

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

18 July 2012

RECOMMENDED OFFER

for

ALLIED GOLD MINING PLC ("Allied Gold")

by

ST BARBARA LIMITED ("ST BARBARA")

**to be effected by means of a Scheme of Arrangement
under Part 26 of the Companies Act 2006**

Posting of Scheme Document

On 29 June 2012, the boards of St Barbara and Allied Gold announced that they had reached agreement on the terms of a recommended offer to be made by St Barbara pursuant to which St Barbara will acquire the entire issued and to be issued share capital of Allied Gold (the "**Offer**"), to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**").

Allied Gold is today posting a circular (the "**Scheme Document**") to the holders of Allied Gold Shares and Allied Gold CDIs, together with the associated Forms of Proxy, Notices of Direction and, where relevant, Forms of Election and Letters of Transmittal. The Scheme Document convenes the Court Meeting and General Meeting and contains, amongst other things, the full terms and conditions of the Scheme, an Explanatory Statement pursuant to section 897 of the Companies Act 2006, an expected timetable of principal events and details of the actions to be taken by holders of Allied Gold Shares.

The expected timetable of principal events is attached as an appendix to this announcement. If any of the key dates set out in the expected timetable change an announcement will be made via a Regulatory Information Service.

To become effective, the Scheme will need to be approved at the Court Meeting and will require the passing of a special resolution at the General Meeting, as described in the Scheme Document. The Scheme is also subject to the satisfaction or, if capable of waiver, waiver of the other conditions set out in Part 3 of the Scheme Document.

Notices for the Court Meeting and the General Meeting are set out in the Scheme Document. The Court Meeting and the General Meeting will both be held at the offices of Norton Rose LLP, 3 More London Riverside, London SE1 2AQ on 14 August 2012. The Court Meeting will start at 10.00 a.m. and the General Meeting will start at 10.15 a.m. (or as soon thereafter as the Court Meeting has been concluded or adjourned).

Allied Gold Optionholders will be sent further details of the impact (if any) of the Scheme on their options and proposals being made to them on the date of this announcement.

Holders of Allied Gold Shares should carefully read the Scheme Document in its entirety before making a decision with respect to the Scheme.

The Scheme Document has been made available on Allied Gold's website at www.alliedgold.com.au and additional copies are available from Computershare who can be contacted on 0870 889 3185 or, if calling from outside the UK +44 (0) 870 889 3185.

Terms and expressions used in this announcement shall, unless the context otherwise requires, have the same meanings as given to them in the Scheme Document.

A copy of the Scheme Document has been submitted to the National Storage Mechanism and will shortly be available for inspection at <http://www.hemscott.com/nsm.do>.

Enquiries:

Allied Gold

Joe Dowling, General Manager Investor Relations and Communications +61 403 369 232

RBC (Financial Adviser and Corporate Broker to Allied Gold)

Stephen McPherson, Jonathan Stephens, M&A (UK) +44 20 7653 4000

Duncan St John, M&A (Australia) +612 9033 3307

Stephen Foss, Matthew Coakes, Corporate Broking +44 20 7653 4000

St Barbara

Ross Kennedy, Executive General Manager Corporate Services / Company Secretary +613 8660 1903

Lazard (Lead Financial Adviser to St Barbara)

Eka Nirapathpongporn, Managing Director +613 9657 8414

Media Enquiries:

Buchanan (UK Media Adviser to Allied Gold)

Bobby Morse +44 20 7466 5000

James Strong +44 20 7466 5000

Nightingale (Media Adviser to St Barbara) +613 9614 6930

Tim Williamson +61 458 680 130

Lisa Keenan +61 409 150 771

StockWell (UK Media Adviser to St Barbara) +44 20 3370 0013

Philip Gawith +44 7887 954 048

Rob Morgan +44 7557 413 275

The Offer is being made on the terms and subject to the conditions and further terms set out in the Scheme Document, Forms of Proxy and Notices of Direction.

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

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.

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.

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 contains 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 Excluded Overseas Shareholders), 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.

Further details in relation to overseas Allied Gold Shareholders are 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.

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.

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.

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.

Appendix

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable sets out the expected dates for implementation of the Acquisition.

All times are London time unless otherwise stated

Event	Expected time/date⁽¹⁾
Latest time for lodging Notices of Direction (by Allied Gold CDI Holders) for the:	
Court Meeting (blue notice)	5.00 p.m. (Perth Time) on 9 August 2012 ⁽²⁾
Allied Gold General Meeting (white notice)	5.00 p.m. (Perth Time) on 9 August 2012 ⁽³⁾
Latest time for lodging Forms of Proxy for the:	
Court Meeting (blue form)	6.00 p.m. on 10 August 2012 ⁽⁴⁾
Allied Gold General Meeting (white form)	6.00 p.m. on 10 August 2012 ⁽⁵⁾
Voting Record Time	
UK Register	6.00 p.m. on 10 August 2012 ⁽⁶⁾
Canadian Register	6.00 pm. (Toronto Time) on 10 August 2012 ⁽⁶⁾
CDI Holders	5:00 p.m. (Perth Time) on 9 August 2012
Court Meeting	10.00 a.m. on 14 August 2012
Allied Gold General Meeting	10.15 a.m. on 14 August 2012⁽⁷⁾
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Allied Gold Shares	29 August 2012 ⁽⁸⁾
Suspension of dealings in Allied Gold Shares	6.00 p.m. on 29 August 2012 ⁽⁸⁾
Court Hearing (to sanction the Scheme and to confirm the Reduction of Capital)	30 August 2012
Effective Date of the Scheme	30 August 2012⁽⁸⁾
Last day of trading in Allied Gold CDIs	31 August 2012 ⁽⁸⁾
Scheme Record Time	10.00 a.m (5.00 p.m. Perth Time) on 7 September 2012 ⁽⁸⁾
Last day for lodging Forms of Election (or in the case of CREST holders, submitting electronic election instructions through CREST)	10.00 a.m. (5.00 p.m. Perth Time) on 7 September 2012 ⁽⁸⁾
Last day for submitting Letters of Transmittal for the purposes of electing for Canadian Dollars and/or a CHESSE Sponsored	5.00 a.m. (Toronto Time) on 7 September 2012 ⁽⁸⁾

Holding

St Barbara Consideration Shares issued	before commencement of trading on ASX on 13 September 2012 ⁽⁸⁾
Expected commencement of trading in St Barbara Consideration Shares on ASX	13 September 2012
Despatch of statements confirming allotment and issue of St Barbara Consideration Shares	by 13 September 2012 ⁽⁸⁾
Despatch of cheques or direct payment in respect of the Cash Consideration and settlement through CREST	by 13 September 2012 ⁽⁸⁾
Latest date by which Scheme must be implemented	10 October 2012 ⁽⁹⁾

- (1) All times set out in this timetable refer to London time unless otherwise stated.
- (2) It is requested that blue Notices of Direction for the Court Meeting be lodged by 5.00 p.m. Perth Time on 9 August 2012 or, if the Court Meeting is adjourned, not later than 48 hours prior to the time appointed for the Court Meeting (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK unless otherwise announced).
- (3) White Notices of Direction for the Allied Gold General Meeting must be lodged by 5.00 p.m. Perth Time on 9 August 2012 or, if the Allied Gold General Meeting is adjourned, not later than 48 hours prior to the time appointed for the Allied Gold General Meeting (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK unless otherwise announced).
- (4) It is requested that blue Forms of Proxy for the Court Meeting be lodged by 6.00 p.m. London time on 10 August 2012 or, if the Court Meeting is adjourned, not later than 48 hours prior to the time appointed for the Court Meeting (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK unless otherwise announced). Blue Forms of Proxy not so lodged may be handed to the Registrars (on behalf of the chairman of the Court Meeting) before the start of the Court Meeting and will still be valid.
- (5) White Forms of Proxy for the Allied Gold General Meeting must be lodged by 6.00 p.m. London time on 10 August 2012 or, if the Allied Gold General Meeting is adjourned, not later than 48 hours prior to the time appointed for the Allied Gold General Meeting (excluding any part of such 48 hour period falling on a weekend or a public holiday in the UK unless otherwise announced).
- (6) If either the Court Meeting or the Allied Gold General Meeting is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.00 p.m. London time on the day falling two business days before the date of the adjourned meeting.
- (7) Or as soon thereafter as the Court Meeting shall have concluded or been adjourned.
- (8) These dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme and confirms the Capital Reduction and whether the Conditions are satisfied or waived.
- (9) Any Allied Gold Ordinary shareholder on the Canadian Register who submits a Letter of Transmittal after the Scheme Record Time will, notwithstanding any instructions to the contrary, be deemed not to have made an election to receive (i) the Cash Consideration in Canadian Dollars and (ii) the St Barbara Consideration Shares on a CHESSE Sponsored Holding. Such an Allied Gold Ordinary Shareholder will receive the Cash Consideration in Australian Dollars and the St Barbara Consideration Shares on the issuer sponsored sub-register of St Barbara Shares after they complete and sign the Letter of Transmittal and return it, together with the certificate(s) representing their Allied Gold Shares (if any) and any other required documents and instruments, to Computershare Canada, in accordance with the procedures set out in the Letter of Transmittal.
- (10) The latest date by which the Scheme must be implemented may be extended by agreement between Allied and St Barbara with the prior consent of the Panel and (if required) the approval of the Court.

To the extent any of the above expected dates or times change, Allied Gold will give notice of any such changes and details of the revised dates and/or times to Allied Gold Ordinary Shareholders and Allied Gold CDI Holders by issuing an announcement through a Regulatory Information Service.