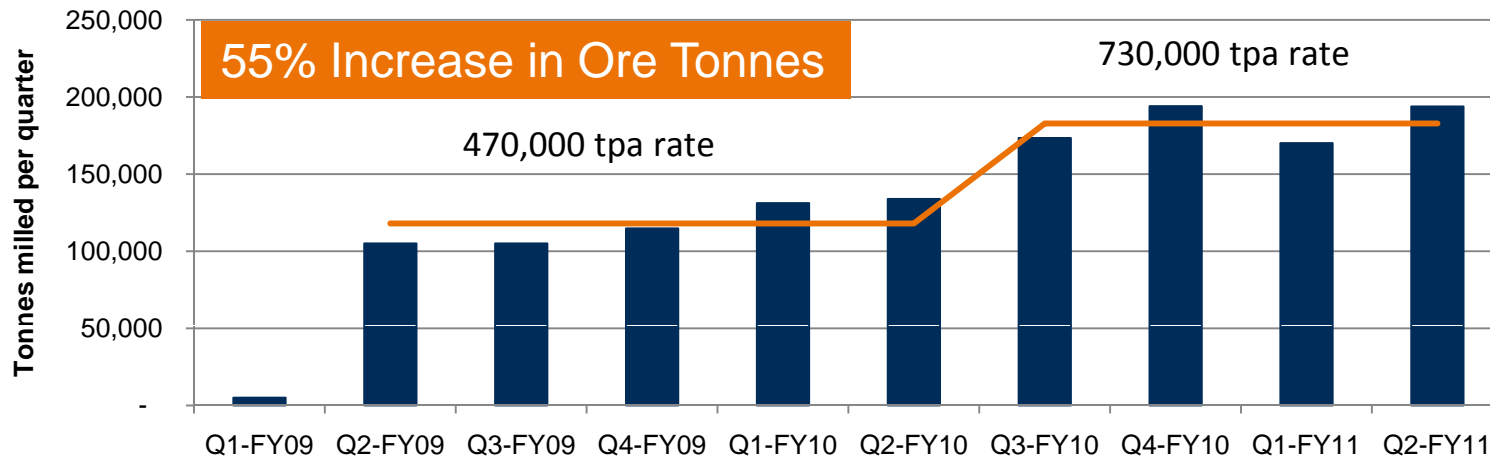
- Underground equipment fleet upgrade complete
- In pit RoM stockpile commissioned
- “Haulage Boss” added to all crews
- Underground waste surge stockpiles to balance peaks and troughs

## Underground Infrastructure

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- Magazine
- Pump Station
- Fuel Bay
- Workshop

# Gwalia - tonnes and grade improvements



# Maximising value at Gwalia



## Construction projects

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- UG workshop, refuelling station, explosive magazine, pumping station
- Village expansion
- Site upgrades



## Major projects

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- Regional & UG resources
- Material handling study
- Process plant expansion study
- Exploring for depth extensions



## People

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- Contract partner alignment
- Building the team
- Retention plans and focus
- Mine employee facilities

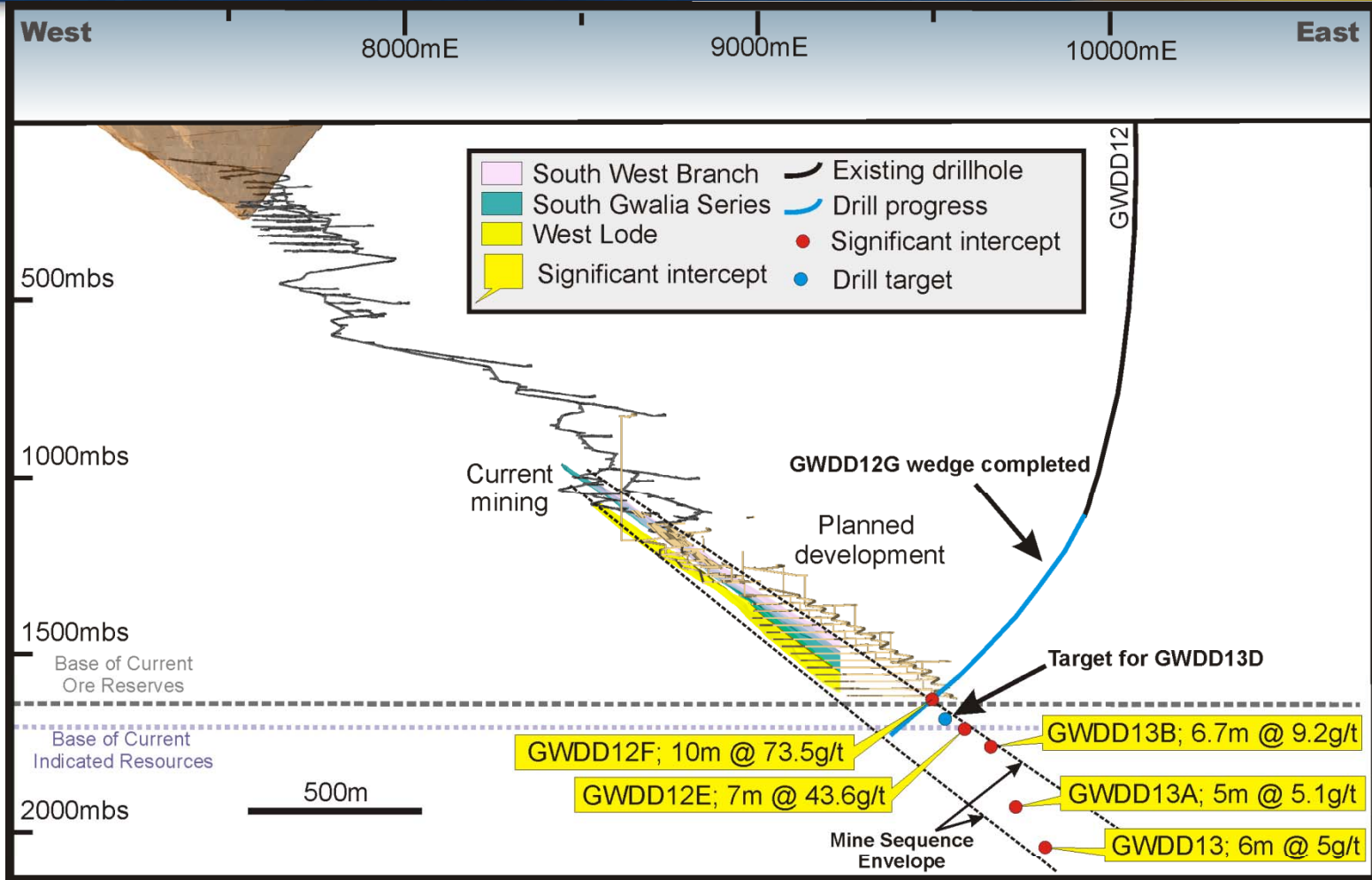


## Business Improvement

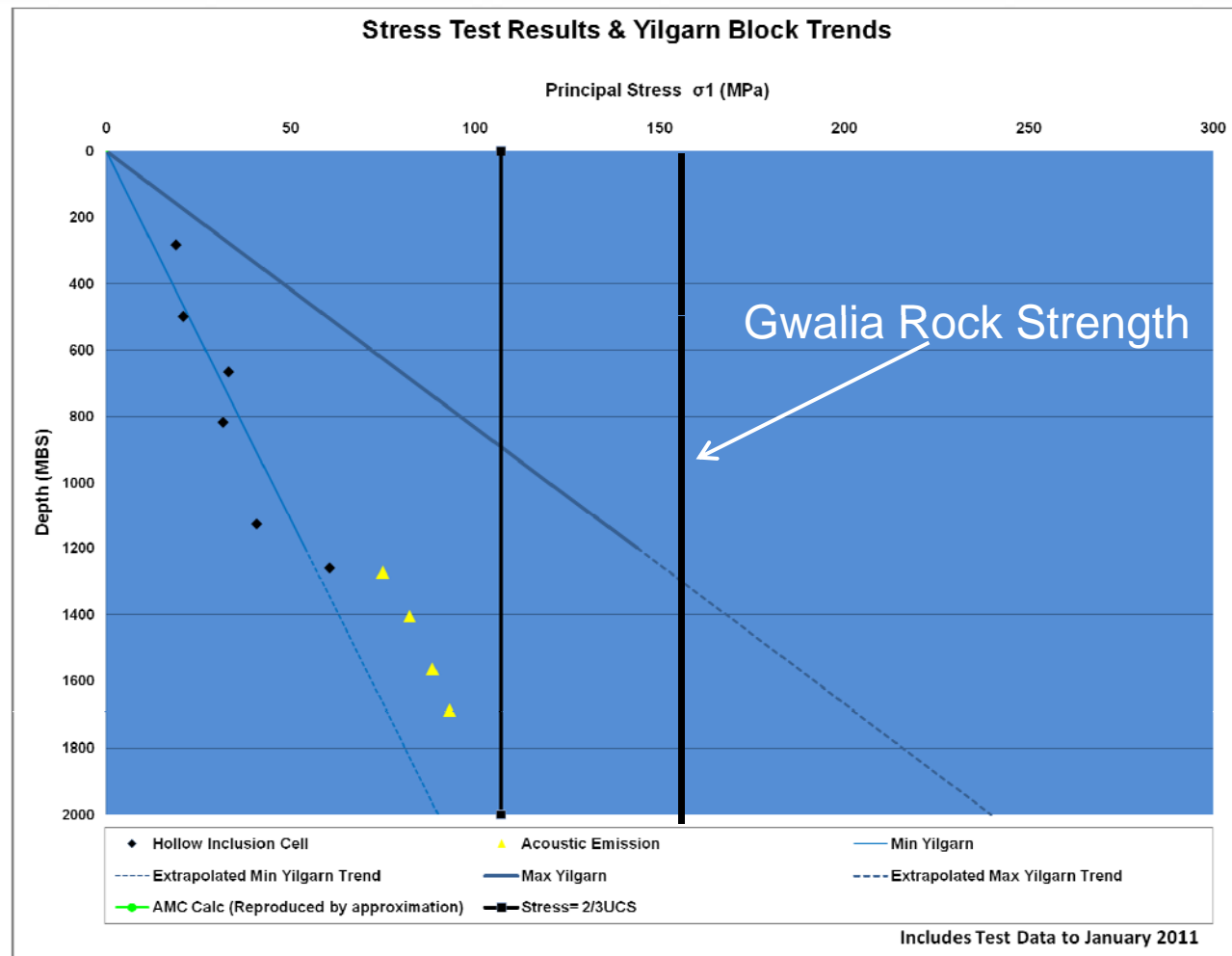
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- Mining methods optimisation
- Short term planning and execution project
- 2<sup>nd</sup> Knelson concentrator

# Gwalia - extensions at depth confirmed



# Gwalia - stress gradient supports deep mining



# King of the Hills - on schedule



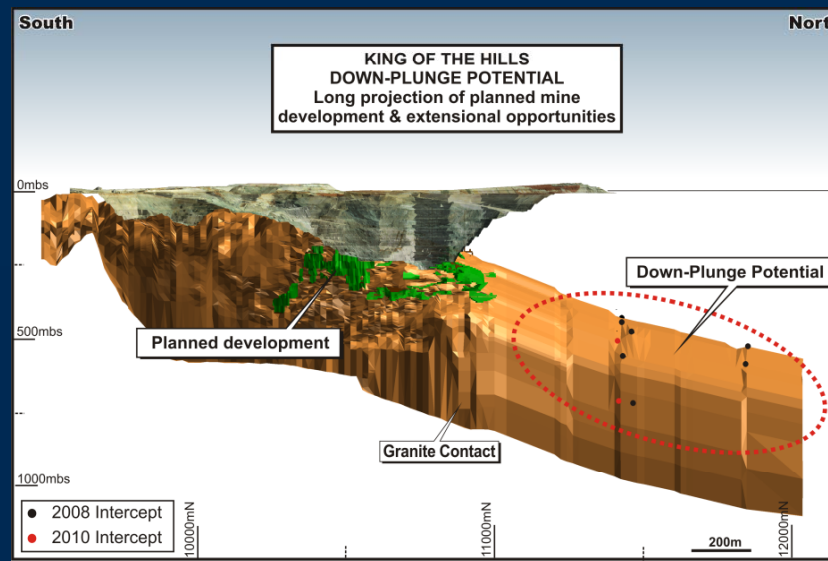
**FIRST FIRING – 4:00pm, 9 October 2010**

# King of the Hills - utilising plant capacity



## King of the Hills

- Production commencing in May 2011
- Gold production of 55-60Koz per annum
- +5 years life of mine
- Available Gwalia plant capacity fully utilised
- A\$ price risk mitigated through collar structure  
(Minimum A\$1,425/oz, Maximum A\$1,615/oz)



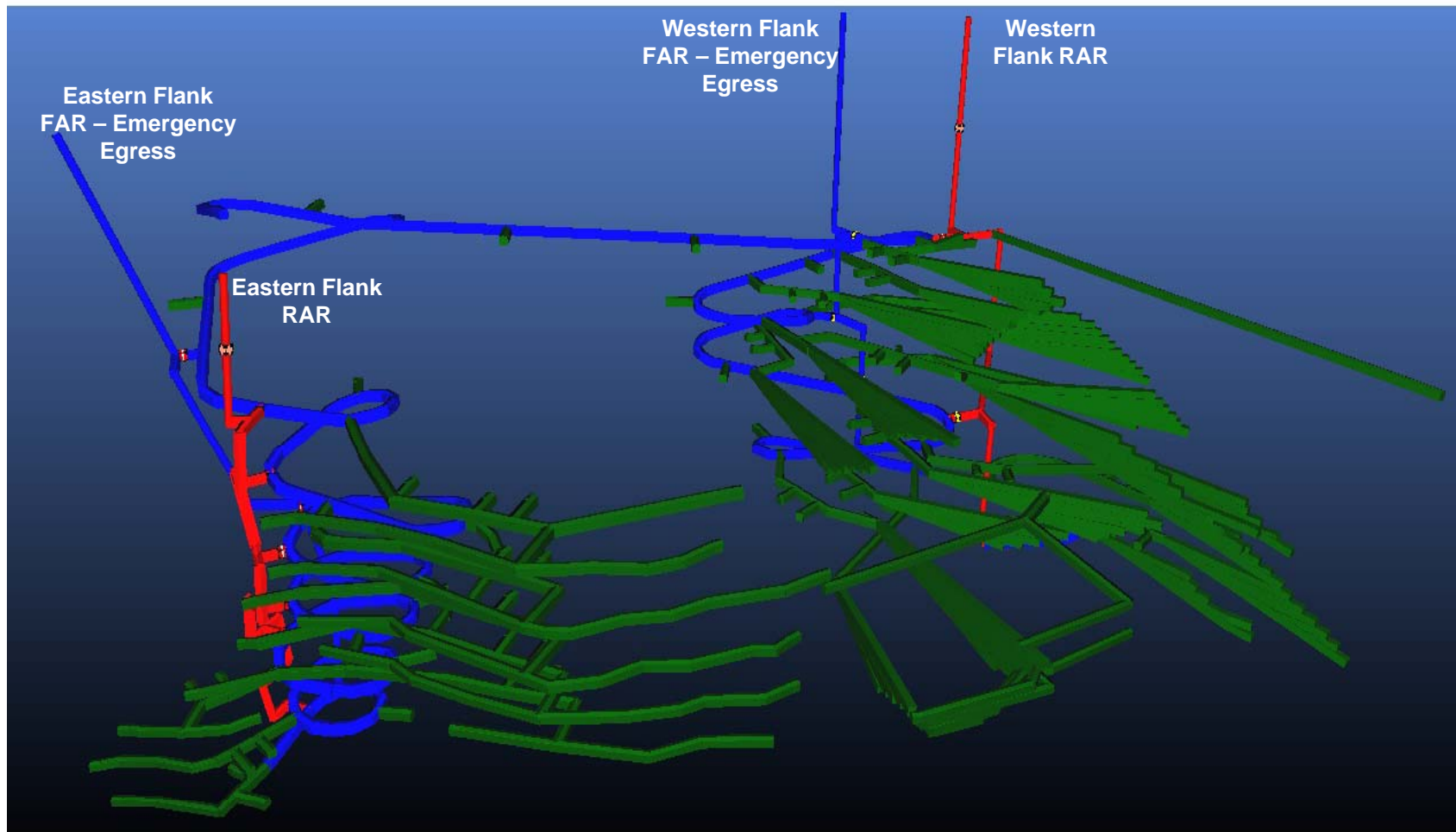
**Mine life: 5+ years**

**Ore Reserves: 1.7Mt@4.3g/t Au for 230Koz**

**Mineral Resources: 2.5Mt@5.3g/t Au for 418Koz**

**Average Total Cost: A\$ \$1,020 - \$1,050 /oz**

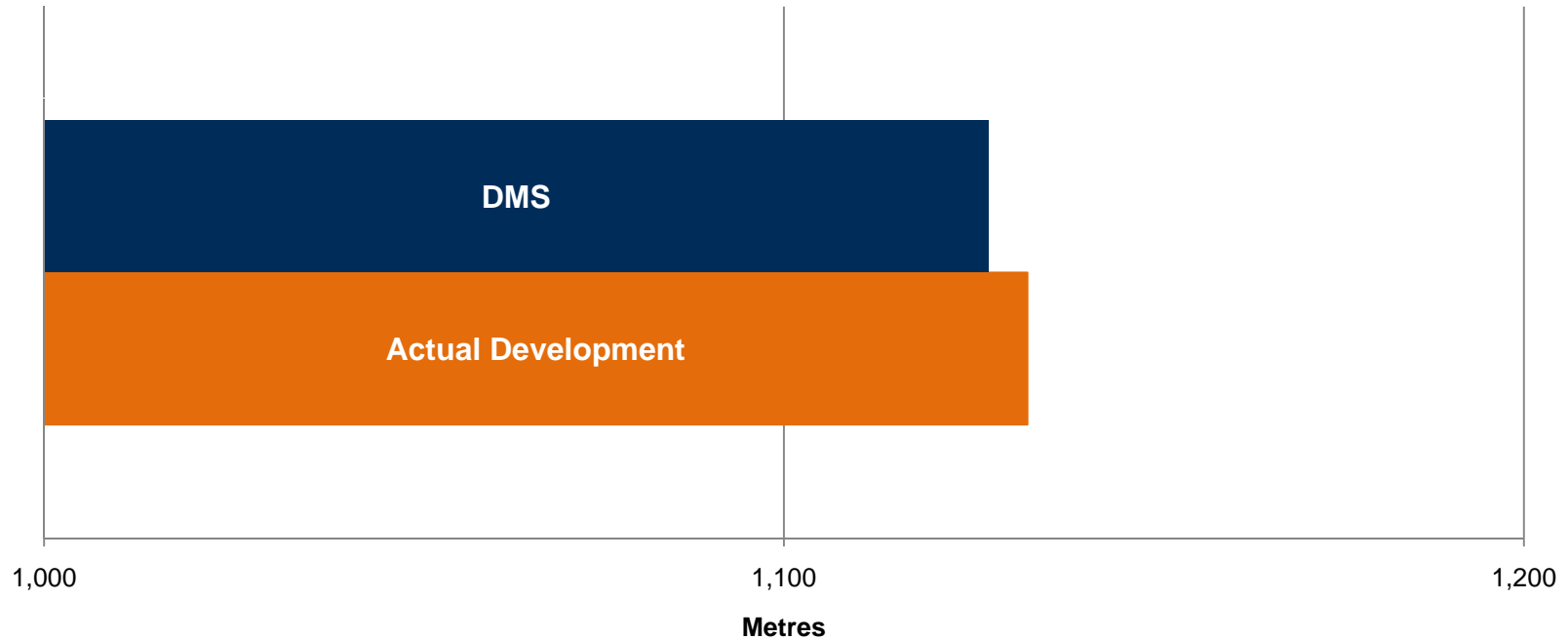
# King of the Hills - mine layout



# King of the Hills - development on schedule



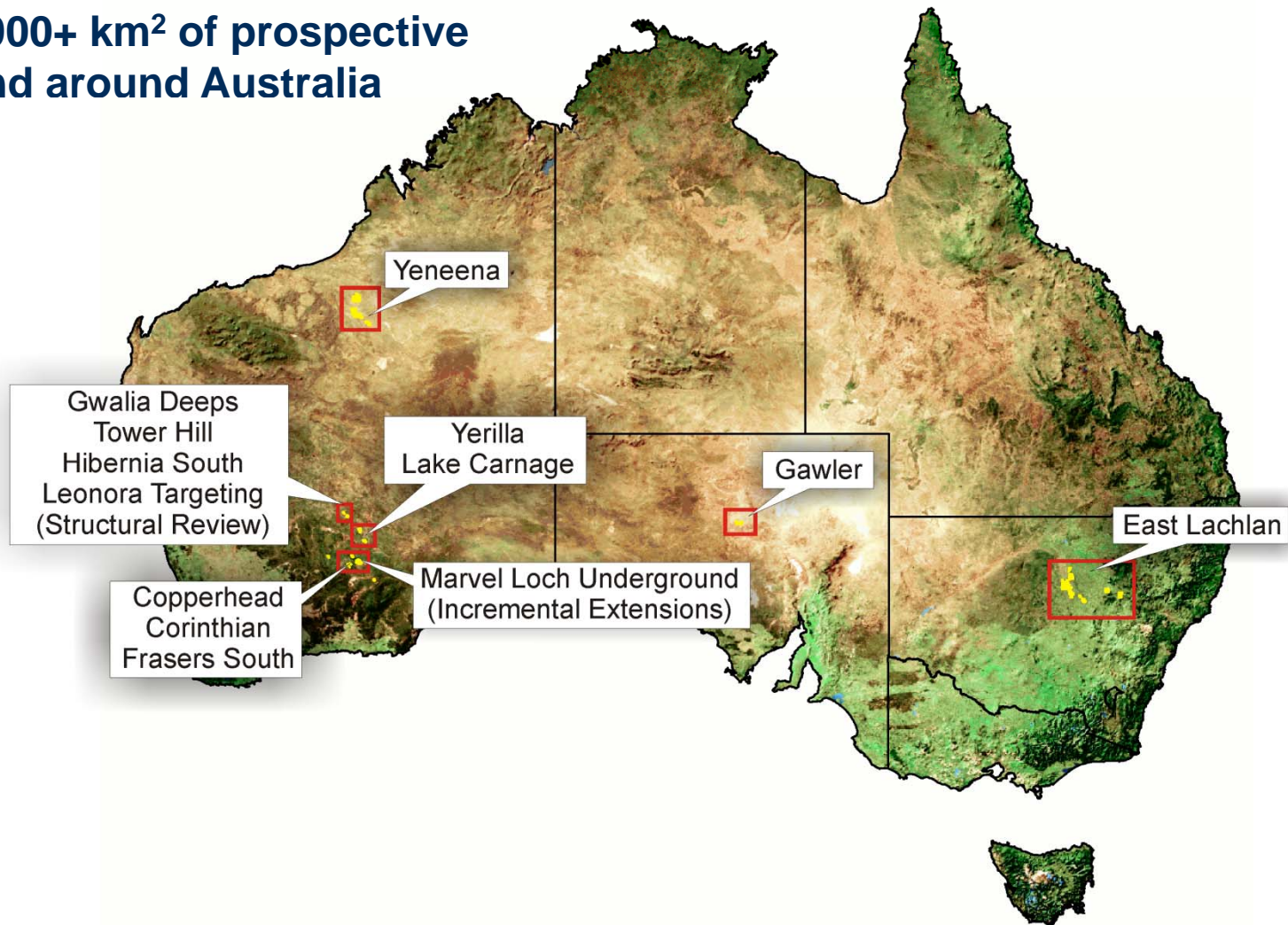
## Lateral Development Metres



February 2011

# Unlocking asset potential

5,000+ km<sup>2</sup> of prospective  
land around Australia



# Creating value – priority targets



## Discovery Pipeline

### Western Australia

- Marvel Loch Extension
- Gwalia Deeps Extension
- Tower Hill
- King of the Hills North
- Copperhead
- Frasers South
- Hibernia South
- Yerilla
- Lake Carnage
- Leonora Targeting Review

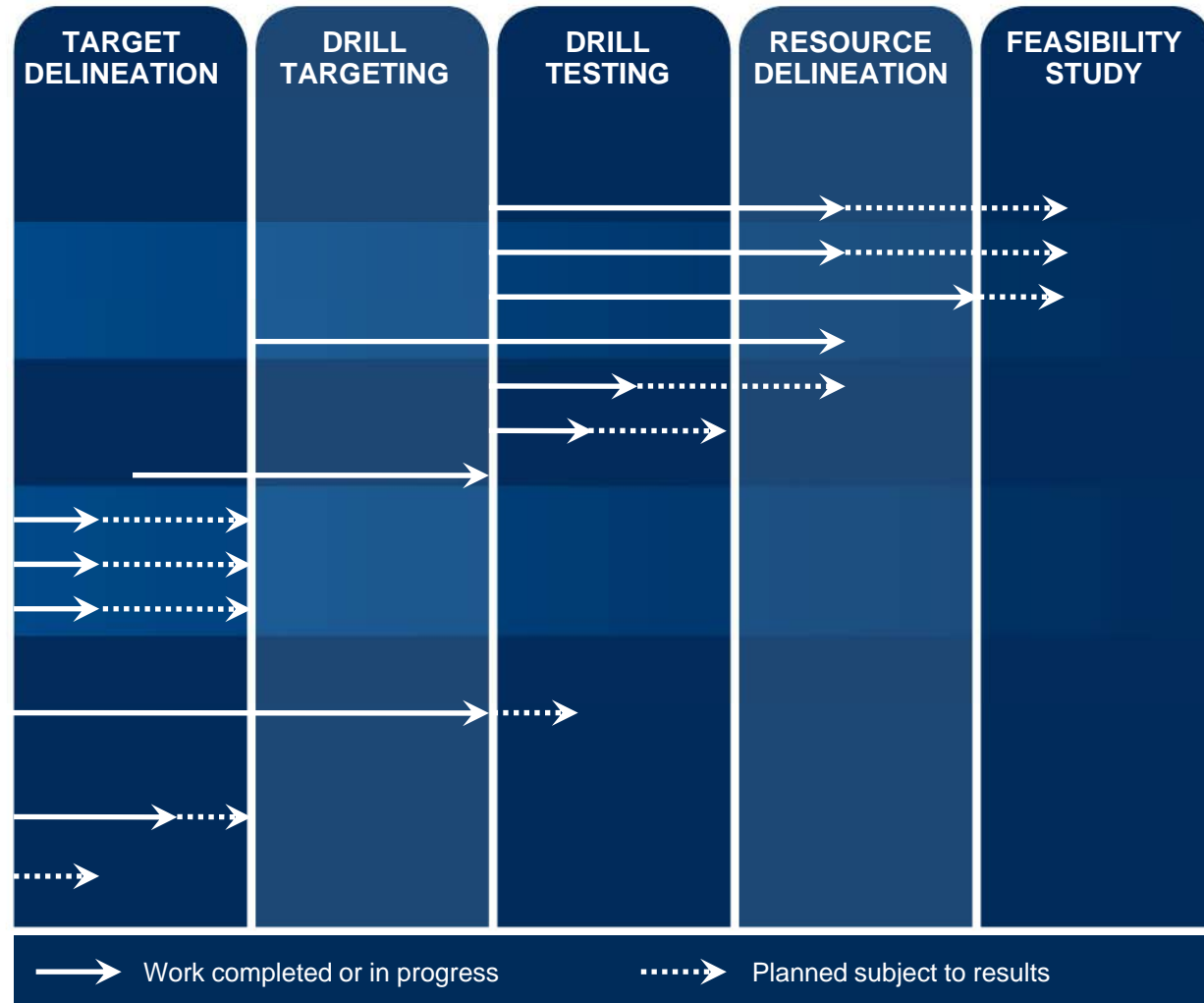
### New South Wales

- East Lachlan

### South Australia

- Gawler

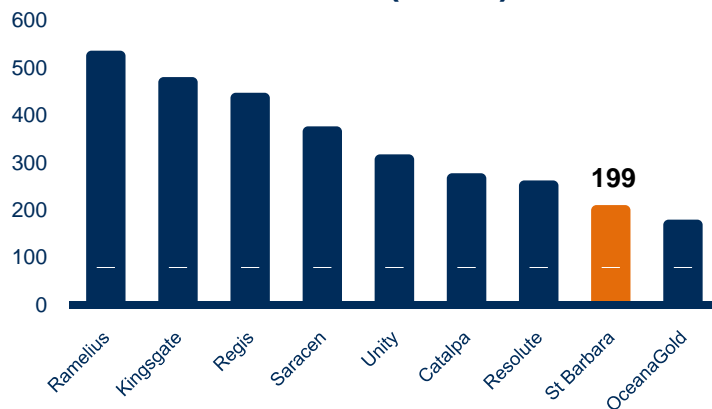
### Project Identification



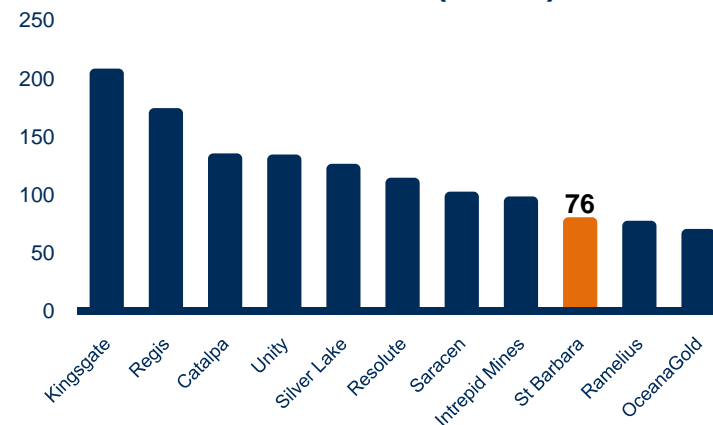
# Trading at a deep relative discount



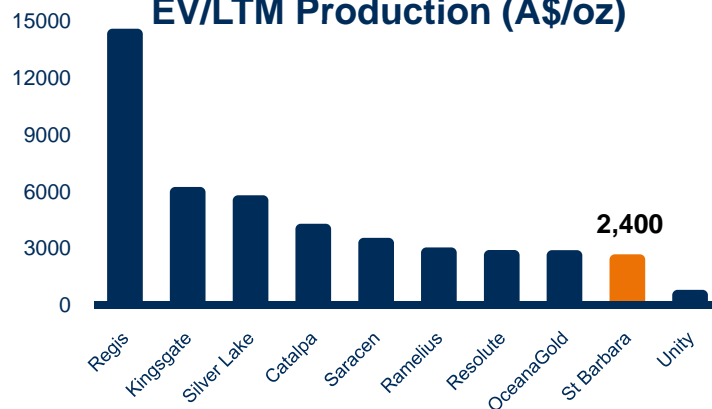
**EV/Reserves (A\$/oz)**



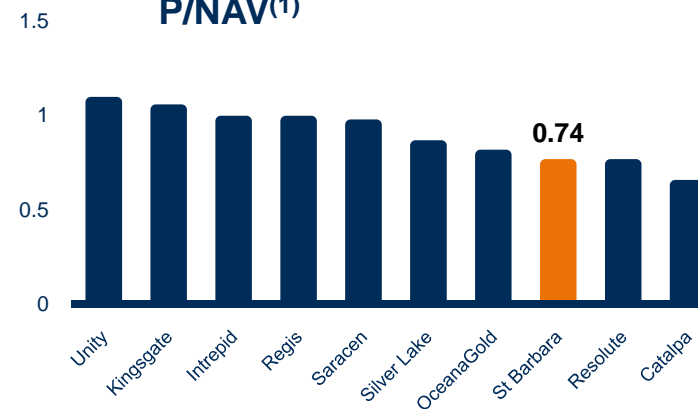
**EV/Resources (A\$/oz)**



**EV/LTM Production (A\$/oz)**



**P/NAV<sup>(1)</sup>**



Source: Company filings, IRESS equity research. Market metrics as at 1 March 2011.

Note: Kingsgate incorporates Dominion, as per implementation of Scheme of Arrangement on 21 February 2011.

Regis last twelve months production based on annualised September and December 2010 quarters, given first pour occurred during September 2010 quarter.

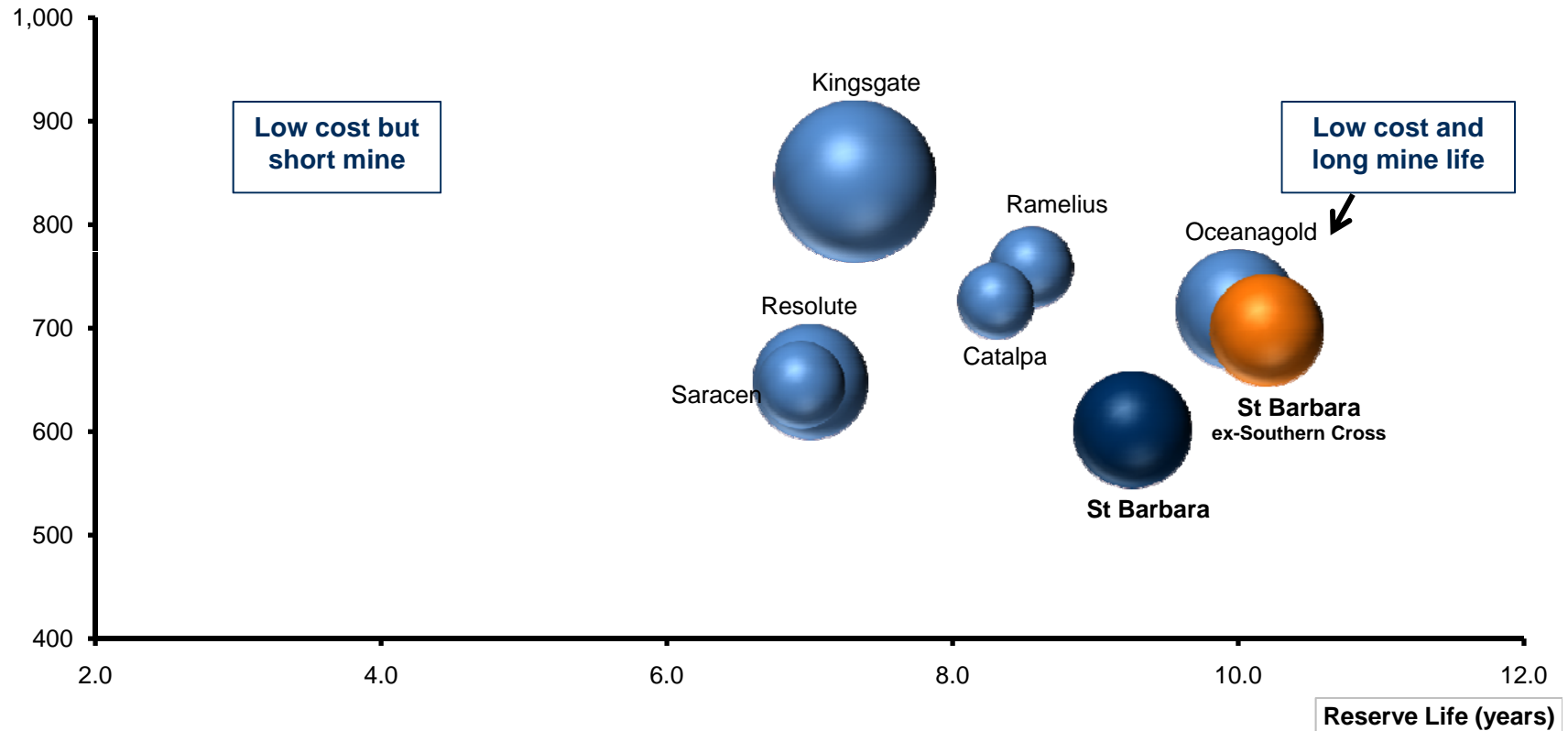
Bendigo Mining name changed to Unity Mining on 6 December 2010.

(1) NAVs calculated as broker average as at 1 March 2011.

# Long life, high cash margins



Cash Margin (US\$/oz)



Notes:

- 1) Reserve life based on current reserves and broker consensus FY12F production. Ramelius based on FY11F production and Oceanagold adjusted for pro-forma production of 70kozpa from Didipio.
- 2) Cash margin based on broker consensus FY12F cash costs and gold price of US\$1,300/oz.
- 3) Size of bubble represents market capitalisation.
- 4) SBM ex Southern-Cross market capitalisation calculated as St Barbara market capitalisation less broker consensus NAV for Southern Cross operations.



**St Barbara**  
LIMITED

## Why St Barbara?

# Strong self-funding organic growth

- Leverage to gold price through growth and increasing margins
- Strong financial position – record net profit and operating cash flow
- Organic production growth guidance of 330 – 370Koz by FY12
- Active drilling of prospective targets
- Materially undervalued against peer group



# Competent persons statement



Significant gold intersections and **geological interpretations** contained in this report have been compiled by Mr. Phillip Uttley. Mr. Uttley is a Fellow of The Australasian Institute of Mining and Metallurgy and is a full time employee of the company. Mr. Uttley 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. Uttley consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

References to **Mineral Resources** presented in this document have been produced in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves, December 2004 (JORC Code) under the direction of Mr. Ben Bartlett. Mr. Bartlett is a Member of The Australasian Institute of Mining and Metallurgy and is a full time employee of the Company. Mr. Bartlett 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 JORC Code. Mr. Bartlett consents to the inclusion in this document of the matters based on his information in the form and context in which they appear.

References to **Ore Reserves** presented in this document have been produced in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves, December 2004 (JORC Code) under the direction of Mr. Jacobus Kirsten. Mr. Jacobus Kirsten is a Member of The Australasian Institute of Mining and Metallurgy and is a full time employee of St Barbara. Mr. Kirsten 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 JORC Code. Mr. Kirsten consents to the inclusion in this document of the matters based on his information in the form and context in which they appear.

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