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VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION**

29 June 2012

RECOMMENDED OFFER

for

Allied Gold Mining Plc ("Allied Gold")

by

St Barbara Limited ("St Barbara")

**(to be implemented by way of a Scheme of Arrangement
under Part 26 of the Companies Act)**

Summary

- The boards of St Barbara and Allied Gold are pleased to announce that they have reached agreement on the terms of a recommended offer under which St Barbara will acquire the entire issued and to be issued ordinary share capital of Allied Gold (the "**Offer**"). It is intended that the Offer be implemented by way of a Court sanctioned scheme of arrangement under Part 26 of the Companies Act.
- Under the terms of the Offer, Scheme Shareholders will be entitled to receive A\$1.025 in cash and 0.8 St Barbara Consideration Shares for each Allied Gold Share held at the Scheme Record Time.
- Based on the price of a St Barbara Share of A\$2.12, being the Closing Price of a St Barbara Share on the Australian Securities Exchange on 28 June 2012, the Offer values the entire issued and to be issued share capital of Allied Gold at approximately £360 million and each Allied Gold Share at 176 pence (based on an exchange rate between Australian Dollars and pounds Sterling of 0.6468 at 5pm GMT on the day before the date of this announcement).
- The value of 176 pence for each Allied Gold Share represents a premium of approximately 92.3 per cent. over the Closing Price on the London Stock Exchange of 91.5 pence per Allied Gold Share on 28 June 2012, being the day before the date of this announcement, and, based on St Barbara's 30-day VWAP on the Australian Securities Exchange, a premium of approximately 74.5 per cent. over the 30-day VWAP on London Stock Exchange of 100 pence per Allied Gold Share for the period ending on 28 June 2012, being the day before the date of this announcement.
- St Barbara and Allied Gold believe that the combination has a clear strategic and financial rationale, is value enhancing, and provides benefits for the shareholders of the enlarged group including:
 - (a) Participation in an international diversified gold mining and exploration company, with the largest gold reserves and resources portfolio of any mid-tier ASX listed peer company;

- (b) Complementary business, development and funding profiles, with the combined group enjoying a development profile spanning exploration to gold production, supported by St Barbara's strong cash flow generation;
 - (c) Proven operations management capabilities, with significant experience in developing and operating both open pit and underground operations;
 - (d) Reduced investment risk profile through a more diversified asset portfolio;
 - (e) A number of organic growth and cost saving opportunities, including:
 - Anticipated gold production growth from Allied Gold's assets, including the Simberi Oxide expansion and potential development of the Simberi Sulphides project;
 - Exploration upside opportunities in close proximity to current mining operations at Gold Ridge, Simberi and Gwalia, including greenfield opportunities (eg. Tabar-Tatau Islands); and
 - Improved production reliability and anticipated unit cost reductions for Allied Gold's assets through the implementation of improved mine planning methodology, operating systems and cost management frameworks; and
 - (f) Stock market re-rating potential driven by increased market capitalisation, enhanced and more diversified asset portfolio and greater financial capacity to invest in future growth and development opportunities.
- St Barbara is a public corporation incorporated under the laws of Australia. The St Barbara Shares are listed on the Australian Securities Exchange. St Barbara American Depositary Receipts have also been issued through Bank of NY Mellon. St Barbara is one of Australia's larger and more profitable ASX listed mid-tier gold producers, developers and explorers (code: SBM). St Barbara has three mines and two processing plants at Leonora and Southern Cross, in the Eastern Goldfields region of Western Australia, and over 5,000km² of prospective tenements across Australia. The Gwalia mine at Leonora is St Barbara's cornerstone asset. The Gwalia deposit has an Ore Reserve grade of 8.9 g/t Au, an expected mine life of at least eight years, and remains open to the south and at depth. As at 30 June 2011, St Barbara's Measured and Indicated Mineral Resources contained 5.2 million ounces of gold, inclusive of Ore Reserves containing 2.8 million ounces of gold, with a further 2.4 million ounces of gold contained in Inferred Resources¹.
 - Allied Gold is a public limited company registered in England and Wales. Allied Gold is a South West Pacific gold producer, developer and exploration company listed on the Official List of the London Stock Exchange, the Australian Securities Exchange and the Toronto Stock Exchange (code: ALD). The company has two gold mines in operation: the Simberi gold project located on Simberi Island, the northern most island of the Tabar Islands Group in the New Ireland Province of eastern Papua New Guinea, and the Gold Ridge gold project located on Guadalcanal Island in

¹ For full details refer to the Ore Reserves and Mineral Resources Statements contained in Appendix V.

the Solomon Islands. Allied Gold also controls 100% of the 260km² Tabar-Tatau exploration licences, which includes all of the Tabar Islands group not covered by the mining lease for Simberi. As at December 2011, Allied Gold's Measured and Indicated Mineral Resources contained 5.2 million ounces of gold, with a further 3.8 million ounces of gold of Inferred Resources².

- The cash consideration payable under the terms of the Offer will be funded from St Barbara's existing cash resources and additionally by using a A\$120 million term loan facility provided by National Australia Bank Limited and Barclays Bank Plc. Consent has been obtained for Allied Gold's existing debt financing to remain in place after completion of the transaction. The combined group will have gearing of approximately 20%³. As at 31 March 2012, St Barbara had a closing cash balance of A\$137 million.
- Allied Gold intends to post the Scheme Document on or around 16 July 2012.
- No dividends will be paid or declared by Allied Gold between the date of this announcement and the Effective Date.
- Allied Gold Shareholders will have the option to receive the cash portion of the consideration in either Australian Dollars or pounds Sterling, through electing to receive either currency on the Forms of Election, further details of which are set out in this announcement.
- The Allied Gold Directors are being advised by RBC Capital Markets ("**RBC**"). The Allied Gold Directors, who have been so advised by RBC, as the independent financial adviser for the purposes of Rule 3 of the City Code, consider the terms of the Offer to be fair and reasonable. In providing its advice to the Allied Gold Directors, RBC has taken into account the commercial assessments of the Allied Gold Directors.
- Accordingly, the Allied Gold Directors intend unanimously to recommend Allied Gold Shareholders to vote in favour of the Scheme and the resolutions at the Court Meeting and the General Meeting, as the Allied Gold Directors have irrevocably undertaken to do in respect of their entire beneficial holdings in Allied Gold, amounting to, in aggregate, 2,206,303 Allied Gold Shares, representing approximately 1.1 per cent. of the issued ordinary share capital of Allied Gold.
- St Barbara has also received irrevocable undertakings to vote in favour of the Scheme and the resolutions at the Court Meeting and the General Meeting from Baker Steel Capital Managers LLP, Franklin Advisers, Inc. and Resource Capital Fund III LP in respect of 38,764,657 Allied Gold Shares, representing 19.0 per cent. of the issued ordinary share capital of Allied Gold. St Barbara has also received letters of intent to vote in favour of the Scheme in respect of 29,820,383 Allied Gold Shares representing 14.6 per cent. of the issued ordinary share capital of

² For full details refer to the Ore Reserves and Mineral Resources Statements contained in Appendix V.

³ Gearing defined as gross interest bearing debt divided by the sum of gross interest bearing debt and book equity, before any fair value, other accounting adjustments and one-off integration costs.

Allied Gold. M&G Investment Management has also verbally committed to St Barbara to vote in favour of the Scheme in respect of their entire shareholding in Allied Gold (representing approximately 18.9 per cent. of the issued ordinary share capital of Allied Gold), in the absence of a superior proposal.

- St Barbara has therefore received total irrevocable undertakings from the Allied Gold Directors and certain other Shareholders in respect of Allied Gold Shares representing, in aggregate, 20.1 per cent. of the existing issued ordinary share capital of Allied Gold and letters of intent in respect of Allied Gold shares representing, in aggregate, 14.6 per cent. of the issued ordinary share capital of Allied Gold. This level of support from Allied Gold Shareholders provides a high degree of deal certainty. St Barbara and Allied Gold have around 30% common share ownership.
- The Offer is conditional on, *inter alia*, certain approvals by Allied Gold Shareholders and the sanction of the Scheme by the Court. In order to become effective, the Scheme must be approved by a majority in number of the Scheme Shareholders voting at the Court Meeting representing not less than 75 per cent. in value of the Scheme Shares held by the Scheme Shareholders present and voting in person or by proxy. It is expected that the Scheme Document, containing further information about the Offer and notices of the Court Meeting and General Meeting together with the Forms of Proxy, will be posted on or around 16 July 2012 and that the Offer and the resolutions required to implement the Scheme will be put to Allied Gold Shareholders at the Court Meeting and the General Meeting. Subject to the satisfaction, or where relevant, waiver of all relevant Conditions, the Scheme is expected to become effective in the third quarter of 2012. It will not be necessary for St Barbara to obtain the approval of its shareholders to implement the Offer as the transaction is being structured as a scheme of arrangement between Allied Gold and its shareholders⁴.

Commenting on the Offer, Tim Lehany, Managing Director and Chief Executive Officer of St Barbara, said:

“The strategic and financial logic of the combination is clear, driven by the complementary nature of the two companies and the strong organic growth profile of the combined business. It will deliver a more diversified asset portfolio spanning exploration to gold production. Strong and sustainable cash flow generation from the Gwalia mine in particular complements the significant growth potential at Simberi, where the geological potential to increase mineral resources and production is substantial. This will complement our existing organic growth agenda. The transaction is anticipated to be immediately NAV accretive for our shareholders and earnings per share accretive⁵ from the first full

⁴ This is conditional on ASX granting St Barbara a waiver from Listing Rule 7.1. ASX has indicated that it is likely to grant St Barbara such a waiver.

⁵ Before any fair value, other accounting adjustments and one-off integration costs.

year following completion of the transaction⁶. We are pleased to have already secured support from Allied Gold shareholders representing some 54 per cent. of shares on issue.”

Commenting on the Offer, Mark Caruso, Chairman and Founder of Allied Gold, said:

"The Board of Directors of Allied Gold unanimously supports the transaction and believes it to be a unique transformational opportunity with the potential to realise an immediate premium for shareholders. The transaction has the certainty of cash consideration coupled with an equity component to enable participation in the significant upside potential of the combined group. The investment attraction of the merged group is compelling, being one of the largest production and resource/reserve based mid-tier ASX listed gold companies, with a diversified portfolio of quality assets operating in multiple regional jurisdictions. The combined group will have a declining cost profile and exciting growth potential through near-term project development and exploration upside. "

Tim Lehany added, “We look forward to working with the Allied Gold team to leverage complementary skills across every part of the value chain from exploration to gold production. Together we can implement St Barbara’s mine planning methodology, operating systems and cost management frameworks, to support production reliability improvements and cash operating cost reductions for the Allied Gold operations.”

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⁶ This statement regarding NAV and earnings per share accretion does not constitute a profit forecast nor should it be taken to mean that the earnings per share, profits, margins or cash flows of St Barbara will necessarily be greater or less than the historical published earnings per share, profits, margins or cash flows of St Barbara.

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The Offer will be made on the terms and subject to the conditions and further terms set out herein and in Appendix I to this announcement and the further terms and conditions to be set out in the Scheme Document and Forms of Proxy when issued. The bases and sources of certain financial information contained in this announcement are set out in Appendix II to this announcement. A summary of the irrevocable undertakings given by the Allied Gold Directors and the irrevocable undertakings and letters of intent given by certain other Allied Gold Shareholders is contained in Appendix III to this announcement. Certain terms used in this announcement are defined in Appendix IV to this announcement.

Lazard, which is authorised and regulated in the UK by the Financial Services Authority, is acting exclusively for St Barbara and no one else in connection with the Offer and this announcement and will not be responsible to anyone other than St Barbara for providing the protections afforded to clients of Lazard nor for providing advice in connection with the Offer or any matter referred to herein.

RBC Capital Markets, which is authorised and regulated in the UK by the Financial Services Authority, is acting exclusively for Allied Gold and no one else in connection with the Offer and this announcement and will not be responsible to anyone other than Allied Gold for providing the protections afforded to clients of RBC Capital Markets nor for providing advice in connection with the Offer or any matter referred to herein

Barclays, which is authorised and regulated in the UK by the Financial Services Authority, is acting exclusively for St Barbara and no one else in connection with the Offer and this announcement and will not be responsible to anyone other than St Barbara for providing the protections afforded to clients of Barclays nor for providing advice in connection with the Offer or any matter referred to herein.

St Barbara reserves the right to elect, with the consent of the Panel (where necessary), to implement the Offer by way of a Takeover Offer. In such event, the Takeover Offer will be implemented on substantially the same terms, subject to appropriate amendments, as those which would apply to the Offer.

Further information

This announcement is for information purposes only and does not constitute or form part of an offer or invitation to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise, nor shall there be any sale, issuance or transfer of the securities in any jurisdiction in contravention of applicable law. Any vote in respect of the Scheme or other response in relation to the Offer should be made only on the basis of the information in the Scheme Document or any document by which the Offer is made. The Offer will be made solely by means of the Scheme Document, which will contain the full terms and conditions of the Offer, including details of how to vote in favour of the Scheme. Allied Gold and St Barbara urge Allied Gold Shareholders to read the Scheme Document which will be distributed to Scheme Shareholders in due course (with the exception of certain Scheme Shareholders in Restricted Jurisdictions), as it will contain important information relating to the Offer.

Whether or not certain Allied Gold Shares are voted at the Court Meeting or the General Meeting, if the Scheme becomes Effective, those Allied Gold Shares will be cancelled pursuant to the Scheme in return for the issue of 0.8 St Barbara Consideration Shares and the payment of A\$1.025 per Allied Gold Share.

This announcement does not constitute a prospectus or prospectus equivalent document.

This announcement has been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Overseas shareholders

The availability of the Offer to Allied Gold Shareholders who are not resident in the United Kingdom, Australia or the United States or not located in Canada may be affected by the laws of the relevant jurisdictions in which they are located or of which they are resident.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom, Australia or the United States or not located in Canada or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements of their jurisdictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with English law, the Listing Rules, the rules of the London Stock Exchange and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of any jurisdiction outside the United Kingdom.

Further details in relation to overseas Allied Gold shareholders will be contained in the Scheme Document.

The Offer relates to the shares in an English company and is proposed to be made by means of a scheme of arrangement provided for under company law of the United Kingdom. The scheme of arrangement will relate to the shares of a UK company that is (a) a 'foreign private issuer' as defined under Rule 3b-4 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and (b) a "designated foreign issuer" under applicable Canadian securities laws. A transaction effected by means of a scheme of arrangement is not subject to the shareholder vote, proxy and tender offer rules under Australian law, Canadian securities law or the Exchange Act. Accordingly, the Offer is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements and practices of Australian, Canadian or US shareholder vote, proxy and tender offer rules. Financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in the UK that may not be comparable to the financial statements of Australian, Canadian or US companies.

No securities regulatory authority in any Canadian jurisdiction has (a) approved or disapproved of the Offer; (b) passed upon the merits or fairness of the Offer; or (c) passed upon the adequacy or accuracy of the disclosure in this announcement. Any representation to the contrary is an offence in Canada.

Any securities to be offered pursuant to the Offer as described in this announcement have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state, district or other jurisdiction of the United States, or of Canada, Australia or Japan. Accordingly, such securities may not be offered, sold or delivered, directly or indirectly, in or into such jurisdictions except pursuant to exemptions from applicable requirements of such jurisdictions. The St Barbara Shares to be issued in exchange for Scheme Shares pursuant to the Scheme will be issued in reliance upon exemptions from the prospectus requirements of securities legislation in each province and territory of Canada. Subject to certain disclosure and regulatory requirements and to customary restrictions applicable to distributions of shares that constitute "control distributions", St Barbara Shares issued pursuant to the Scheme may be resold in each province and territory in Canada, however the first trade in such St Barbara Shares will be subject to the standard conditions that no unusual effort has been made to prepare the market or create demand, no extraordinary commission or consideration is paid and, if the selling shareholder is an insider or officer of St Barbara, such shareholder has no reasonable grounds to believe that St Barbara is in default of securities legislation.

If St Barbara exercises its right to implement the Offer by way of a Takeover Offer, the Offer will be made in compliance with all applicable laws and regulations.

Copies of this announcement and formal documentation relating to the Offer will not be and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would violate the laws of that jurisdiction.

Forward looking statements

This announcement, any oral statements made by St Barbara or Allied Gold in relation to the Offer, and other information published by St Barbara or Allied Gold, may contain statements about St Barbara and Allied Gold that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements.

Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) statements about the expected effects of the Offer on Allied Gold, St Barbara, the expected timing and scope of the Offer; (ii) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (iii) business and management strategies and the expansion and growth of St Barbara's or Allied Gold's operations and potential synergies resulting from the Offer; (iv) the effects of government regulation on St Barbara's or Allied Gold's business and (v) all other statements in this announcement other than historical facts.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements. None of St Barbara and Allied Gold, including members of their respective groups, nor any of their respective advisors, associates, directors or officers undertakes any obligation to update publicly, expressly disclaim or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required or provides any representation, assurance or guarantee that the occurrence of events expressed or implied in any forward looking statement in this announcement will actually occur.

Except as may be required by applicable law, St Barbara and Allied Gold do not undertake any obligation to publicly update or revise any forward looking statements in this announcement.

Not a profit forecast

No statement in this announcement is intended as a profit forecast or profit estimate and no statement in this announcement should be interpreted to mean that the future earnings per share of the St Barbara Group as enlarged by the Offer, St Barbara and/or Allied Gold for current or future financial years will necessarily match or exceed the historical or published earnings per share of St Barbara or Allied Gold.

Competent person's statement

The information in this announcement that relates to Exploration Results and Mineral Resources for St Barbara, together with any related assessments and interpretations, has been based on information compiled by Phillip Uttley who is a Fellow of The Australasian Institute of Mining and Metallurgy. Phillip Uttley is a full-time employee of St Barbara. Phillip Uttley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Phillip Uttley consents to the inclusion of the information contained in this announcement in the form and context in which it appears.

The information in this announcement that relates to Ore Reserves for St Barbara, together with any related assessments and interpretations, has been based on information compiled by Andrew Law who is a Member of The Australasian Institute of Mining and Metallurgy. Andrew Law is a full-time employee of the consulting firm Optiro and was a full-time employee of St Barbara as of 30 June 2011. Andrew Law has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Andrew Law consents to the inclusion of the information contained in Appendix V of this announcement relating to Proved and Probable Ore Reserves in the form and context in which it appears.

The information in this announcement that relates to production forecasts for St Barbara is based on Ore Reserves.

The information in this announcement that relates to Exploration Results and Mineral Resources for Allied Gold, together with any related assessments and interpretations, has been based on information compiled by Colin Ross Hastings who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy and included in a list promulgated by the ASX from time to time. Colin Ross Hastings is a full-time employee of Allied Gold. Colin Ross Hastings has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Colin Ross Hastings consents to the inclusion of the information contained in this announcement in the form and context in which it appears.

The information in this announcement that relates to Ore Reserves for Allied Gold, together with any related assessments and interpretations, has been based on information compiled by Colin Ross Hastings who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy and included in a list promulgated by the ASX from time to time. Colin Ross Hastings is a full-time employee of Allied Gold. Colin Ross Hastings has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Colin Ross Hastings consents to the inclusion of the information contained in this announcement in the form and context in which it appears.

Disclosure requirements of the Takeover Code (the "Code")

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm

(London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

This summary should be read in conjunction with the full text of this announcement. Appendix I to this announcement contains the conditions to, and certain further terms of, the Offer. Appendix II to this announcement contains further details of the sources of information and bases of calculations set out in this announcement. Appendix III contains a summary of the irrevocable undertakings given by the Allied Gold Directors and by certain institutional shareholders. Appendix IV contains definitions of certain expressions used in this summary and in this announcement.

Information relating to Allied Gold shareholders

Please be aware that addresses, electronic addresses and certain information provided by Allied Gold Shareholders, persons with information rights and relevant persons for the receipt of electronic communications from Allied Gold may be provided to St Barbara during the Offer Period where requested under Section 4 of Appendix 4 of the City Code.

Publication on website

A copy of this announcement will be made available, free of charge subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at www.stbarbara.com.au and www.alliedgold.com.au by no later than 12 noon (London time) on the Business Day following the date of this announcement.

Neither the content of the website referred to in this announcement nor the content of any website accessible from hyperlinks on St Barbara or Allied Gold's website (or any other website) is incorporated into, or forms part of, this announcement.

Rule 2.10 Disclosures

In accordance with Rule 2.10 of the Code, Allied Gold confirms that it has 204,318,414 Allied Gold Shares in issue and admitted to listing on the Official List and to trading on the London Stock Exchange, the Australian Securities Exchange and the Toronto Stock Exchange under ISIN reference GB00B44QDS07.

In accordance with Rule 2.10 of the Code, St Barbara confirms that it has 324,620,389 St Barbara Shares in issue. The St Barbara Shares are listed on the Australian Securities Exchange under ISIN reference AU000000SBM8.

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29 June 2012

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Allied Gold Mining Plc ("Allied Gold")

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St Barbara Limited ("St Barbara")

**(to be implemented by way of a Scheme of Arrangement
under Part 26 of the Companies Act)**

1 Introduction

The boards of St Barbara and Allied Gold are pleased to announce that they have reached agreement on the terms of a recommended offer under which St Barbara will acquire the entire issued and to be issued ordinary share capital of Allied Gold.

2 The Offer

It is intended that the Offer be implemented by way of a Court sanctioned scheme of arrangement under Part 26 of the Companies Act.

Pursuant to the Offer, which will be subject to the conditions and further terms set out below and in Appendix I and to the full terms and conditions which will be set out in the Scheme Document, Scheme Shareholders will receive:

for each Allied Gold Share A\$1.025 in cash

and

0.8 St Barbara Consideration Shares

Based on the price of a St Barbara Share of A\$2.12, being the Closing Price of a St Barbara Share on the Australian Securities Exchange on 28 June 2012, the Offer values the entire issued and to be issued share capital of Allied Gold at approximately £360 million and each Allied Gold Share at 176 pence (based on an exchange rate between Australian Dollars and pounds Sterling of 0.6468 at 5pm GMT on the day before the date of this announcement). The value of 176 pence for each Allied Gold Share represents a premium of approximately 92.3 per cent. over the Closing Price on London Stock Exchange of 91.5 pence per Allied Gold Share on 28 June 2012, being the day before the date of this announcement, and, based on St Barbara's 30-day VWAP on the Australian Securities Exchange, a premium of approximately 74.5 per cent.

over the 30-day VWAP on London Stock Exchange of 100 pence per Allied Gold Share for the period ending on 28 June 2012, being the day before the date of this announcement.

The St Barbara Consideration Shares to be issued pursuant to the Offer are expected to represent approximately 33 per cent. of the issued share capital of St Barbara as enlarged by the acquisition of Allied Gold.

No dividends will be paid or declared by Allied Gold between the date of this announcement and the Effective Date.

The St Barbara Consideration Shares will rank equally in all respects with the existing St Barbara Shares and will be entitled to receive any dividends and/or other distributions declared or paid by St Barbara in respect of common shares of St Barbara with a record date on or after the date of their issue.

Allied Gold Shareholders will have the option to receive the cash portion of the consideration in either Australian Dollars or pounds Sterling, through electing to receive either currency on the Forms of Election. The exchange rate for conversion of the cash consideration from Australian Dollars into Sterling will be set by St Barbara as at four business days prior to (and inclusive of) the settlement date (being the date by which all consideration is to be provided to Allied Gold Shareholders), meaning that Allied Gold Shareholders who elect to receive cash consideration in pounds Sterling will bear the exchange risk on any fluctuations in the Australian Dollar/pounds Sterling exchange rate prior to four business days before the settlement date (inclusive). Allied Gold Shareholders who elect to receive the cash consideration in pounds Sterling will receive the cash consideration converted at the exchange rate set by St Barbara, less any conversion and commission costs incurred. Commission costs are not expected to exceed approximately 0.2 per cent. of the total cash consideration.

The Offer is conditional on, *inter alia*, certain approvals by Allied Gold Shareholders and the sanction of the Scheme by the Court. In order to become effective, the Scheme must be approved by a majority in number of the Scheme Shareholders voting at the Court Meeting representing not less than 75 per cent. in value of the Scheme Shares held by the Scheme Shareholders present and voting in person or by proxy.

St Barbara and Allied Gold, as permitted by Rule 21.2(b) of the City Code, shall cooperate in relation to obtaining any consents, clearances, permissions or waivers as may be necessary or expedient and making all filings and waiting periods as are required under the law, regulations or practices applied by any applicable regulatory authority in connection with the conditions set out in Part A of Appendix I to this announcement.

It is expected that the Scheme Document, containing further information about the Offer and notices of the Court Meeting and General Meeting together with the Forms of Proxy, will be posted on or around 16 July 2012 and that the Offer and the resolutions required to implement the Scheme will be put to Allied Gold Shareholders at the Court Meeting and the General Meeting which are expected to be held around early August 2012. Subject to the satisfaction, or where relevant, waiver of all relevant Conditions, the Scheme is expected to become effective in the third quarter of 2012.

Fractions of St Barbara Consideration Shares will not be issued to Allied Gold Shareholders pursuant to the Offer. If a fractional entitlement to part of a St Barbara Share arises from the calculation of the St Barbara Consideration Shares to be issued to an Allied Gold Shareholder, such fractional entitlement will be rounded down to the nearest whole number of St Barbara Shares.

3 Background to and reasons for the Offer

The combination will create an international diversified gold mining and exploration company with an anticipated market capitalisation of approximately A\$1billion⁷ and forecast gold production of approximately 480,000 ounces in financial year ending 30 June 2012 and 435,000 ounces in the financial year ending 30 June 2013⁸. The combined group will operate three established and proven mines and a fourth operation in ramp-up phase, located in Australia and the South West Pacific, with production growth potential.

St Barbara and Allied Gold believe that the combination has a clear strategic and financial rationale, is value enhancing, and provides benefits for the shareholders of the enlarged group including:

- Participation in an international diversified gold mining and exploration company, with the largest gold reserves and resources portfolio of any mid-tier ASX listed peer company;
- Complementary business, development and funding profiles, with the combined group enjoying a development profile spanning exploration to gold production, supported by St Barbara's strong cash flow generation;
- Proven operations management capabilities with significant experience in developing and operating both open pit and underground operations;
- Reduced investment risk profile through a more diversified asset portfolio;
- A number of organic growth and cost saving opportunities, including:
 - Anticipated gold production growth from Allied Gold's assets, including the Simberi Oxide expansion and potential development of the Simberi Sulphides project;

⁷ Pro forma illustrative market capitalisation for the combined group is calculated by adding the St Barbara shares issued to Allied Gold shareholders as share consideration under the transaction to the existing number of St Barbara shares on issue, multiplied by St Barbara's closing price on ASX of A\$2.12 on 28 June 2012.

⁸ Pro forma forecast gold production for the combined group has been based on the internal life of mine plans for St Barbara and mine plans for Allied Gold. These assume no change in production as a result of the transaction. Production forecasts are subject to risk factors associated with developing, mining and processing gold including, amongst others, variations in grade, metallurgical and other processing problems, mechanical equipment performance problems, the unavailability of materials and equipment, permit approvals, labour force disruptions, adverse weather conditions, geopolitical risks and landowner relations.

- Exploration upside opportunities in close proximity to current mining operations at Gold Ridge, Simberi and Gwalia, including greenfield opportunities (eg. Tabar-Tatau Islands); and
- Improved production reliability and anticipated unit cost reductions for Allied Gold's assets through the implementation of improved mine planning methodology, operating systems and cost management frameworks; and
- Stock market re-rating potential driven by increased market capitalisation, enhanced and more diversified asset portfolio and greater financial capabilities to invest in future growth and development opportunities.

St Barbara and Allied Gold are both established producers with published Ore Reserves underpinning long life mines. The combination of the two companies materially enhances their individual profiles in terms of market capitalisation, Ore Reserves, Mineral Resources and production.

The combination will create a leading c. 435,000 ounce gold producer, with the largest gold reserves and resources portfolio in the Australian mid-tier gold sector. On a pro forma basis, the combined group would have:

- 5.9 million ounces of gold contained in Ore Reserves⁹, ranking it first in the Australian mid-tier gold sector¹⁰;
- 10.4 million ounces of gold contained in Measured and Indicated Resources and 6.2 million ounces of gold contained in Inferred Resources⁹, ranking it first in the Australian mid-tier gold sector on a total Mineral Resources basis¹⁰; and
- Forecast gold production of approximately 435,000 ounces in the financial year ending 30 June 2013¹¹, ranking it the largest Australian mid-tier gold mining and exploration company on a production basis¹⁰. The combined group's annual production profile would indicatively comprise:

▪ Gwalia, Leonora	175,000 ounces – 190,000 ounces
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⁹ As at 30 June 2011 for St Barbara and as at 31 December 2011 for Allied Gold. Mineral Resources inclusive of Ore Reserves. St Barbara contribution of 5.2 million ounces of Measured and Indicated Resources and 2.4 million ounces of Inferred Resources. Allied Gold contribution of 5.2 million ounces of Measured and Indicated Resources and 3.8 million ounces of Inferred Resources.

¹⁰ Australian mid-tier gold sector inclusive of the following companies: Alacer Gold Corp, Medusa Mining Limited, CGA Mining Limited, OceanaGold Limited, Resolute Mining Limited, Regis Resources Limited, Evolution Mining Limited, Kingsgate Consolidated Limited, Focus Minerals Limited, Saracen Mineral Holdings Limited, Silver Lake Resources Limited, Northern Star Resources Limited, Tanami Gold NL, Integra Mining Limited and Kingroze Mining Limited

¹¹ Based on internal life of mine plans assuming no change in production as a result of the transaction, subject to risks described on previous pages.

▪ King of the Hills, Leonora	55,000 ounces – 60,000 ounces
▪ Simberi, PNG	70,000 ounces – 80,000 ounces
▪ Gold Ridge, Solomon Islands	95,000 ounces – 105,000 ounces
▪ Marvel Loch, Southern Cross	20,000 ounces – 25,000 ounces
▪ Total	415,000 ounces – 460,000 ounces

Allied Gold has also previously indicated the potential to increase gold production at Simberi from 70,000 – 80,000 ounces to 95,000 ounces following completion of the current Simberi Oxide expansion project.

The substantially larger scale and enhanced financial strength of the combined group is expected to provide a platform to deliver on current development opportunities and exploration programs targeting new discoveries. The combined group will have substantial exposure to the gold price, with gold loans and hedging accounting for on average no more than 25% of pro forma annual production.

The combined group will have a development profile spanning exploration to gold production. St Barbara's established, proven and high cash flow margin operating assets at Gwalia and King of the Hills in particular complement Allied Gold's significant growth and expansion potential at Simberi and Gold Ridge. The combined group's access to a prospective land portfolio in both Australia and the South West Pacific may also provide further exciting organic growth opportunities from exploration. These opportunities are supplemented by St Barbara's existing organic growth projects including ongoing exploration programs.

The anticipated cash balance and cash flow generation of the combined group provides financial flexibility to pursue organic growth options.

The combination will create a diversified asset portfolio by location and type of gold deposit. In the combined group, no asset will represent more than approximately 35 per cent. of the Ore Reserve inventory or contribute more than approximately 40 per cent. of pro forma production for the financial year ending 30 June 2013¹².

The transaction is anticipated to be earnings per share accretive (before any fair value, other accounting adjustments and one-off integration costs) from the first full year following completion of the transaction and immediately NAV accretive to St Barbara shareholders¹³.

¹² Based on internal life of mine plans assuming no change in production as a result of the transaction, subject to risks described on previous pages.

¹³ This statement regarding NAV and earnings per share accretion does not constitute a profit forecast nor should it be taken to mean that the earnings per share, profits, margins or cash flows of St Barbara will necessarily be greater or less than the historical published earnings per share, profits, margins or cash flows of St Barbara.

St Barbara and Allied Gold have complementary management capabilities with significant depth of management. The combined group will have broad operational management expertise and technical capabilities, with proven operating experience in Australia and the South West Pacific spanning each step of the value chain from exploration through to gold production. The combined group's management has a track record in developing and operating both open pit and underground operations, which will support potential expansion at Simberi and Gold Ridge, and expertise in managing the development of multiple, complex projects. St Barbara's business systems and operating capabilities will support improved production reliability, and cash operating cost reductions for the Allied Gold operations. The group's management capability is also strengthened by a dedicated Discovery and Growth team, focused on exploration and development, who have a broad knowledge of global gold assets and growth opportunities.

Specific cost reduction opportunities at Allied Gold's Gold Ridge operations may include¹⁴:

- Improved grade control and mine planning measures;
- Potential improvement in mining fleet utilisation to increase the volume of ore hauled;
- Increased mill recoveries through improved blending and ROM management; and
- Increased plant throughput through plant optimisation.

Specific cost reduction opportunities at Allied Gold's Simberi operations may include¹⁴:

- Increased plant throughput through completion of planned plant upgrades;
- Potential improvement in mining fleet utilisation to increase the volume of ore hauled;
- Reduced fuel costs for processing; and
- Reduced open pit strip ratio through improved grade control.

As an international diversified gold producer, the enhanced company scale has the potential to increase its coverage and weighting in indices. St Barbara is currently included in the S&P ASX 200 index and Allied Gold is currently included in the S&P ASX 300 index. Based on an anticipated market capitalisation of approximately A\$1 billion¹⁵, following completion of the transaction St Barbara is expected to remain in the S&P ASX 200 index. The increased scale of the combined group may result in:

¹⁴ This statement regarding earnings enhancement does not constitute a profit forecast nor should it be taken to mean that the earnings per share, profits, margins or cash flows of St Barbara will necessarily be greater or less than the historical published earnings per share, profits, margins or cash flows of St Barbara. Cash costs are subject to production related risks as described on previous pages, as well as foreign currency movements and fluctuations in supply costs.

¹⁵ Pro forma illustrative market capitalisation for the combined group is calculated by adding the St Barbara shares issued to Allied Gold shareholders as share consideration under the transaction to the existing number of St Barbara shares on issue, multiplied by St Barbara's closing price on ASX of A\$2.12 on 28 June 2012.

- Stronger investment interest;
- Improved share trading liquidity; and
- Potential re-rating to a level reflecting its position and the quality of its asset portfolio relative to its mid-tier peers with any re-rating benefits flowing to both sets of shareholders.

Specific benefits of the combination for St Barbara shareholders are expected to include:

- Acquisition of quality, long-life gold assets with exploration potential;
- Earnings per share accretive (before any fair value, other accounting adjustments and one-off integration costs) from the first full year following completion of the transaction and immediately NAV accretive¹⁶;
- Significant uplift in gold production, reserves and resources;
- Increased asset diversification with development profile spanning exploration to gold production, reducing investment risk profile; and
- Increased average mine life of the asset portfolio.

Specific benefits of the combination for Allied Gold shareholders are expected to include:

- Attractive premium and material cash component;
- Ability to participate in the significant upside potential of the combined group;
- Access to St Barbara's strong cash flow profile and financial capacity to fund development and expansion projects at Simberi and Gold Ridge and to advance near term exploration programmes on a timely basis;
- Access to St Barbara's proven management and technical capabilities, including underground development and mining skills; and
- A reduction in total cash costs, combined with an increase in overall gold production, reserves and resources¹⁷.

Following completion of the transaction, it is intended that St Barbara's existing senior management team and Board of Directors will remain in place. St Barbara expects to appoint

¹⁶ This statement regarding NAV and earnings per share accretion does not constitute a profit forecast nor should it be taken to mean that the earnings per share, profits, margins or cash flows of St Barbara will necessarily be greater or less than the historical published earnings per share, profits, margins or cash flows of St Barbara.

¹⁷ This statement regarding earnings enhancement does not constitute a profit forecast nor should it be taken to mean that the earnings per share, profits, margins or cash flows of St Barbara will necessarily be greater or less than the historical published earnings per share, profits, margins or cash flows of St Barbara. Cash costs are subject to production related risks as described on previous pages, as well as foreign currency movements and fluctuations in supply costs.

up to two existing Directors of Allied Gold to the positions of either Non-Executive Director or consultant to the combined group (to be mutually agreed between St Barbara and Allied Gold).

4 Background to and reasons for the recommendation

The combination offers attractive value to Allied Gold shareholders, providing the ability to realise an immediate premium which includes a significant cash component. Allied Gold shareholders will also be able to participate in the significant upside potential of the combined group.

St Barbara's cash balance and expected cash flow generation will contribute to a robust capital structure for the combined group, and provides flexibility to fund Allied Gold's extensive suite of development and exploration opportunities, in particular the current expansion projects at Simberi. St Barbara's business profile is highly complementary to that of Allied Gold's, with St Barbara's established, proven and highly cash flow generative operating assets at Gwalia and King of the Hills underpinning the significant growth and expansion potential at Simberi and Gold Ridge. St Barbara also offers proven operational management capabilities, with a strong internal technical and development team to support and evaluate mining operations and growth opportunities.

St Barbara has stable production in Australia, with the Gwalia asset producing significant free cash flow underpinned by long life, high grade reserves. This reduces Allied Gold's overall risk profile and increases portfolio diversification.

5 Advisers and Recommendation

The Allied Gold Directors, who have been so advised by RBC Capital Markets, as the independent financial adviser for the purposes of Rule 3 of the City Code, consider the terms of the Offer to be fair and reasonable. In providing its advice to the Allied Gold Directors, RBC Capital Markets has taken into account the commercial assessments of the Allied Gold Directors.

Accordingly, the Allied Gold Directors intend unanimously to recommend Allied Gold Shareholders to vote in favour of the Scheme and the resolutions to be proposed at the Court Meeting and the General Meeting, (or in the event that the Offer is implemented by means of a Takeover Offer on substantially the same terms as the Scheme, to accept or procure acceptance of the Takeover Offer) as the Allied Gold Directors have, in respect of their entire beneficial holdings in Allied Gold, irrevocably undertaken to do. Such shares represent, in aggregate, 2,206,303 Allied Gold Shares, representing approximately 1.1 per cent. of the entire issued ordinary share capital of Allied Gold.

Lazard is acting as Lead Financial Adviser to St Barbara and Ashurst Australia and Ashurst LLP are acting as Legal Advisers to St Barbara. National Australia Bank Limited is acting as Mandated Lead Arranger and Lead Bookrunner for the term loan facility and as Financial Adviser to St Barbara, and Barclays Bank Plc is acting as Mandated Lead Arranger and Co-Bookrunner for the term loan facility and as Financial Adviser to St Barbara.

6 Irrevocable undertakings and letters of intent

As referred to above, St Barbara has received irrevocable undertakings to vote in favour of the Scheme and the Resolutions at the Court Meeting and the General Meeting, (or in the event that the Offer is implemented by means of a Takeover Offer on substantially the same terms as the Scheme, to accept or procure acceptance of the Takeover Offer) from Allied Gold Directors in respect of 2,206,303 Allied Gold Shares, representing 1.1 per cent. of the issued ordinary share capital of Allied Gold.

In addition to these irrevocable undertakings from the Allied Gold Directors, St Barbara has also received irrevocable undertakings to vote in favour of the Scheme and the resolutions at the Court Meeting and the General Meeting from Baker Steel Capital Managers LLP, Franklin Advisers, Inc. and Resource Capital Fund III LP in respect of 38,764,657 Allied Gold Shares, representing 19.0 per cent. of the issued ordinary share capital of Allied Gold. St Barbara has also received letters of intent to vote in favour of the Scheme in respect of 29,820,383 Allied Gold Shares representing 14.6 per cent. of the issued ordinary share capital of Allied Gold. M&G Investment Management has also verbally committed to St Barbara to vote in favour of the Scheme in respect of their entire shareholding in Allied Gold (representing approximately 18.9 per cent. of the issued ordinary share capital of Allied Gold), in the absence of a superior proposal.

St Barbara has therefore received total irrevocable undertakings in respect of Allied Gold Shares representing approximately, in aggregate, 20.1 per cent. of the issued ordinary share capital of Allied Gold and letters of intent in respect of Allied Gold shares representing 14.6 per cent. of the issued ordinary share capital of Allied Gold. St Barbara and Allied Gold have around 30% common share ownership.

Further details of these irrevocable undertakings (including the conditions attached thereto and the circumstances in which they will fall away) and letters of intent are set out in Appendix III to this announcement.

7 Information on St Barbara

St Barbara is a public corporation incorporated under the laws of Australia. The St Barbara Shares are listed on the Australian Securities Exchange. St Barbara American Depositary Receipts have also been issued through Bank of NY Mellon. St Barbara is one of Australia's larger and more profitable ASX listed mid-tier gold producers, developers and explorers (code: SBM). St Barbara has three mines and two processing plants at Leonora and Southern Cross, in the Eastern Goldfields region of Western Australia, and over 5,000km² of prospective tenements across Australia. The Gwalia mine at Leonora is St Barbara's cornerstone asset. The Gwalia deposit has an Ore Reserve grade of 8.9 g/t Au, an expected mine life of at least eight years, and remains open to the south and at depth. As at 30 June 2011, St Barbara's Measured and Indicated Mineral Resources contained 5.2 million ounces of gold, inclusive of Ore

Reserves containing 2.8 million ounces of gold, with a further 2.4 million ounces of gold contained in Inferred Resources¹⁸.

St Barbara's Leonora operations comprise the Gwalia and King of the Hills underground mines, a processing plant at Gwalia, and the undeveloped Tower Hill deposit.

The Gwalia mining method is long hole open stoping with cement paste back fill. Mine plans for financial year ending 30 June 2012 are based on sourcing ore almost exclusively from the higher grade South West Branch lode, with the average grade mined for the year expected to increase from 6.3 g/t Au in financial year ending 30 June 2011 to 8.0 – 8.5 g/t Au in financial year ending 30 June 2012. This expected increase in grade underpins an anticipated increase in production over the period to 175,000 – 190,000 ounces of gold (from 131,133 ounces for the financial year ending 30 June 2011). As at 30 June 2011, Gwalia's Measured and Indicated Mineral Resources contained 3.2 million ounces of gold, inclusive of Ore Reserves containing 2.0 million ounces of gold, with a further 1.0 million ounces of gold contained in Inferred Resources¹⁸.

The processing plant at Gwalia is a conventional CIP circuit and has a nominal capacity of 1.2 million tonnes per annum of hard rock and up to 1.8 million tonnes per year when softer material is blended. Other surface infrastructure includes a gas-fired power station, a paste fill plant, and a refrigeration plant to cool the underground environment.

The King of the Hills underground mine is located at the site of the historical Tarmoola open pit. Gold production commenced ahead of schedule in May 2011. The mine is expected to produce at the rate of 55,000 – 60,000 ounces of gold per annum for at least another two and a half years. Ore mined is trucked 42 kilometres to the Gwalia processing plant for treatment to utilise the available processing capacity. Gold production from King of the Hills is protected by put and call options providing a price collar of between A\$1,425 and A\$1,615 per ounce. As at 30 June 2011, King of the Hills' Indicated Mineral Resources contained 0.3 million ounces of gold, inclusive of Ore Reserves containing 0.2 million ounces of gold, with a further 0.1 million ounces of gold contained in Inferred Resources¹⁸.

Tower Hill, which is located two kilometres from the Gwalia plant, had been identified as a potential underground opportunity. Further work is being undertaken to better understand the geological controls over the high gold grade domains and the potential for extending the mineralisation at Tower Hill. As at June 2011, Tower Hill's Indicated Mineral Resources contained 0.4 million ounces of gold, inclusive of Ore Reserves containing 0.3 million ounces of gold¹⁸.

At St Barbara's Southern Cross operations, ore is sourced from the Marvel Loch underground mine. Deep drilling has identified the presence of (non-gold bearing) pegmatite beneath the Marvel Loch mine, and diminishing grades in the northern lodes of the mine. Southern Cross operations are forecast to produce 90,000 – 100,000 ounces of gold in financial year ending 30

¹⁸ For full details refer to the Ore Reserves and Mineral Resources Statements contained in Appendix V.

June 2012 and cease operations in the December quarter 2012, at which time the 2.2 million tonne per annum plant will go onto care and maintenance, unless alternative feed sources can be identified. The forecast remaining gold production from Marvel Loch is protected by put and call options commenced in August 2011, providing a price collar of between A\$1,550 and A\$1,610 per ounce. As at 30 June 2011, the Southern Cross' Measured and Indicated Mineral Resources contained 1.2 million ounces of gold, inclusive of Ore Reserves containing 0.2 million ounces of gold, with a further 1.0 million ounces of gold contained in Inferred Resources¹⁹.

St Barbara also has exploration tenements covering 5,000km² across Australia (including tenements at East Lachlan where the target is copper-gold porphyry mineralisation), where the company is currently undertaking a targeted series of drilling programmes in the most prospective areas.

St Barbara's core strategy is to drive shareholder value through a focus on lowering costs and increasing margins at existing assets, investing in exploration to target both greenfield and brownfield discoveries, and evaluating and investing in both internal and external growth opportunities. Leveraging value at St Barbara's Leonora operations is a key part of this strategy. Exploration expenditure in the financial year ended 30 June 2011 was A\$22 million, with 10 targets planned to be drilled across 5,000km² of prospective land in the financial year ending 30 June 2012. St Barbara's evaluation of external growth opportunities is disciplined and underpinned by geological prospectivity, with a clearly defined set of investment criteria allowing the company to focus on value accretive opportunities.

For the year ended 30 June 2011, St Barbara produced 258,474 ounces of gold, including 131,133 ounces from Gwalia, 7,066 ounces from King of the Hills and 120,275 ounces from Southern Cross. The company generated revenue of A\$360 million, EBITDA of A\$125 million and net profit of A\$69 million. On 19 April 2012, St Barbara announced its March quarter results for the three months ending 31 March 2012. Over this period, St Barbara produced 85,840 ounces of gold, bringing total production for the nine months to 31 March 2012 to 240,063 ounces of gold. As at 31 December 2011, St Barbara had total assets of A\$594 million, cash and cash equivalents of A\$110 million and shareholder's equity of A\$478 million.

8 Information on Allied Gold

Allied Gold is a public limited company registered in England and Wales. Allied Gold is a South West Pacific gold producer, developer and exploration company listed on the Official List of the London Stock Exchange, the Australian Securities Exchange and the Toronto Stock Exchange (code: ALD). The company has two gold mines in operation: the Simberi gold project located on Simberi Island, the northern most island of the Tabar Islands Group in the New Ireland Province of eastern Papua New Guinea, and the Gold Ridge gold project located on Guadalcanal Island in the Solomon Islands. Allied Gold also controls 100% of the 260km²

¹⁹ For full details refer to the Ore Reserves and Mineral Resources Statements contained in Appendix V.

Tabar-Tatau exploration licences, which includes the entire Tabar Islands group not covered by the mining lease for Simberi. As at December 2011, Allied Gold's Measured and Indicated Mineral Resources contained 5.2 million ounces of gold, with a further 3.8 million ounces of gold of Inferred Resources²⁰.

Historically, the operations of Allied Gold comprised the gold mining business of Allied Gold Limited, incorporated and registered in Australia, and its subsidiaries. Allied Gold Limited was publicly traded on the Australian Securities Exchange from December 2003, the London Stock Exchange's AIM market from March 2006 and on the Toronto Stock Exchange from November 2009. In June 2011, the company re-domiciled to the United Kingdom and commenced trading on the London Stock Exchange Plc's Main Market for listed securities. As part of this process, Allied Gold shareholders and option holders were required to approve two interdependent schemes of arrangement to change the company's place of incorporation to the UK. All existing shares and options in Allied Gold Limited were exchanged for share or options in Allied Gold Mining Plc, a company incorporated in England and Wales which became the new holding company for the Allied Gold Group.

The company's major assets are its 100% owned Simberi gold project located on Simberi Island in Papua New Guinea, and its 100% owned Gold Ridge gold project located on Guadalcanal Island in the Solomon Islands.

Simberi is an open-pit mining operation, with an associated 2.0mtpa CIL plant for processing oxide ore. The mine is located within the 2,560ha Mining Lease ML136 on the eastern side of Simberi Island. Allied Gold is currently expanding gold production at Simberi from a current run rate of 70 koz per annum (based on production over the four quarters to March 2012) to a rate of approximately 100 koz per annum through the expansion and optimisation of the existing oxide plant to increase capacity to 3.5mtpa of ore. Further expansion of operations and production at Simberi is currently under review. Additional potential has been identified around the existing Simberi pits, and a near-mine exploration programme on the western side of Simberi Island is currently underway with the aim of identifying additional oxide material. As at December 2011, Simberi had Measured and Indicated Mineral Resources containing 3.3 million ounces of gold, with a further 3.18 million ounces of gold of Inferred Resources, including Proven and Probable Ore Reserves containing 2.0 million ounces of gold.

Gold Ridge was acquired by Allied Gold in 2009 through its acquisition of ASG. The company completed an A\$150 million refurbishment and expansion of the existing plant at Gold Ridge to increase capacity from 2.0mtpa to 2.5mtpa in March 2011. First gold was produced from the refurbished Gold Ridge plant in March 2011. Gold Ridge is targeting production of approximately 95 – 105 koz per annum for a minimum eight years, and a regional exploration programme has also commenced to grow the resource base. As at December 2011, Gold Ridge had total Measured and Indicated Mineral Resources containing 1.9 million ounces of gold,

²⁰ For full details refer to the Ore Reserves and Mineral Resources Statements contained in Appendix V.

with a further 0.62 million ounces of gold of Inferred Resources, including Probable Ore Reserves containing 1.1 million ounces of gold.

Allied Gold also controls 100% of the 260km² Tabar-Tatau exploration licences, which includes all of the Tabar Islands group not covered by the mining lease for Simberi. The main focus of the exploration programme is to target epithermal gold and copper-gold porphyry mineralisation. While exploration work at Simberi in 2011 was focused on proving up sulphide resources to support the potential installation of sulphide processing capacity, efforts in 2012 have shifted to identification of new oxide and sulphide deposits within the mining lease. New targets have been generated through reprocessing of earlier IP data and testing of these targets has started through soil sampling and diamond core drilling.

Allied Gold's core strategy is to achieve profitable growth and increase volume from current mining assets, with a particular focus on assets in the South West Pacific with favourable capital intensity. The central driver of this strategy is securing the group's supply of gold, which it intends to achieve through the development and expansion of existing mining operations.

Allied Gold's aim is to keep growing its critical mass in terms of resources, reserves and production capacity through exploration around its existing assets. The company is investing in excess of A\$10 million annually into exploration, with programs around all of its producing assets and at greenfield projects in Papua New Guinea and the Solomon Islands, as the Directors seek to build on the position of the group as a prominent gold producer and explorer in the region. Allied Gold is also focused on the organic development of in-house projects and regional acquisitions of production or near-term production assets.

For the year ended 31 December 2011, Allied Gold produced 108,338 ounces of gold, including 57,284 ounces from Simberi and 51,054 ounces from Gold Ridge. The company generated revenue of US\$146 million, EBITDA of US\$29 million and net profit of US\$(6) million. On 30 April 2012, Allied Gold announced its March quarter results for the three months ending 31 March 2012. Over this period, Allied Gold produced 34,107 ounces of gold, including 15,051 ounces from Simberi and 19,056 ounces from Gold Ridge. As at 31 December 2011, Allied Gold had total assets of US\$621 million, working capital of US\$68 million, cash and cash equivalents of US\$22 million and shareholder's equity of US\$507 million.

Allied Gold currently has good relationships with local landowners who are important stakeholders in mining activities in the region.

9 Management, employees and locations

St Barbara recognises the skills and experience of the existing management and employees of Allied Gold. Accordingly, St Barbara expects that Allied Gold's management will play an important role in the combined organisation. St Barbara intends to work with the management of Allied Gold to conduct a strategic review of its operations and business within the first three months following completion of the acquisition. The strategic review will involve consideration around potential areas for business integration, and how best to realise the combined group's

growth opportunities and business improvement initiatives. At this stage, no decisions have been made by St Barbara in relation to the strategic review, which may, or may not, result in changes to the employee base, changes to locations from where the business operates, or a redeployment of Allied Gold's fixed assets. St Barbara will remain headquartered in Melbourne, Australia.

St Barbara has given assurances to the Allied Gold Directors that the existing employment rights of all Allied Gold employees will be fully safeguarded upon completion of the Offer.

St Barbara also expects to appoint up to two existing Directors of Allied Gold to the positions of either Non-Executive Director or consultant to the combined group (to be mutually agreed between St Barbara and Allied Gold), upon completion of the Offer.

In recognition for their additional work in relation to the Offer and throughout the Offer period, Allied Gold proposes to make performance bonus payments of A\$500,000 in the case of the Chairman and A\$125,000 in the case of each non-executive director, payable only in the event that the Chairman and such directors are not taking up any invited positions with the combined company post the Scheme becoming effective and are hence foregoing any future compensation they would have received had they remained on the board of the combined company for the next calendar year. St Barbara has agreed to these payments. Further details of the individual proposals for each director will be set out in the Scheme Document.

10 Allied Gold Optionholders

Allied Gold Optionholders will be contacted separately regarding the effect of the Offer on their rights and appropriate proposals will be made to such persons in due course. In summary Allied Gold Optionholders will have the opportunity to either (i) exercise their outstanding options and participate in the Scheme in relation to the resulting Shares; or (ii) cancel their options for a payment by St Barbara of A\$0.29 for each option Share. The payment of A\$0.29 for each option Share reflects the value of an option based on its current see through value, as adjusted using a Black Scholes valuation. The Black Scholes valuation takes into account, amongst other things, the remaining exercise period of the options.

Following the Effective Date, Allied Gold will be re-registered as a private limited company and its articles of association will be amended to ensure that any of the outstanding options held by Allied Gold Optionholders which are exercised after the Scheme Record Time will be automatically acquired by St Barbara for A\$1.025 in cash and 0.8 St Barbara Consideration Shares for each Allied Share.

11 Financing the Offer

The cash consideration payable under the terms of the Offer will be funded from St Barbara's existing cash resources and additionally by using a term loan facility provided by National Australia Bank Limited and Barclays Bank Plc under a A\$120 million syndicated facility agreement which is repayable on the earlier of four years after financial close (i.e. four years after the Scheme becomes effective) and 30 June 2016 in accordance with an agreed amortisation schedule. Lazard, Lead Financial Adviser to St Barbara, is satisfied that sufficient

resources are available to satisfy in full the cash consideration payable to Allied Gold Shareholders under the terms of the Offer. Consent has been obtained for Allied Gold's existing debt financing to remain in place after completion of the transaction. The combined group will have gearing of approximately 20%²¹. As at 31 March 2012, St Barbara had a closing cash balance of A\$137 million.

Allied Gold Shareholders will have the option to receive the cash portion of the consideration in either Australian Dollars or pounds Sterling, through electing to receive either currency on the Forms of Election. The exchange rate for conversion of the cash consideration from Australian Dollars into Sterling will be set by St Barbara as at four business days prior to the settlement date, meaning that Allied Gold Shareholders who elect to receive cash consideration in pounds Sterling will bear the exchange risk on any fluctuations in the Australian Dollar/pounds Sterling exchange rate prior to four business days before the settlement date. The exchange rate for conversion will be based on the Australian Dollar/pounds Sterling rate quoted on Reuters page "RBA26", being the exchange rate sourced from the Reserve Bank of Australia which is fixed each day at 4pm Australian Eastern Standard Time. Allied Gold Shareholders who elect to receive the cash consideration in pounds Sterling will receive the cash consideration converted at the exchange rate set by St Barbara, less any conversion and commission costs incurred. Commission costs, which will be contractually agreed with National Australia Bank Limited and passed onto shareholders at the commercial rate, are not expected to exceed approximately 0.2 per cent. of the total cash consideration assuming a charge of 0.001 pounds Sterling per Australian Dollar on the exchange rate at conversion.

12 St Barbara Consideration Shares

The St Barbara Consideration Shares will be ordinary shares in the capital of St Barbara. The St Barbara Consideration Shares will rank equally in all respects with the existing St Barbara Shares and will be entitled to receive any dividends and/or other distributions declared or paid by St Barbara in respect of ordinary shares of St Barbara with a record date on or after the date of their issue.

The ordinary shares of St Barbara are listed on the Australian Securities Exchange under the symbol "SBM" and an application will be made for the St Barbara Consideration Shares to be listed on the Australian Securities Exchange. The St Barbara Consideration Shares will be subject to the provisions of certain Australian securities laws.

It is intended that the Offer will be effected by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act. Following implementation of the Offer, Allied Gold will become a wholly-owned subsidiary of St Barbara, with current St Barbara and Allied Gold shareholders owning 67% and 33% respectively of the combined group. Allied

²¹ Gearing defined as gross interest bearing debt divided by the sum of gross interest bearing debt and book equity.

Gold will cease to be listed on the London Stock Exchange, the Australian Securities Exchange and the Toronto Stock Exchange.

It will not be necessary for St Barbara to obtain the approval of its shareholders to implement the Offer as the transaction is being structured as a scheme of arrangement between Allied Gold and its shareholders²².

13 Disclosure of interests in Allied Gold

St Barbara confirms that it has today made an Opening Position Disclosure, setting out the details required to be disclosed by it under Rule 8.1(a) of the Code.

14 Structure of the Offer

It is intended that the Offer will be effected by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act. The Scheme will be an arrangement between Allied Gold and the Scheme Shareholders and will be subject to the approval of the Court.

The purpose of the Scheme will be to provide for St Barbara to become the holder of the entire issued and to be issued ordinary share capital of Allied Gold. This is to be achieved by the cancellation of the Scheme Shares held by Scheme Shareholders and the application of the reserve arising from such cancellation in paying up in full such number of new ordinary shares of 10 pence each in Allied Gold which is equal to the number of Scheme Shares cancelled and issuing such new ordinary shares to St Barbara. St Barbara will subsequently pay the cash consideration and issue the St Barbara Consideration Shares to which Allied Gold Shareholders on the register of members at the Scheme Record Time are entitled pursuant to the terms of the Offer in consideration for the cancellation of the Scheme Shares and the allotment and issue to St Barbara of the new Allied Gold Shares pursuant to the Scheme.

To become effective, the Scheme will require, amongst other things, the approval by a majority in number of Scheme Shareholders representing at least 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders voting, either in person or by proxy, at the Court Meeting (or any adjournment thereof), and the passing by the Allied Gold Shareholders of a special resolution necessary to implement the Scheme (including approving appropriate amendments to the articles of association of Allied Gold) at the General Meeting (or any adjournment thereof). In addition, the Scheme must be sanctioned, and the Capital Reduction must be confirmed, by the Court.

The Scheme will also be subject to certain conditions and certain further terms referred to in Appendix I of this announcement and to be set out in the Scheme Document.

Once the necessary approvals from Allied Gold Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived, the Scheme will become effective

²² This is conditional on ASX granting St Barbara a waiver from Listing Rule 7.1. ASX has indicated that it is likely to grant St Barbara such a waiver.

upon the delivery of the Capital Reduction Court Order to the Registrar. The Scheme is expected to become effective in the second half of 2012. If the Scheme does not become effective on or before 10 October 2012, it will lapse and the Offer will not proceed (unless the parties agree otherwise with the consent of the Panel).

Upon the Scheme becoming effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether or not they voted in favour) and share certificates in respect of the Allied Gold Shares will cease to be valid and entitlements to Allied Gold Shares held within the CREST system will be cancelled.

The St Barbara Consideration Shares to be issued to Allied Gold Shareholders pursuant to the Scheme will be issued fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including voting rights and the rights to receive any dividends and/or other distributions declared or paid by St Barbara in respect of common shares of St Barbara with a record date on or after the date of their issue.

St Barbara reserves the right, with the consent of the Panel (where necessary), to elect to implement the Offer by way of a Takeover Offer as an alternative to the Scheme. Any such Takeover Offer will be subject to an acceptance condition of St Barbara having acquired (whether pursuant to the Offer or otherwise) such percentage (being more than 50 per cent.) of the Allied Gold Shares, as St Barbara may decide, having consulted with the Panel, and will otherwise be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme, and in compliance with applicable laws and regulations.

Further details of the Scheme, including how Scheme Shareholders may participate in the Court Meeting and General Meeting, will be contained in the Scheme Document.

15 Expected Timetable

Allied Gold currently anticipates that:

- (a) it will despatch the Scheme Document, together with the Forms of Proxy, to Allied Gold Shareholders and, for information only, to Allied Gold Optionholders on or around 16 July 2012;
- (b) the Court Meeting and General Meeting will take place around early August 2012; and
- (c) subject to the Scheme becoming unconditional and effective in accordance with its terms, the Offer is expected to become effective in the third quarter of 2012, with the consideration being payable to Allied Gold Shareholders no later than 14 days after the Effective Date.

The timing of events which relate to the implementation of the Offer is, however, subject to the approval of the Court and is therefore subject to change. A full anticipated timetable will be set out in the Scheme Document.

If the Offer does not become effective by 10 October 2012, the Offer will lapse (unless the parties agree otherwise with the consent of the Panel).

16 Regulatory conditions

The Offer will be subject to the conditions and further terms set out below and in Appendix I and the full terms and conditions which will be set out in the Scheme Document. In particular, the Offer is subject to a condition that the Australian Treasurer (acting on the advice of the Foreign Investment Review Board ("**FIRB**")) approves the Offer or statutory periods have elapsed with no objection having been received from FIRB. St Barbara understands that the acquisition of Allied Gold is consistent with Australia's foreign investment policy.

17 Overseas Shareholders

The availability of the Offer or distribution of this announcement to persons not resident in the United Kingdom, Australia or the United States or not located in Canada may be prohibited or affected by the laws of the relevant jurisdictions. Such persons should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdiction. If you remain in any doubt, you should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

Further details in relation to overseas Allied Gold Shareholders will be contained in the Scheme Document.

18 Delisting and re-registration

Upon or shortly after the Effective Date, it is intended that St Barbara will procure that Allied Gold makes applications to (i) cancel the listing of Allied Gold Shares on the UKLA's Official List, (ii) cancel trading in Allied Gold Shares on the London Stock Exchange's Main Market for listed securities and the Australian Securities Exchange and (iii) delist the Allied Gold Shares from the Toronto Stock Exchange.

On the Effective Date, Allied Gold will become a wholly-owned subsidiary of St Barbara and share certificates in respect of the Allied Gold Shares will cease to be valid and should be destroyed. Entitlements to Allied Gold Shares held within the CREST system will be cancelled on the Effective Date.

It is also proposed that on or following the Effective Date, Allied Gold will be re-registered as a private limited company. In addition the articles of association of Allied will be amended to that of a private limited company with a provision for St Barbara to automatically acquire any new Allied Gold Shares which may be required to be issued, following the Scheme becoming effective, in respect of any of the outstanding options under the Allied Gold Employee Option Plans, for A\$1.025 in cash and 0.8 St Barbara Consideration Shares for each Allied Gold Share.

19 General

The Offer will be made on the terms and subject to the conditions and further terms set out herein and in Appendix I to this announcement and subject to the applicable rules and regulations of the UKLA, the London Stock Exchange and the City Code.

The Scheme will be governed by English law and will be subject to the jurisdiction of the English courts and the Conditions and further terms set out in Appendix I to this announcement and to the full terms and Conditions to be set out in the Scheme Document.

The bases and sources of certain financial information contained in this announcement are set out in Appendix II to this announcement. A summary of the irrevocable undertakings and the letters of intent is contained in Appendix III to this announcement. Certain terms used in this announcement are defined in Appendix IV to this announcement.

20 Documents on display

Copies of the following documents will be made available, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, on St Barbara's website (www.stbarbara.com.au) and Allied Gold's website (www.alliedgold.com.au) by no later than 12 noon (London time) on 30 June 2012 until the end of the Offer:

- syndicated Facility Agreement between St Barbara, National Australia Bank Limited (as Agent, Arranger and Initial Financier), Barclays Bank plc (as Arranger and Initial Financier);
- amendment and Restatement Deed between St Barbara, National Australia Bank Limited (as Agent and Financier) and Barclays Bank plc (as Financier), in respect of the Common Terms Agreement dated 11 May 2010 between the same parties;
- amending Deed (Security Trust Deed) between St Barbara, National Australia Bank Limited (as Initial Senior Beneficiary, Security Trustee and Agent) and Barclays Bank plc (as Initial Senior Beneficiary);
- security Trust Deed dated 11 May 2010 between St Barbara, National Australia Bank Limited (as Security Trustee and Initial Senior Beneficiary) and Barclays (as Initial Senior Beneficiary);
- priority and Consent Deed between St Barbara, National Australia Bank Limited (as Security Trustee) and EXP T1 Ltd;
- deed of Security between St Barbara and National Australia Bank Limited (as Security Trustee) in relation to all of St Barbara's assets;
- irrevocable undertakings and letters of intent referred to in paragraph 6 above and summarised in Appendix III to this announcement;
- commitment letter between National Australia Bank Limited, Barclays Bank plc and St Barbara;
- fee letter between St Barbara and National Australia Bank Limited;

- fee letter between St Barbara and Barclays Bank plc; and
- the Confidentiality Agreement.

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The Offer will be made on the terms and subject to the conditions and further terms set out herein and in Appendix I to this announcement and the further terms and conditions to be set out in the Scheme Document and Forms of Proxy when issued. The bases and sources of certain financial information contained in this announcement are set out in Appendix II to this announcement. A summary of the irrevocable undertakings given by the Allied Gold Directors and the irrevocable undertakings and letters of intent given by certain other Allied Gold Shareholders is contained in Appendix III to this

announcement. Certain terms used in this announcement are defined in Appendix IV to this announcement.

Lazard, which is authorised and regulated in the UK by the Financial Services Authority, is acting exclusively for St Barbara and no one else in connection with the Offer and this announcement and will not be responsible to anyone other than St Barbara for providing the protections afforded to clients of Lazard nor for providing advice in connection with the Offer or any matter referred to herein.

RBC Capital Markets, which is authorised and regulated in the UK by the Financial Services Authority, is acting exclusively for Allied Gold and no one else in connection with the Offer and this announcement and will not be responsible to anyone other than Allied Gold for providing the protections afforded to clients of RBC Capital Markets nor for providing advice in connection with the Offer or any matter referred to herein

Barclays, which is authorised and regulated in the UK by the Financial Services Authority, is acting exclusively for St Barbara and no one else in connection with the Offer and this announcement and will not be responsible to anyone other than St Barbara for providing the protections afforded to clients of Barclays nor for providing advice in connection with the Offer or any matter referred to herein.

St Barbara reserves the right to elect, with the consent of the Panel (where necessary), to implement the Offer by way of a Takeover Offer. In such event, the Takeover Offer will be implemented on substantially the same terms, subject to appropriate amendments, as those which would apply to the Offer.

Further information

This announcement is for information purposes only and does not constitute or form part of an offer or invitation to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise, nor shall there be any sale, issuance or transfer of the securities in any jurisdiction in contravention of applicable law. Any vote in respect of the Scheme or other response in relation to the Offer should be made only on the basis of the information in the Scheme Document or any document by which the Offer is made. The Offer will be made solely by means of the Scheme Document, which will contain the full terms and conditions of the Offer, including details of how to vote in favour of the Scheme. Allied Gold and St Barbara urge Allied Gold Shareholders to read the Scheme Document which will be distributed to Scheme Shareholders in due course (with the exception of certain Scheme Shareholders in Restricted Jurisdictions), as it will contain important information relating to the Offer.

Whether or not certain Allied Gold Shares are voted at the Court Meeting or the General Meeting, if the Scheme becomes Effective, those Allied Gold Shares will be cancelled pursuant to the Scheme in return for the issue of 0.8 St Barbara Consideration Shares and the payment of A\$1.025 per Allied Gold Share.

This announcement does not constitute a prospectus or prospectus equivalent document.

This announcement has been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Overseas shareholders

The availability of the Offer to Allied Gold Shareholders who are not resident in the United Kingdom, Australia or the United States or not located in Canada may be affected by the laws of the relevant jurisdictions in which they are located or of which they are resident. The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom, Australia or the United States or not located in Canada or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements of their jurisdictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with English law, the Listing Rules, the rules of the London Stock Exchange and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of any jurisdiction outside the United Kingdom.

Further details in relation to overseas Allied Gold shareholders will be contained in the Scheme Document.

The Offer relates to the shares in an English company and is proposed to be made by means of a scheme of arrangement provided for under company law of the United Kingdom. The scheme of arrangement will relate to the shares of a UK company that is a 'foreign private issuer' as defined under Rule 3b-4 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and (b) a "designated foreign issuer" under applicable Canadian securities laws. A transaction effected by means of a scheme of arrangement is not subject to the shareholder vote, proxy and tender offer rules under Australian law, Canadian law or the Exchange Act. Accordingly, the Offer is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements and practices of Australian, Canadian or US shareholder vote, proxy and tender offer rules. Financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in the UK that may not be comparable to the financial statements of Australian, Canadian or US companies.

No securities regulatory authority in any Canadian jurisdiction has (a) approved or disapproved of the Offer; (b) passed upon the merits or fairness of the Offer; or (c) passed upon the adequacy or accuracy of the disclosure in this announcement. Any representation to the contrary is an offence in Canada.

Any securities to be offered pursuant to the Offer as described in this announcement have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state, district or other jurisdiction of the United States, or of Canada,

Australia or Japan. Accordingly, such securities may not be offered, sold or delivered, directly or indirectly, in or into such jurisdictions except pursuant to exemptions from applicable requirements of such jurisdictions. The St Barbara Shares to be issued in exchange for Scheme Shares pursuant to the Scheme will be issued in reliance upon exemptions from the prospectus requirements of securities legislation in each province and territory of Canada. Subject to certain disclosure and regulatory requirements and to customary restrictions applicable to distributions of shares that constitute "control distributions", St Barbara Shares issued pursuant to the Scheme may be resold in each province and territory in Canada, however the first trade in such St Barbara Shares will be subject to the standard conditions that no unusual effort has been made to prepare the market or create demand, no extraordinary commission or consideration is paid and, if the selling shareholder is an insider or officer of St Barbara, such shareholder has no reasonable grounds to believe that St Barbara is in default of securities legislation.

If St Barbara exercises its right to implement the Offer by way of a Takeover Offer, the Offer will be made in compliance with all applicable regulations.

Copies of this announcement and formal documentation relating to the Offer will not be and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would violate the laws of that jurisdiction.

Forward looking statements

This announcement, any oral statements made by St Barbara or Allied Gold in relation to the Offer, and other information published by St Barbara or Allied Gold, may contain statements about St Barbara and Allied Gold that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) statements about the expected effects of the Offer on Allied Gold, St Barbara, the expected timing and scope of the Offer; (ii) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (iii) business and management strategies and the expansion and growth of St Barbara's or Allied Gold's operations and potential synergies resulting from the Offer; (iv) the effects of government regulation on St Barbara's or Allied Gold's business and (v) all other statements in this announcement other than historical facts.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements. None of St Barbara and Allied Gold, including members of their respective groups, nor any of their respective advisors, associates, directors or officers undertakes any obligation to update publicly, expressly disclaim or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required or provides any

representation, assurance or guarantee that the occurrence of events expressed or implied in any forward looking statement in this announcement will actually occur.

Except as may be required by applicable law, St Barbara and Allied Gold do not undertake any obligation to publicly update or revise any forward looking statements in this presentation.

Not a profit forecast

No statement in this announcement is intended as a profit forecast or profit estimate and no statement in this announcement should be interpreted to mean that the future earnings per share of the St Barbara Group as enlarged by the Offer, St Barbara and/or Allied Gold for current or future financial years will necessarily match or exceed the historical or published earnings per share of St Barbara or Allied Gold.

Competent person's statement

The information in this announcement that relates to Exploration Results and Mineral Resources for St Barbara, together with any related assessments and interpretations, has been based on information compiled by Phillip Uttley who is a Fellow of The Australasian Institute of Mining and Metallurgy. Phillip Uttley is a full-time employee of St Barbara. Phillip Uttley has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Phillip Uttley consents to the inclusion of the information contained in this announcement in the form and context in which it appears.

The information in this announcement that relates to Ore Reserves for St Barbara, together with any related assessments and interpretations, has been based on information compiled by Andrew Law who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy. Andrew Law is a full-time employee of the consulting firm Optiro and was a full-time employee of St Barbara as of 30 June 2011. Andrew Law has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Andrew Law consents to the inclusion of the information contained in Appendix V of this announcement relating to Proved and Probable Ore Reserves in the form and context in which it appears.

The information in this announcement that relates to production forecasts for St Barbara is based on Ore Reserves.

The information in this announcement that relates to Exploration Results and Mineral Resources for Allied Gold, together with any related assessments and interpretations, has been based on information compiled by Colin Ross Hastings who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy and included in a list promulgated by the ASX from time to time. Colin Ross Hastings is a full-time employee of Allied Gold. Colin Ross Hastings has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore

Reserves' (JORC Code). Colin Ross Hastings consents to the inclusion of the information contained in this announcement in the form and context in which it appears.

The information in this announcement that relates to Ore Reserves for Allied Gold, together with any related assessments and interpretations, has been based on information compiled by Colin Ross Hastings who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy and included in a list promulgated by the ASX from time to time. Colin Ross Hastings is a full-time employee of Allied Gold. Colin Ross Hastings has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Colin Ross Hastings consents to the inclusion of the information contained in this announcement in the form and context in which it appears.

Disclosure requirements of the Takeover Code (the "Code")

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

This summary should be read in conjunction with the full text of this announcement. Appendix I to this announcement contains the conditions to, and certain further terms of, the Offer. Appendix II to this announcement contains further details of the sources of information and bases of calculations set out in this announcement. Appendix III contains a summary of the irrevocable undertakings given by the Allied Gold Directors and by certain institutional shareholders. Appendix IV contains definitions of certain expressions used in this summary and in this announcement.

Information relating to Allied Gold shareholders

Please be aware that addresses, electronic addresses and certain information provided by Allied Gold Shareholders, persons with information rights and relevant persons for the receipt of electronic communications from Allied Gold may be provided to St Barbara during the Offer Period where requested under Section 4 of Appendix 4 of the City Code.

Publication on website

A copy of this announcement will be made available, free of charge subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at www.stbarbara.com.au and www.alliedgold.com.au by no later than 12 noon (London time) on the Business Day following the date of this announcement.

Neither the content of the website referred to in this announcement nor the content of any website accessible from hyperlinks on St Barbara or Allied Gold's website (or any other website) is incorporated into, or forms part of, this announcement.

Rule 2.10 Disclosures

In accordance with Rule 2.10 of the Code, Allied Gold confirms that it has 204,318,414 Allied Gold Shares in issue and admitted to listing on the Official List and to trading on the London Stock Exchange, the Australian Securities Exchange and the Toronto Stock Exchange under ISIN reference GB00B44QDS07.

In accordance with Rule 2.10 of the Code, St Barbara confirms that it has 324,620,389 St Barbara Shares in issue. The St Barbara Shares are listed on the Australian Securities Exchange under ISIN reference AU000000SBM8.

APPENDIX I

CONDITIONS AND FURTHER TERMS OF THE SCHEME AND THE OFFER

Part A. Conditions of the Offer

1. The Offer is conditional upon the Scheme becoming unconditional and Effective, subject to the Code, by no later than the Long Stop Date or such later date (if any) as St Barbara and Allied Gold may agree and the Panel and the Court may allow.
2. The Scheme will be conditional upon:
 - (a) its approval by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders who are present and vote, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or any adjournment of such meeting); and
 - (b) the Resolutions being duly passed by Allied Gold Shareholders by the requisite majority at the General Meeting (or any adjournment of such meeting); and
 - (c) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms reasonably acceptable to Allied Gold and St Barbara) and confirmation of the Capital Reduction by the Court and:
 - (A) the delivery of the Court Order(s) and the requisite Statement of Capital attached to it to the Registrar; and
 - (B) if so ordered in order to take effect, the registration of the Court Order effecting the Capital Reduction and such Statement of Capital by the Registrar; and
3. In addition, the Offer is conditional upon the following Conditions and, accordingly, the Court Order(s) will not be delivered to the Registrar unless such Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:
 - (a) save as Disclosed there being no provision of any agreement, arrangement, licence, permit, lease or other instrument to which any member of the Allied Gold Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, or any circumstance which in each case as a consequence of the Offer or the proposed acquisition of any shares or other securities in Allied Gold by any member of the St Barbara Group or because of a change in the control or management of the Allied Gold Group or otherwise,

could or might reasonably be expected to result in, to an extent in any such case which is material in the context of the Wider Allied Gold Group taken as a whole:

- (i) any monies borrowed by or any other indebtedness (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (ii) any such agreement, arrangement, licence, permit, lease or instrument or the interests or business of any such member or the rights, liabilities or obligations of any such member hereunder being, or becoming capable of being, terminated or adversely modified or affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
- (iii) any assets owned or used by any such member or any interest in such asset being or failing to be disposed of or charged or ceasing to be available to any such member or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any such member;
- (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any such member or any such mortgage, charge or other security interest (whenever arising or having arisen) being enforced or becoming enforceable;
- (v) the rights, liabilities, obligations or interests of any such member in, or the business of any such member with, any person, firm, company, body or venture (or any agreement(s) or arrangement(s) relating to any such interest or business) being terminated, adversely modified or adversely affected;
- (vi) the business, assets, liabilities, profits, financial or trading position, prospects or value of any such member being adversely affected;
- (vii) any such member ceasing to be able to carry on business under any name or in any jurisdiction under or in which it presently does so;
- (viii) the creation of any liability, actual or contingent, by or in respect of any such member; or
- (ix) any requirement on any such member to acquire, subscribe, pay-up or repay any shares or other securities,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit, lease or other instrument to which any member of the Allied Gold Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, could reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs (i) to (ix) of this condition 3(a), to an extent in any such case which is material in the context of the Wider Allied Gold Group taken as a whole;

- (b) no Regulatory Authority having given notice in writing of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken or having enacted, made or proposed any statute, regulation, decision or order, and there not continuing to be outstanding any statute, regulation, decision or order, which would or might reasonably be expected to be material in the context of the Wider Allied Gold Group, or Wider St Barbara Group, as the case may be, when taken as a whole:
 - (i) require, prevent or delay the divestiture, or alter the terms envisaged for any proposed divestiture by any member of the St Barbara Group or any member of the Allied Gold Group of all or any part of their respective businesses, assets, liabilities or property or of any Allied Gold Shares or other securities in Allied Gold or any member of the St Barbara Group or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to hold or exercise any right of ownership in respect of, or to exercise any management control over, any of their respective assets, properties or businesses or any part thereof;
 - (ii) otherwise materially adversely affect any or all of the business, assets, liabilities, profits, financial or trading position, profits, operational performance, prospects or value of any member of the Allied Gold Group;
 - (iii) make the Offer, its implementation or the acquisition or proposed acquisition by St Barbara or any member of the St Barbara Group of any shares or other securities, or control or management of, Allied Gold void, illegal and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, prevent, restrict, prohibit, or delay the same, or impose additional material adverse conditions or obligations with respect to, or otherwise impede, challenge, interfere or require material amendment of the Offer or the acquisition by St Barbara or any member of the St Barbara Group of any shares or other securities in Allied Gold;
 - (iv) require any member of the St Barbara Group or the Allied Gold Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) or interest in any member of the Allied Gold Group or the St Barbara Group owned by any third party (other than in the implementation of the Offer); or

- (v) result in any member of the Allied Gold Group or the St Barbara Group ceasing to be able to carry on all or any part of its business under any name or in any jurisdiction under or in which it presently does so; or
- (vi) result in the refusal, withholding, suspension, withdrawal, cancellation, termination or modification in whole or in part of any licence, authority, permission or privilege held by or enjoyed by the Wider Allied Gold Group or any member of the St Barbara Group which is necessary for the carrying on of its respective business or the imposition of any conditions, restrictions or limitations upon such licence, authority, permission or privilege which would or might materially inhibit the exercise thereof,

and all applicable waiting and other time periods (including any extension(s) thereof) during which any such Regulatory Authority could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Offer or proposed acquisition of any shares or securities in Allied Gold having expired, lapsed or been terminated;

- (c) all necessary notifications, filings or applications in connection with the Offer or the acquisition by any member of the St Barbara Group of any shares or other securities in, or control of, Allied Gold having been made and all necessary waiting periods (including extension(s) thereof) under applicable legislation or regulation of any jurisdiction having expired, lapsed or terminated (as appropriate) and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Offer or the acquisition by any member of the St Barbara Group of any shares or other securities in, or control of, Allied Gold and all Approvals necessary or appropriate in any jurisdiction for or in respect of the Offer or the proposed acquisition of any shares or other securities in, or control of, Allied Gold by any member of the St Barbara Group having been obtained on terms and in a form reasonably satisfactory to St Barbara from all appropriate Regulatory Authorities and, without prejudice to the generality of the foregoing, from any persons or bodies with whom any member of the Allied Gold Group has entered into contractual arrangements, and all such Approvals together with all Approvals necessary for the carrying on of the business of any member of the Allied Gold Group remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke, suspend, not to renew, or materially restrict or amend any of the same;
- (d) one of the following events having occurred:
 - (i) St Barbara is informed in writing by or on behalf of the Australian Federal Treasurer that there are no objections under the Australian Government's Foreign Investment Policy or the Australian Foreign Acquisitions and Takeovers Act 1975 (Cth) ("Australian FATA") to the Offer (such notice to be subject to no conditions or only

to those conditions that St Barbara considers in its absolute discretion to be acceptable);

- (ii) the period provided under the Australian FATA during which the Australian Federal Treasurer may make an order or an interim order under the Australian FATA prohibiting the Offer having expired, without such an order having been made; or
- (iii) the period during which the Australian Federal Treasurer is empowered by section 26 of the Australian FATA to make a final order prohibiting the Offer has expired without any order having been made;

(e) except as Disclosed, no member of the Allied Gold Group having, since 30 June 2011:

- (i) save as between Allied Gold and wholly-owned subsidiaries of Allied Gold or upon the exercise of options granted in the ordinary course under the Allied Gold Share Schemes, issued or agreed to issue or authorised the issue or proposed the issue of additional shares of any class, or securities convertible into, or rights, warrants or options to subscribe for or acquire any such shares or convertible securities;
- (ii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares (including treasury shares) or other securities or reduced or, save in respect to the matters mentioned in sub-paragraph (i) above, made or authorised any other change to any part of its share capital;
- (iii) other than to another member of the Allied Gold Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution, whether payable in cash or otherwise;
- (iv) save for intra-Allied Gold Group transactions, merged with or demerged from anybody corporate, partnership or business or authorised, proposed or announced any intention to propose the same;
- (v) other than in the ordinary course of business, acquired or disposed of or transferred, mortgaged, charged or created any security interest over, any material business or material asset or any right, title or interest in any material business or material asset (including shares and trade investments) or authorised, proposed or announced any intention to propose the same;
- (vi) save for intra-Allied Gold Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital (to an extent in any such case which is material in the context of the Wider Allied Gold Group taken as a whole);

- (vii) issued, authorised or proposed the issue of any debentures or made any changes in or to any debentures or, save for intra-Allied Gold Group transactions and other than in the ordinary course of its business, incurred or increased any indebtedness or liability (actual or contingent) or proposed to do any of the foregoing (to an extent in any such case which is material in the context of the Wider Allied Gold Group taken as a whole);
- (viii) save for intra-Allied Gold Group transactions, entered into, implemented, effected, authorised, proposed or announced any merger, demerger, reconstruction, amalgamation, scheme, commitment or other equivalent transaction or arrangement in respect of itself or another member of the Allied Gold Group other than the Offer;
- (ix) entered into, or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary the terms of, any agreement, arrangement, instrument, commitment or obligation with or for the benefit of any of the directors or senior executives or any connected person of any such person (within the meaning of the Companies Act) of any member of the Allied Gold Group, including any retirement, death or disability benefit or any share option or bonus scheme;
- (x) entered into, or varied (in a manner which is prejudicial to the Allied Gold Group taken as a whole) or terminated, or authorised, proposed or announced its intention to enter into, vary (in a manner which is prejudicial to the Allied Gold Group taken as a whole) or terminate any contract, agreement, transaction, arrangement, commitment or obligation (whether in respect of capital expenditure or otherwise) which:
 - (A) is of a long term, onerous or unusual nature or magnitude; and
 - (B) materially restricts or might materially restrict the business of any member of the Allied Gold Group; or
 - (C) is outside of the ordinary course of business;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Allied Gold Group and any other person in a manner which would or might have a material adverse effect on the financial position or prospects of the Allied Gold Group taken as a whole;
- (xii) (other than in respect of a member of the Wider Allied Gold Group which is dormant and was solvent at the relevant time) taken any corporate action or had any legal proceedings started or threatened against it or had any order made for its

winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or had any such person appointed (in any case which is material in the context of the Wider Allied Group taken as a whole);

- (xiii) been unable, or admitted that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a material part of its business;
- (xiv) waived or compromised any claim that is material in the context of the business of the Wider Allied Gold Group taken as a whole;
- (xv) made any alteration to its memorandum or articles of association (in each case, other than an alteration in connection with the Scheme) or, except for any change required by reason of a concurrent change in applicable law, regulation or generally accepted accounting practice, to any method of accounting or accounting practice used by it on the date hereof (to an extent which is material in the context of the Offer);
- (xvi) entered into or varied any contract, commitment, transaction arrangement or agreement or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or proposed to, effect any of the transactions, matters or events referred to in this condition (d);
- (xvii) made or agreed or consented to any change to:
 - (A) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Allied Gold Group for its directors, employees or their dependents;
 - (B) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions that are payable thereunder;
 - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (D) the basis upon which liabilities (including pensions) of such pension scheme(s) are funded, valued or made.

which in any such case is material in the context of the Wider Allied Gold Group taken as a whole; or

- (xviii) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Allied Gold Group (which is material in the context of the Wider Allied Gold Group taken as a whole);
- (f) except as Disclosed, since 30 June 2011:
- (i) no material adverse change or deterioration having occurred in the business, assets, financial or trading position or profits of any member of the Allied Gold Group;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Allied Gold Group is or may become a party (whether as a claimant, defendant or otherwise) and no enquiry or investigation by or complaint or reference to any Regulatory Authority against or in respect of any member of the Allied Gold Group having been implemented, instituted, announced or threatened by or against or remaining outstanding against or in respect of any member of the Allied Gold Group (which in any such case is material in the context of the Wider Allied Gold Group taken as a whole or in the context of the Offer);
 - (iii) no contingent or other liability having arisen, become apparent to St Barbara or been increased, other than in the ordinary course of business, which would or might be reasonably likely to materially and adversely affect any member of the Allied Gold Group; and
 - (iv) no steps having been taken which are reasonably likely to result in the withdrawal (without replacement), cancellation, termination or modification of any licence held by any member of the Allied Gold Group which is necessary for the proper carrying on of its business;
- (g) save as Disclosed, St Barbara not having discovered:
- (i) that any financial, business or other information concerning Allied Gold or the Allied Gold Group as contained in the information disclosed at any time by or on behalf of any member of the Allied Gold Group whether publicly, to any member of the St Barbara Group or otherwise is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make the information therein accurate or not misleading (to an extent in any such case which is material in the context of the Wider Allied Gold Group taken as a whole or in the context of the Offer); or
 - (ii) that any member of the Allied Gold Group, or any partnership, company or other entity in which any member of the Allied Gold Group has an interest and which is not a subsidiary undertaking of Allied Gold is, otherwise than in the ordinary

course of business, subject to any liability (contingent or otherwise) which is material in the context of the Wider Allied Gold Group or in the context of the Offer;

(h) save as Disclosed, St Barbara not having discovered that:

- (i) any past or present member of the Allied Gold Group has failed to comply with any and/or all applicable legislation or regulation or any agreement or arrangement concerning any relevant jurisdiction with regard to the use, storage, treatment, transport, handling, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substances, or of any substance likely to impair the environment or harm human health or animal health, or otherwise relating to environmental matters or the health and safety of any person, or that there has otherwise been any such use, storage, treatment, transport, handling, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation, regulation, agreement or arrangement, and wherever the same may have taken place) any of which use, storage, treatment, transport, handling disposal, spillage, release, discharge, leak or emission would, in each case, would or might be likely to give rise to any liability (actual or contingent) on the part of any member of the Allied Gold Group (which in any such case is material in the context of the Wider Allied Gold Group taken as a whole or in the context of the Offer);
 - (ii) there is, or is reasonably likely to be, any liability (actual or contingent) of any past or present member of the Allied Gold Group to make good, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Allied Gold Group, under any environmental legislation, regulation, decision, notice, circular or order of any Regulatory Authority or otherwise in any jurisdiction (which in any such case is material in the context of the Wider Allied Gold Group taken as a whole or in the context of the Offer); or
 - (iii) circumstances exist whereby a person or class of person would be reasonably likely to have any claim or claims in respect of any product or process of manufacture or material used therein now or previously manufactured, sold or carried out by any past or present member of the Allied Gold Group (which in any such case is material in the context of the Wider Allied Gold Group taken as a whole or in the context of the Offer); and
- (i) ASX granting permission for the admission to quotation of the St Barbara Shares to be issued in connection with the Scheme on the stock market conducted by ASX, subject only to:

- (i) completion of the allotment and issue of such shares; and
- (ii) the provision of the following information to ASX:
 - (A) the date of allotment and the number of securities for which quotation is sought;
 - (B) a statement setting out the issued capital of St Barbara following allotment; and
 - (C) a statement setting out the names of the 20 largest holders of St Barbara Shares and the percentage held by each.

2. Part B: Certain further terms of the Offer

Subject to the requirements of the Panel, St Barbara reserves the right to waive in whole or in part, all or any of Conditions 3(a) to (i) (inclusive).

St Barbara shall be under no obligation to waive (if capable of waiver) or treat as satisfied any condition by a date earlier than the latest date for the fulfilment of that Condition, notwithstanding that the other Conditions of the Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.

If St Barbara is required by the Panel to make an offer for Allied Gold Shares under the provisions of Rule 9 of the Code, St Barbara may make such alterations to any of the above conditions as are necessary to comply with the provisions of that Rule.

The Offer will lapse if it is referred to the Competition Commission or is the subject of a decision to initiate proceedings under Article 6(1)(c) of Council Regulation 139/2004/EC before the date of the Court Meeting.

The Offer is governed by English law and be subject to the exclusive jurisdiction of the English courts, to the conditions set out in Part A above and the further terms set out in this Part B.

The availability of the Offer to persons not resident in the UK may be affected by the laws of their relevant jurisdiction. Any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about and observe any applicable legal or regulatory requirements of their jurisdiction.

The Offer will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone or e-mail) of interstate or foreign commerce of, or of any facility of a national securities

exchange of any jurisdiction if to do so would constitute a violation of the relevant laws in such jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within any such jurisdiction.

Allied Gold Shares will be acquired under the Offer by St Barbara fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and other third party rights or interests and together with all rights attaching thereto, including without limitation the right to receive all dividends and other distributions (if any) announced, declared, made or paid after the date of the Announcement.

3. Part C: Certain other information in connection with the Offer

Allied Gold intends to post the Scheme Document on or around 16 July 2012.

St Barbara and Allied Gold, as permitted by Rule 21.2(b) of the City Code, shall cooperate in relation to obtaining any consents, clearances, permissions or waivers as may be necessary or expedient and making all filings and waiting periods as are required under the law, regulations or practices applied by any applicable regulatory authority in connection with the conditions set out in Part A above.

APPENDIX II

SOURCES OF INFORMATION AND BASES OF CALCULATION

In this announcement:

- (i) As at the close of business on 28 June 2012, being the last business day prior to the date of this announcement, St Barbara had in issue 324,620,389 St Barbara Shares and Allied Gold had in issue 204,318,414 Allied Gold Shares. The ISIN for St Barbara Shares is AU000000SBM8 and for the Allied Gold Shares is GB00B44QDS07.
- (ii) The value placed on the issued and to be issued share capital of Allied Gold (approximately £360 million) are based on 204,318,414 Allied Gold Shares in issue on 28 June 2012, being the last dealing day prior to the date of this announcement.
- (iii) The closing share price of St Barbara Shares on 28 June 2012 is derived from the Australian Securities Exchange.
- (iv) The closing share price of Allied Gold Shares on 28 June 2012 is derived from the London Stock Exchange Daily Official List.
- (v) Unless otherwise stated, the financial information relating to Allied Gold is extracted or derived from the Annual Report and the Quarterly Report (without any adjustment).
- (vi) Unless otherwise stated, the financial information relating to St Barbara is extracted or derived from the Annual Report and Accounts of St Barbara for the financial year to 30 June 2011 and St Barbara's Half Year Financial Report to 31 December 2011 and March 2012 Quarterly Report (without any adjustments).
- (vii) The exchange rate between Australian Dollars and UK sterling was 0.6468 at 5pm GMT on 28 June 2012.

APPENDIX III

IRREVOCABLE UNDERTAKINGS, LETTERS OF INTENT AND VERBAL COMMITMENTS

Directors and other employees

St Barbara has received irrevocable undertakings from the Allied Gold Directors to vote in favour of the Scheme and the resolutions to be proposed at the Court Meeting and the General Meeting (and if the Offer is subsequently structured as a Takeover Offer, to accept any such offer made by St Barbara) in respect of their entire holdings in Allied Gold Shares, representing approximately 1.1 per cent. of the existing issued ordinary share capital of Allied Gold. Details of these undertakings are set out below.

The irrevocable undertaking entered into by Mark Caruso relating to 1,521,257 Allied Gold Shares, includes 554,915 Allied Gold Shares that are held by connected persons to Mark Caruso. As such, in respect of these 554,915 Allied Gold Shares, Mark Caruso has agreed to use all reasonable endeavours to procure that his connected persons act in accordance with the irrevocable undertaking, as though they were a party to it.

The irrevocable undertakings entered into by the Allied Gold Directors also contain provisions that, subject to the Scheme becoming effective, all options held by any Allied Gold Directors will be cancelled in return for a cash payment of A\$0.29 for each Allied Gold Share subject to the option. The number of options held by each Allied Gold Director are as specified below:

Name	Number of options
<i>Directors:</i>	
Mark Caruso	3,333,333
Frank Terranova	1,666,666
Anthony Lowrie	0
Monty House	0
Sean Harvey	0

Other Allied Gold Shareholders

St Barbara has received irrevocable undertakings to vote (or procure the vote) in favour of the Scheme and the resolutions to be proposed at the Court Meeting and the General Meeting from Baker Steel Capital Managers LLP (on behalf of its discretionary mandates) ("Baker Steel"), Franklin Advisers, Inc. and Resource Capital Fund III LP in respect of 38,764,657 Allied Gold Shares which it manages on behalf of clients and in respect of which it is able to exercise discretionary and voting control. Such shares represent approximately 19.0 per cent. of the existing issued ordinary share capital of Allied Gold.

Accordingly, the number of Allied Gold Shares in respect of which irrevocable undertakings have been received is, in aggregate, 40,970,960, representing approximately 20.1 per cent. of the issued share capital of Allied Gold. These undertakings will cease to be binding in the event of a higher competing offer being made for Allied Gold, as more particularly set out below.

Details of irrevocable undertakings

The following Allied Gold Directors (and their connected persons), employees and other shareholders have given irrevocable undertakings on the terms summarised above:

Allied Gold Shares subject to irrevocable undertakings		
Name	Number of Allied Gold Shares	% of Allied Gold issued share capital
<i>Directors:</i>		
Mark Caruso	1,521,257	0.7
Frank Terranova	226,882	0.1
Anthony Lowrie	389,242	0.2
Monty House	35,589	0.0
Sean Harvey	33,333	0.0
<i>Other shareholders:</i>		
Baker Steel Capital Managers LLP	14,158,346	6.9
Franklin Advisers, Inc.	16,294,453	8.0
Resource Capital Fund III LP	8,311,858	4.1
Total	40,970,960	20.1

Circumstances where Allied Gold Director irrevocables cease to be binding

The irrevocable undertakings from the Allied Gold Directors will cease to be binding if:

- (a) the Scheme Document is not published in accordance with the terms of the Press Announcement (or such later date as St Barbara and Allied Gold, with the consent of the Panel, may agree);

- (b) the Scheme does not become effective, is withdrawn or lapses in accordance with its terms; or
- (c) a firm intention to make a higher competing offer (which is not subject to any pre conditions) is:
 - (i) announced by a third party; and
 - (ii) St Barbara does not, within two business days of such announcement, make an improved offer which, in the reasonable opinion of the board of directors of Allied Gold (having taken advice from RBC), is at least as favourable as the third party offer.

Circumstances where institutional shareholder irrevocables cease to be binding or provisions will have no effect

The irrevocable undertakings from the Allied Gold Shareholders will cease to be binding if:

- (a) the Scheme Document is not published in accordance with the terms of the Press Announcement (or such later date as St Barbara and Allied Gold, with the consent of the Panel, may agree,
- (b) the Scheme does not become effective, is withdrawn or lapses in accordance with its terms; or
- (c) a firm intention to make a higher competing offer (which is not subject to any pre conditions) is:
 - (i) announced by a third party prior to the date of the Court Meeting and/or General Meeting on terms which represent (in the reasonable opinion of RBC) an improvement of 15 per cent. on the value of the consideration under the Offer as at the date on which the competing offer is announced, and
 - (ii) St Barbara does not, within five business days of the third party offer being made, announce an improvement to the terms of the Offer which, in the reasonable opinion of RBC are at least as favourable as the third party offer.

The provisions of the irrevocable undertakings that relate to the acquisition by St Barbara of an interest in the Allied Gold Shares are of no force and effect until the Australian Treasurer (acting on the advice of FIRB) approves the Offer or statutory periods have elapsed with no objection having been received from FIRB.

Specific circumstances whereby institutional shareholder irrevocables cease to be binding

The following additional provisions apply:

- in respect of Baker Steel, who hold approximately 6.9 per cent. of the issued share capital of Allied Gold, the irrevocable undertaking will cease to be binding if, prior to the Long Stop Date, the value of Baker Steel's assets under management declines by an aggregate amount of more than 33.3% from the level of the Baker Steel's assets under management

as at the date of the irrevocable undertaking. Such reduction in value must be agreed between Baker Steel and RBC.

- in relation to RCF, who hold approximately 4.1 per cent. of the issued share capital of Allied Gold, the provision relating to how the undertaking may lapse in the event of a higher competing offer being made by a third party has been amended so that the assessment of (i) any higher competing offer together and (ii) any improved offer made by St Barbara shall be determined in RCF's reasonable opinion

Letters of Intent

In addition, St Barbara has received non-binding letters of intent from certain Allied Gold shareholders to vote or to procure the vote in favour of the Scheme and the resolutions to be proposed at the Court Meeting and the General Meeting, in respect of Allied Gold Shares representing approximately 14.6 per cent. of the existing issued ordinary share capital of Allied Gold. Details of these letters of intent are set out below.

Name of Allied Gold Shareholder	Number of Allied Gold Shares in respect of which letter of intent is given	% of existing issued ordinary share capital
Asset Value Investors Ltd	7,684,018	3.8
JP Morgan Asset Management	4,166,893	2.0
Legal & General Investment Management Limited	17,969,472	8.8
Total	29,820,383	14.6

Verbal Commitments

M&G Investment Management has verbally committed to St Barbara to vote in favour of the Scheme in respect of their entire shareholding in Allied Gold (representing approximately 18.9 per cent. of the issued ordinary share capital of Allied Gold), in the absence of a superior proposal.

APPENDIX IV

DEFINITIONS

The following definitions apply throughout this announcement unless the context requires otherwise.

"Allied Gold"	Allied Gold Mining Plc
"Allied Gold Directors"	the directors of Allied Gold as at the date of this announcement
"Allied Gold Group"	Allied Gold, its subsidiaries and subsidiary undertakings, associated undertakings and any other Undertaking in which Allied Gold and/or such undertakings (aggregating their interests) have a Substantial Interest
"Allied Gold Optionholders"	Holders of options under the Allied Gold Limited Employee Option Scheme and other holders of options over Allied Gold Shares
"Allied Gold Shareholders" or "Shareholders"	the registered holders of Allied Gold Shares from time to time
"Allied Gold Shares"	the existing unconditionally allotted or issued and fully paid ordinary shares of 10 pence each in the capital of Allied Gold and any further such ordinary shares which are unconditionally allotted before the Scheme becomes effective
"Announcement"	this announcement made by the directors of Allied Gold and the directors of St Barbara pursuant to Rule 2.7 of the Code in connection with the Offer
"Annual Report"	the annual report and accounts of Allied Gold for the year ended 31 December 2011
"Approvals"	means regulatory authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals
"ASG"	Australian Solomons Gold Limited
"ASX"	the Australian Securities Exchange
"Authorisations"	material authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licenses, permissions and approvals
"Business Day"	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business

"Capital Reduction"	the proposed reduction of the share capital of Allied Gold in connection with the Scheme under Chapter 10 of Part 17 of the Companies Act
"Capital Reduction Hearing"	the hearing by the Court to confirm the Capital Reduction at which the Capital Reduction Court Order is expected to be granted
"Capital Reduction Court Order"	the order of the Court confirming the Capital Reduction under section 648 of the Companies Act provided for by the Scheme
"City Code" or "Code"	the City Code on Takeovers and Mergers, as amended from time to time
"Closing Price"	in the case of Allied Gold Shares, the last closing quotation of a Allied Gold Share as derived from the Daily Official List, and in the case of St Barbara Shares, the last closing quotation of a St Barbara Share as derived from the Australian Stock Exchange
"Companies Act"	the Companies Act 2006 (as amended, modified, consolidated, re-enacted or replaced from time to time)
"Competent Person"	a person who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a 'Recognised Overseas Professional Organisation' ('ROPO') included in a list promulgated from time to time. A 'Competent Person' must have a minimum of five years experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which that person is undertaking.
"Competition Commission"	the UK Competition Commission
"Conditions"	the conditions of the Offer set out in Appendix I to this announcement and to be set out in the Scheme Document and a "Condition" shall mean any one of them
"Court"	the High Court of Justice in England and Wales
"Court Hearing"	the hearing by the Court to sanction the Scheme, to confirm the Capital Reduction and to grant the Court Order
"Court Meeting"	the meeting (or any adjournment thereof) of the Scheme Shareholders to be convened by order of the

	Court pursuant to Part 26 of the Companies Act to consider and, if thought fit, approve the Scheme (with or without modification)
"Court Orders"	the order(s) of the Court sanctioning the Scheme and confirming the related Capital Reduction
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the CREST Regulations)
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
"Daily Official List"	the Daily Official List published by the London Stock Exchange
"Dealing Disclosure"	has the same meaning as in Rule 8 of the Code
"Disclosed"	publicly announced by Allied Gold prior to the date of the Announcement (by delivery of an announcement to a Regulatory Information Service) or as otherwise fairly disclosed in writing prior to the date of this announcement by or on behalf of Allied Gold or any of its advisers to St Barbara or its advisers in connection with or in contemplation of the Offer prior to the date of the Announcement
"EBITDA"	Earnings Before Interest, Tax, Depreciation and Amortisation
"Effective Date"	(i) the date on which the Scheme becomes fully effective in accordance with its terms; or (ii) if the Offer is implemented by way of a Takeover Offer, such offer having been declared or become unconditional in all respects in accordance with the requirements of the Code
"Excluded Shares"	any Allied Gold Shares of which any member of the St Barbara Group is the holder or in which any member of the St Barbara Group is beneficially interested
"Financial Services Authority"	the United Kingdom Financial Services Authority and any successor or replacement regulatory body or bodies
"Forms of Election"	the forms of election to be enclosed with the Scheme Document to allow Allied Gold shareholders to receive the cash portion of the consideration in pounds Sterling

"Forms of Proxy"	the forms of proxy to be enclosed with the Scheme Document for use at the Court Meeting and General Meeting
"FSA"	the Financial Services Authority
"FSMA"	the Financial Services and Markets Act 2000 and any subordinate legislation made under it, or any applicable successor or replacement regulatory regime in the UK
"General Meeting"	the general meeting (or any adjournment thereof) of the Allied Gold Shareholders to be convened to implement the Capital Reduction and certain other matters in connection with the Scheme and the Offer, expected to be held as soon as the preceding Court Meeting shall have been concluded or adjourned
"JORC"	Joint Ore Reserves Committee
"Lazard"	Lazard & Co., Limited
"Listing Rules"	the listing rules of the UKLA (as amended from time to time)
"London Stock Exchange"	London Stock Exchange plc
"Long Stop Date"	10 October 2012 (or such later date as is agreed by the parties with the consent of the Panel)
"Mineral Resource"	a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.
"NAV"	Net Asset Value
"Offer"	the proposed acquisition of the entire issued and to be issued share capital of Allied Gold by St Barbara to be implemented by means of the Scheme (or if St Barbara so elects, a Takeover Offer) on the terms and subject to the Conditions set out in this announcement and to be set out in the Scheme Document (or the Offer Document (as the case may be)) and, where the context

	admits, any subsequent revision, variation, extension or renewal thereof
"Offer Document"	in the event St Barbara elects to implement the Offer by means of a Takeover Offer, the document containing the Takeover Offer to be sent to Allied Gold Shareholders
"Offer Period"	the offer period (as defined in the City Code) relating to Allied Gold which commenced on 29 June 2012
"Official List"	the Official List of the UK Listing Authority
"Opening Position Disclosure"	an announcement containing details of interests of short positions in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position
"Ore Reserve"	the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves.
"Panel"	the Panel on Takeovers and Mergers
"Quarterly Report"	the quarterly activities report of Allied Gold for the three months ended 31 March 2012
"RBC"	RBC Capital Markets
"Registrar"	the Registrar of Companies for England and Wales
"Regulatory Authority"	means any central bank, government, government department or governmental, quasi governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, stock exchange, trade agency, association, institution or other body or person whatsoever in any jurisdiction
"Regulatory Information Service"	one of the regulatory information services authorised by the UKLA to receive, process and disseminate

	regulatory information from listed companies
"Relevant Regulator"	in respect of Allied Gold or any member of the Wider Allied Gold Group, each and any regulatory authority to the supervision and/or authorisation of which it is subject whether statutory, self-regulatory or otherwise, including, without limitation, the FSA, any settlement system, stock exchange or listing authority
"Resolution(s)"	means the resolutions being passed by Allied Gold Shareholders by the requisite majority at the General Meeting
"Restricted Jurisdiction"	any such jurisdiction where local laws or regulations may result in significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Allied Gold Shareholders in that jurisdiction (in accordance with Rule 23.2 of the City Code)
"St Barbara"	St Barbara Limited.
"St Barbara Consideration Shares"	new St Barbara Shares to be allotted and issued to Allied Gold Shareholders pursuant to the terms and conditions of the Scheme should the Scheme become effective
"St Barbara Directors"	the directors of St Barbara as at the date of this announcement
"St Barbara Group"	means St Barbara, its subsidiaries and subsidiary undertakings
"St Barbara Shares"	common shares in the capital of St Barbara, without nominal or par value
"Scheme" or "Scheme of Arrangement"	the proposed scheme of arrangement made under Part 26 of the Companies Act between Allied Gold and the Scheme Shareholders (with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by St Barbara and Allied Gold) particulars of which will be set out in the Scheme Document
"Scheme Court Order"	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act
"Scheme Document"	the document to be sent to Allied Gold Shareholders which will, among other things, contain the terms and conditions of the Scheme and notices convening the

	Court Meeting and the General Meeting
"Scheme Record Time"	anticipated to be 6.00pm on the Business Day before the Capital Reduction Hearing
"Scheme Shareholders"	the holders of Scheme Shares
"Scheme Shares"	the Allied Gold Shares: (a) in issue at the date of the Scheme Document; (b) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; or (c) (if any) issued at or after the Voting Record Time and at or prior to the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by the Scheme and/or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme, in each case, excluding any Excluded Shares
"Statement of Capital"	means the statement of capital approved by the Court and showing with respect to Allied Gold's share capital, as altered by the Capital Reduction Court Order, the information required by section 649 of the Companies Act 2006
"Subsidiary Undertakings"	has the meaning given by the Companies Act 2006
"Substantial Interest"	means a direct or indirect interest in 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in the Companies Act 2006)
"Takeover Offer"	the implementation of the Offer by means of a takeover offer under the City Code
"UK authorised person"	a person falling within section 31(1)(a) of FSMA
"UKLA"	the UK Listing Authority, being the Financial Services Authority Limited acting in its capacity as the competent authority for the purposes of Part IV of the Financial Services and Markets Act 2000
"Undertaking"	has the meaning given by the Companies Act 2006
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland
"US" or "United States"	the United States of America, its territories and

	possessions, any State of the United States of America and the District of Columbia
"Voting Record Time"	the time and date specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
"30-day VWAP"	volume weighted average price over the preceding 30 calendar days
"Wider Allied Gold Group"	Allied Gold, its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Allied Gold and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or the equivalent
"Wider St Barbara Group"	St Barbara, its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which St Barbara and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or the equivalent

For the purposes of this announcement, **"subsidiary"**, **"subsidiary undertaking"**, **"undertaking"** and **"associated undertaking"** have the respective meanings given thereto by the Companies Act.

All references to **"pounds"**, **"pounds Sterling"**, **"Sterling"**, **"£"**, **"pence"**, **"penny"** and **"p"** are to the lawful currency of the United Kingdom.

All references to **"A\$"** and **"Australian Dollars"** are to the lawful currency of Australia.

All references to **"US\$"**, **"\$"** and **"US Dollars"** are to the lawful currency of the United States.

All the times referred to in this announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.

APPENDIX V

St Barbara

Summary of Proved and Probable Ore Reserves as at 30 June 2011

	Category	Proved			Probable			Total		
		Tonnes	Gold grade	Gold	Tonnes	Gold grade	Gold	Tonnes	Gold grade	Gold
Region	Project	kt	Au g/t	koz	kt	Au g/t	koz	kt	Au g/t	koz
Leonora	Gwalia Deeps	2,015	7.1	460	4,902	9.6	1,512	6,917	8.9	1,973
	Tower Hill	0	0	0	2,699	3.8	329	2,699	3.8	329
	King of the Hills	0	0	0	1,610	4.3	221	1,610	4.3	221
	Total Leonora	2,015	7.1	460	9,211	7.0	2,063	11,226	7.0	2,523
Southern Cross	Marvel Loch	62	3.8	8	1,349	2.6	111	1,411	2.6	119
	Nevoria Underground	0	0	0	713	4.0	80	713	3.5	80
	Other	1,286	0.8	32	45	1.0	1	1,331	0.8	34
	Total Southern Cross	1,348	0.9	40	2,107	2.9	193	3,455	2.1	233
Total All Regions		3,363	4.6	500	11,317	6.2	2,256	14,681	5.8	2,756

Notes

- (1) Reserves based on a gold price of A\$1,250 per ounce for Gwalia, Tower Hill and Nevoria, A\$1,150 for King of the Hills and \$1,400 for Marvel Loch.
- (2) Mineral Resources are reported as inclusive of Ore Reserves.
- (3) Data is rounded to thousands of tonnes and thousands of ounces. Differences may occur due to rounding.
- (4) The ore reserves have been estimated and compiled under the direction of Mr Andrew Law.

Mr Law is a Member of The Australasian Institute of Mining and Metallurgy and was a full time employee of St Barbara at 30 June 2011 and is a full time employee of consulting firm Optiro at the date of this report.

Mr Law has sufficient experience relevant to the style of mineralisation, type of deposit under considerations and for the activity being undertaken to qualify as a Competent Person as defined by the 2004 edition of the 'Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

Mr Law consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

(5) Other relates to surface stockpiles with a cut-off grade based on a gold price of A\$1,075/oz.

Mineral Resources Summary 30 June 2011

Category		Measured			Indicated			Measured and Indicated			Inferred		
Region	Project	Tonnes	Gold grade	Contained Gold	Tonnes	Gold grade	Contained Gold	Tonnes	Gold grade	Contained Gold	Tonnes	Gold grade	Contained Gold
		kt	Au g/t	koz	kt	Au g/t	koz	kt	Au g/t	koz	kt	Au g/t	koz
Leonora	Gwalia Deeps	4,380	6.1	860	7,490	9.6	2,319	11,870	8.3	3,179	2,580	9.2	762
	Gwalia Int & West Lode	0	0	0	10	6.2	2	10	6.2	2	1,260	6.0	244
	King of The Hills	0	0	0	1,930	5.4	337	1,930	5.4	337	490	4.8	76
	Tower Hill	0	0	0	2,780	4.6	411	2,780	4.6	411	210	3.9	26
	Harbour Lights	0	0	0	0	0	0	0	0	0	2,580	3.3	274
	Other (note 7)	990	1.0	33	2,280	0.9	69	3,270	0.9	102	50	0.6	1
	Total Leonora	5,370	5.2	893	14,490	6.7	3,138	19,860	6.3	4,031	7,170	6.0	1,383
Southern Cross	Marvel Loch	320	4.7	48	3,350	3.2	349	3,670	3.3	397	2,310	2.9	217
	Nevoria	0	0	0	2,140	4.0	276	2,140	4	276	1,240	4.2	167
	Transvaal	0	0	0	1,630	4.8	249	1,630	4.8	249	1,800	4.9	286
	Jaccolletti	0	0	0	0	0	0	0	0	0	720	5.4	126
	Axehandle	0	0	0	0	0	0	0	0	0	2,080	2.0	131
	Cornishman	0	0	0	120	4.4	17	120	4.4	17	0	0	0
	Edwards Find, EFN & Tamarin	0	0	0	20	1.6	1	20	1.6	1	420	3.8	51
	Yilgarn Star	0	0	0	390	6.5	82	390	6.5	82	0	0	0
	Other (note 6)	1,290	0.8	32	1,650	2.7	141	2,940	1.9	173	340	4.6	50
	Total Southern Cross	1,610	1.5	80	9,300	3.7	1,115	10,910	3.4	1,195	8,910	3.6	1,028
Total All Regions		6,690	4.3	973	23,790	5.6	4,253	30,480	5.3	5,226	16,080	4.7	2,411

Notes

- (1) Identified Mineral Resources have been compiled under the direction of Mr Phillip Uttley (FAusIMM) who qualifies as the Competent Person.
- (2) Mr Uttley has sufficient experience relevant to the style of mineralisation and type of deposits under consideration and to the activities which were undertaken to qualify as Competent Persons as defined in the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Uttley has consented to the inclusion in the report of the matters based on their information in the form and context in which they appear.
- (3) Ms Jane Bateman (MAusIMM) estimated the resources for Gwalia Deeps, Tower Hill, Harbour Lights, Leonora Others, Nevoria, Transvaal, Jaccolletti, Axehandle, Cornishman, Edwards Find, Yilgarn Star and Southern Cross Others.
- (4) Mr Jacek (Jack) Drzymulski (MAusIMM) estimated the resources for Gwalia Deeps depletion and King of the Hills.

- (5) Mr Ashok Doorgapershad (MAusIMM) estimated the resources for Marvel Loch.
- (6) Mineral Resources updated during the financial year ended 30 June 2011 have been estimated using economic cut-off grades and mining optimisations based on an A\$1,500 per ounce gold price.
- (7) Cut-off grades: Gwalia Deeps 2.5 g/t Au; King of the Hills 3.0 g/t Au; Tower Hill 3.2 g/t Au; Marvel Loch 2.1 g/t Au; Nevoria 3.0 g/t Au.
- (8) Mineral Resources carried over unchanged from June 2010 include Southern Cross District: Axehandle; Jaccoletti; Edwards Find, Edwards Find North and Tamarin; Transvaal; Ruapehu; New Zealand Gully; Cornishman; GVG – South Burbidge; GVG Lode 1; Yilgarn Star. Leonora District: Gwalia Intermediates; Rainbow; Royal Arthur Bore; Tarmoola Stockpile; McGraths; Harbour Lights.
- (9) Southern Cross Other comprises 6 resources including: Frasers South, GVG Lode 1, New Zealand Gully, Ruapehu, GVG South Bronco, Various Stockpiles (Measured).
- (10) Leonora Other comprises 6 resources including: McGraths, Tarmoola Stockpile, Royal Arthur Bore, Rainbow (Measured), Gwalia and Tower Hill ROM Stockpiles.
- (11) Mineral Resource updates completed by St Barbara Ltd during the financial year ended 30 June 2011 include: Gwalia Deeps, King of The Hills, Tower Hill, Marvel Loch Underground, and Nevoria. All the remaining Mineral Resources remain unchanged from the June 2010 estimates.
- (12) Mineral Resources are inclusive of Ore Reserves.
- (13) Data is rounded to ten thousand tonnes and thousands of ounces. Differences in totals may occur due to rounding.

Allied Gold

Simberi Mineral Reserves as at 31 December 2011	MT	Au g/t	Moz
Proven	10.55	1.06	0.36
Probable	31.91	1.63	1.67
Total Reserves	42.45	1.49	2.03
Simberi Mineral Resources	MT	Au g/t	Moz
Measured	9.58	1.11	0.34
Indicated	72.73	1.28	2.99
Measured & Indicated	82.32	1.26	3.33
Inferred	101.58	0.97	3.18

Resources are reported at a block cut-off grade of 0.5g/t Au

Gold Ridge Mineral Reserves as at 31 December 2011	MT	Au g/t	Moz
Proven	0	0	0
Probable	20.29	1.73	1.13
Total Reserves	20.29	1.73	1.13
Gold Ridge Mineral Resources	MT	Au g/t	Moz
Measured	7.33	1.54	0.36
Indicated	38.06	1.22	1.49
Measured & Indicated	45.39	1.27	1.85
Inferred	15.15	1.28	0.62

Resources are reported at a block cut-off grade of 0.5g/t Au