

Q4 gold production up 24% to 107,000 ounces Encouraging exploration results at Simberi and Gold Ridge

Executive Summary

- > Gold production increased in the June 2013 Quarter to 107,363 ounces; a 24% increase from the previous quarter.
- > Combined FY13¹ production of 364,601 ounces of gold was within 0.4% of the FY13 production guidance range of 366,000 to 386,000 ounces, with a consolidated cash operating cost per ounce of A\$1,013 per ounce², within the FY13 guidance range of A\$960 - A\$1,020 per ounce.
- > The Australian operations performed very well in Q4 and for the year. The Pacific Operations did not achieve the level of performance planned for FY13, and the Company is not satisfied with the rate of progress towards its stated goals.
- > Two key issues impacting production in the Pacific Operations have been the delay in commissioning the Simberi oxide expansion, and lower than expected metallurgical recovery at Gold Ridge. The resolution of these two items is the immediate focus for the Pacific Operations.
- > Early drilling results reported elsewhere in this report enhance our positive view of the long term value and upside potential of the Pacific Operations.
- > Drilling results from Gold Ridge have been particularly encouraging with intersections of (all down-hole intercepts):
 - > GDC076: 13m @ 2.3 g/t Au from 48m; and 15m @ 2.6 g/t Au from 215m and 84m @ 2.0 g/t Au from 313m;
 - > DGD002: 4m @ 84.4 g/t Au from 231m, including 1m @ 332 g/t Au and 48.9 g/t Ag (silver).
- > Encouraging drilling results at Mt Tiro, on Tatau Island, as a potential source of oxide material for the Simberi plant, include intersections of (all down-hole intercepts):
 - > TT034: 12m @ 8.8 g/t Au from 15m, including 3m @ 28.6 g/t Au from 15m;
 - > TT031: 23m @ 2.3 g/t Au from 10m, including 2m @ 13.5 g/t Au from 31m.
- > The Company-wide Total Recordable Injury Frequency Rate (TRIFR), calculated as a rolling 12 month average, improved from 9.0 for the year to 30 June 2012, to 6.0 for the year to 30 June 2013. This is the lowest annual TRIFR since the measure was first adopted by St Barbara in 2009.
- > St Barbara has a diversified portfolio of long term assets in Australia, Papua New Guinea and Solomon Islands as set out in the detail of this report. Key points include:
 - > Leonora Operations exceeded expectations with record quarterly production from Gwalia of 64,307 ounces.
 - > At Gold Ridge results demonstrate a lift in operating capability, as evidenced by increasing mining rates and processing throughput volumes.
 - > At Simberi we have encountered some short term issues that are being addressed (details page 7).
 - > Exploration activities are being focused on discovering additional ore feed sources for existing operations and to follow up positive drilling results in the Pacific.
- > The Company is in a strong financial position with A\$129 million cash at bank at 30 June 2013, and a long term debt structure that provides the Company great flexibility.
- > The 2013 financial year has been one of transformation, with the divestment of Southern Cross Operations and the acquisition of the Pacific Operations.
- > Included in this report is guidance for the 2014 financial year, with forecast gold production of 395,000 to 445,000 ounces (details page 12). The Company has developed a number of planning scenarios to operate profitably in a sustained lower gold price environment.
- > The 2014 financial year will be one of further improvement and production growth through continuing to build operational capacity in the Pacific, focusing on reducing costs, and adding to gold inventory through exploration.



Tim Lehany
 Managing Director and CEO
 24 July 2013

¹ Financial year is 1 July to 30 June

² Non-IFRS measure, calculation page 15

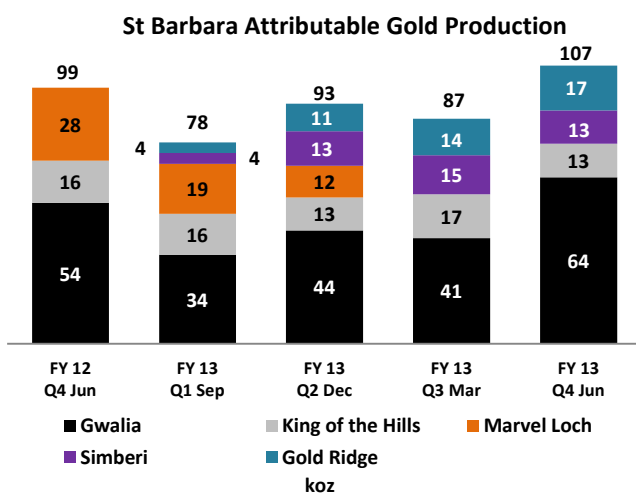
St Barbara Attributable Gold Production

- > The tables below show gold production and associated measures attributable to St Barbara, incorporating the Pacific Operations from the date of acquisition, 7 September 2012.

Production Summary Consolidated		Dec Qtr FY13	Mar Qtr FY13	Jun Qtr FY13
Production				
Gwalia	oz	43,745	40,772	64,307
King of the Hills	oz	12,709	16,940	12,893
Southern Cross	oz	12,292	-	-
Gold Ridge ^[1]	oz	10,654	13,984	17,236
Simberi ^[1]	oz	13,291	15,122	12,927
Consolidated	oz	92,691	86,818	107,363
Mined Grade				
Gwalia	g/t	7.7	8.2	9.0
King of the Hills	g/t	4.7	4.1	4.4
Southern Cross	g/t	2.1	-	-
Gold Ridge ^[1]	g/t	1.4	1.5	1.7
Simberi ^[1]	g/t	1.1	1.0	1.0
Total Cash Operating Costs^[2]				
Gwalia	\$/oz	744	814	661
King of the Hills	\$/oz	829	892	901
Southern Cross	\$/oz	1,220	-	-
Gold Ridge ^[1]	\$/oz	2,180	1,393	1,627
Simberi ^[1]	\$/oz	1,253	1,080	1,598
Consolidated	\$/oz	1,057	969	958

[1] Pacific Operations attributable to St Barbara from 7 September 2012.

[2] Unaudited.



Production Summary Consolidated		Year FY13	Guidance FY13
Production			
Gwalia	oz	183,116	175 -180,000
King of the Hills	oz	58,477	55 -60,000
Southern Cross	oz	31,468	31,000
Gold Ridge ^[1]	oz	45,931	50 -55,000
Simberi ^[1]	oz	45,609	55 -60,000
Consolidated	oz	364,601	366 -386,000
Mined Grade			
Gwalia	g/t	8.2	
King of the Hills	g/t	4.4	
Southern Cross	g/t	1.4	
Gold Ridge ^[1]	g/t	1.5	
Simberi ^[1]	g/t	1.0	
Total Cash Operating Costs^[2]			
Gwalia	\$/oz	751	740-770
King of the Hills	\$/oz	843	810-830
Southern Cross	\$/oz	1,440	1,440-1,445
Gold Ridge ^[1]	\$/oz	1,702	1,450-1,620
Simberi ^[1]	\$/oz	1,294	1,050-1,200
Consolidated	\$/oz	1,013	960-1,020
Capital Expenditure^[2]			
Gwalia	\$M	47	47-50
King of the Hills	\$M	20	20-25
Southern Cross	\$M	-	-
Gold Ridge ^[1]	\$M	11	17-20
Simberi ^[1]	\$M	51 ^[3]	22-25
Consolidated	\$M	129	106-120

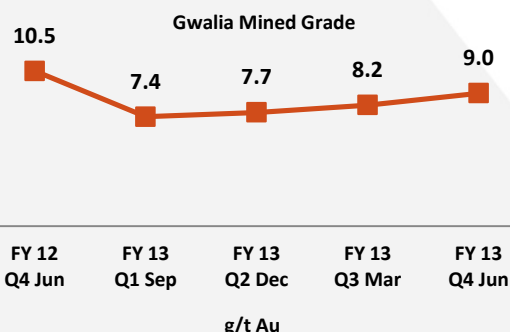
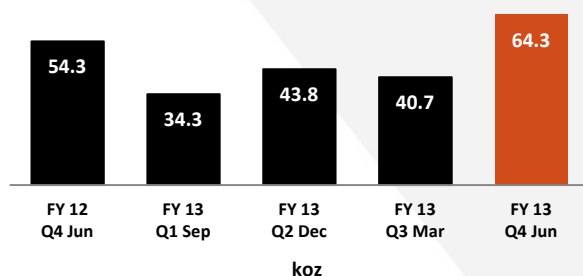
[1] Pacific Operations attributable to St Barbara from 7 September 2012.

[2] Unaudited

[3] Includes \$45 million relating to major projects

Gwalia, Leonora, WA

Gwalia Gold Production



Operations

- > Record quarterly gold production of 64,307 ounces was produced from Gwalia at a mined grade of 9.0 g/t Au and a cash operating cost of \$661 per ounce.
- > Key factors contributing to the record production included:
 - > Higher tonnes of mined ore (224 kt compared to 175 kt steady-state volume) and less tonnes of waste than normal, both as foreshadowed in the March quarterly report;
 - > An increase in mined grade to 9.0 g/t Au;
 - > Strong operating performance to plan; and
 - > Production was sourced mainly from the South West Branch (SWB).
- > The significant reduction in cash operating costs per ounce from \$814 per ounce in the March quarter to \$661 per ounce was primarily a function of the significant increase in gold production and 10% higher mined ore grade.
- > Mining and processing unit cash operating costs were lower in the June quarter due to the benefit of higher production and a lift in grade. Site services unit cost was significantly lower due to the benefit of higher gold production and lower aggregate spend.
- > The drill and blast execution issues that occurred in January and February were resolved with production achieved in the order of 20,000 ounces of gold for each month during the quarter. Compliance to the mine schedule coupled with effective controls over drill and blast execution contributed to the strong operating performance.
- > The Gwalia mill, with a nameplate capacity of 1.2 million tonnes per annum, performed well, processing in excess of 345,000 tonnes of ore for the quarter and maintained recoveries at 96%.

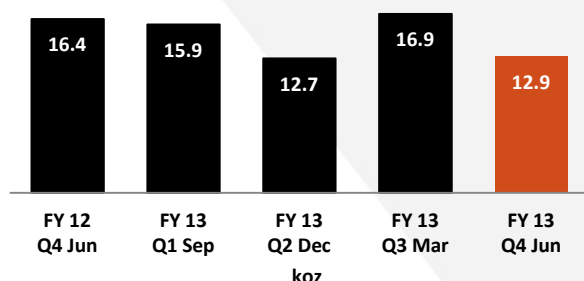
Production Summary		Mar Qtr	Jun Qtr	Year
Gwalia		FY13	FY13	FY13
Underground ore mined	kt	159	224	696
Grade	g/t	8.2	9.0	8.2
Low grade ore & stockpiles milled	kt	12	26	136
Grade	g/t	1.6	2.5	1.5
Ore milled	kt	171	247	834
Grade ^[1]	g/t	7.7	8.4	7.1
Recovery	%	96	96	96
Gold production	oz	40,772	64,307	183,116
Cash Operating Costs^[2]		\$ per ounce		
Mining		493	462	503
Processing		132	103	128
Site services		81	47	69
Stripping and ore inventory adjustments		73	17	17
		779	629	717
By-product credits		(5)	(5)	(5)
Third party refining & transport		1	1	1
Royalties		39	36	38
Total cash operating costs		814	661	751
Depreciation and amortisation		237	218	228
Total operating costs		1,051	879	979

[1] Includes Tower Hill low grade stockpile and Gwalia mineralised waste.

[2] Unaudited.

King of the Hills, Leonora, WA

King of the Hills Gold Production



Operations

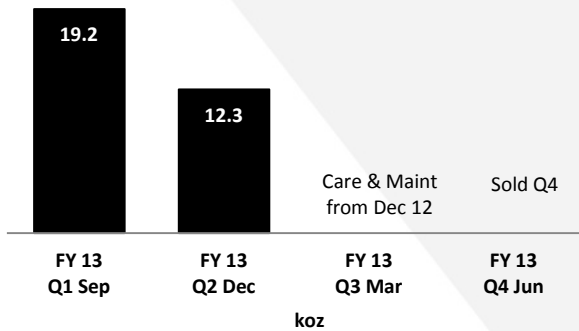
- > The King of the Hills operation maintained its consistent performance, producing 12,893 ounces of gold at a milled grade of 4.3 g/t Au for the quarter.
- > Gold production was constrained by Gwalia mill capacity where priority was given to the higher grade Gwalia ore. By the end of the quarter, a stockpile of ore had been established with an estimated 5,000 ounces of contained gold.
- > The majority of ore was sourced from the Western Flank of the mine where selective mining methods are being applied to good effect.
- > Cash operating costs of \$901 per ounce for the quarter were comparable to \$892 per ounce for the March quarter, with the impact of the lower volume of gold ounces produced offset by reduced resource definitional drilling costs in the quarter.
- > At the end of the quarter, a surface diamond drilling program commenced with the aim of extending the deposit further north, based on following up previously drilled mineralisation. This program will be followed by an underground drilling program on potential resource extensions.

Production Summary		Mar Qtr	Jun Qtr	Year
King of the Hills		FY13	FY13	FY13
Underground ore mined	kt	130	127	470
Grade	g/t	4.1	4.4	4.4
Ore milled	kt	132	98	439
Grade	g/t	4.2	4.3	4.4
Recovery	%	95	95	95
Gold production	oz	16,940	12,893	58,477
Cash Operating Costs^[1]		\$ per ounce		
Mining		642	942	684
Processing		247	207	215
Site services		61	73	68
Stripping and ore inventory adjustments		(67)	(340)	(136)
		883	882	831
By-product credits		(32)	(18)	(27)
Third party refining & transport		1	1	1
Royalties		40	36	38
Total cash operating costs		892	901	843
Depreciation and amortisation		350	350	350
Total operating costs		1,242	1,251	1,193

[1] Unaudited.

Southern Cross Operations, WA

Southern Cross Gold Production



Operations

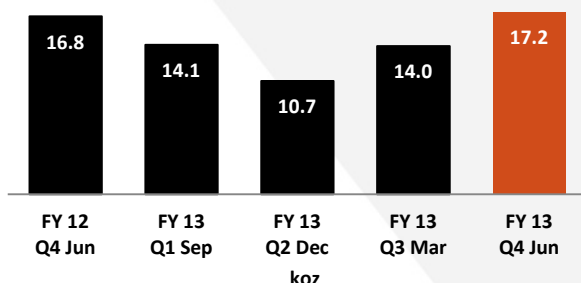
- > Southern Cross Operations ceased mining and processing operations during the December 2012 quarter, and was consequently placed on to care and maintenance.
- > The sale of Southern Cross Operations was completed in April 2013 with A\$18 million received in cash proceeds. A further A\$8 million of cash previously used to secure cash-backed environmental bonds became available during the June quarter through retirement of the bonds. The retirement of the bonds and the transfer of the rehabilitation and closure obligations to the purchaser of the Southern Cross Operations provides an income statement benefit that will be recognised in the Company's 30 June 2013 accounts.
- > Southern Cross Operations achieved an outstanding safety performance up to the date of change of ownership in April 2013, with a Total Recordable Injury Frequency Rate of zero, calculated on a twelve month moving average.

Production Summary		Sep Qtr	Dec Qtr	Year
Marvel Loch		FY 13	FY13	FY13
Underground ore mined	kt	175	79	255
Grade	g/t	2.2	2.1	2.2
Ore milled ^[1]	kt	457	344	800
Grade	g/t	1.5	1.3	1.4
Recovery	%	88	85	86
Gold production	oz	19,176	12,292	31,468
Cash Operating Costs^[1]		\$ per ounce		
Mining		794	440	655
Processing		668	604	644
Site services		122	96	111
Stripping and ore inventory adjustments		(33)	64	5
		1,551	1,204	1,415
By-product credits		(6)	(26)	(15)
Third party refining & transport		1	1	1
Royalties		37	41	39
Total cash operating costs		1,583	1,220	1,440
Depreciation and amortisation		274	214	260
Total operating costs		1,857	1,434	1,700

[1] Unaudited.

Gold Ridge, Solomon Islands

Gold Ridge Gold Production



Operations

- > Gold Ridge continued to increase quarterly gold production with 17,236 ounces produced in the June quarter, up significantly from 13,984 ounces in the March quarter and 10,654 ounces in the December quarter.
- > Key factors contributing to the increase in gold production were:
 - > Increased mining fleet utilisation, enhanced operating disciplines, improved plan compliance and maintenance programs resulted in higher tonnes of ore mined;
 - > Continuing improvements in the processing plant and operating capability leading to higher plant throughput.
- > Unit mining costs for the June quarter are approximately one third lower than for the first half, reflecting the benefit of increased production and improved efficiency of the mining operations. The corresponding March quarter costs were lower due to the capitalisation of accumulated waste stripping costs.
- > Processing throughput continued to improve with 471,275 tonnes of ore processed for the quarter (up from 451,993 tonnes in the March quarter) and head grade improved to 1.7 g/t Au (1.5 g/t Au in the March quarter). Combined with an improvement in recovery, these factors underpinned a further reduction in processing costs of \$109 per ounce.
- > Metallurgical recoveries improved due to processing less refractory ore from the Valehaichichi deposit and on-going plant improvements. Detailed structural geology and geochemical analyses have identified a higher occurrence of arsenopyrite than previously documented. Processing solutions to address the higher refractory content and lift recovery rates are being investigated. Refer also to the FY 14 guidance notes.
- > Stripping and ore inventory adjustments include the write down of ore stockpiles to net realisable value as a result of the fall in the gold price during the quarter.

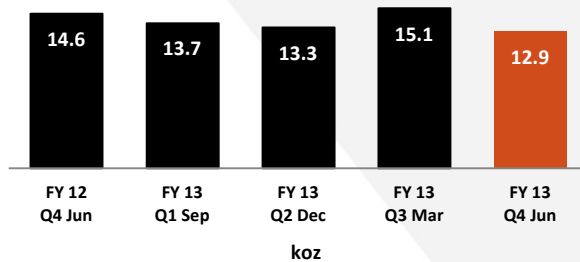
Production Summary	Mar Qtr	Jun Qtr	Year	
Gold Ridge	FY13	FY13	FY13	
Ore mined	kt	470	501	1,581
Grade	g/t	1.5	1.7	1.5
Ore milled	kt	452	471	1,437
Grade	g/t	1.6	1.7	1.5
Recovery	%	61	67	65
Gold production	oz	13,984	17,236	45,931
Cash Operating Costs^[2]	\$ per ounce			
Mining	282	379	420	
Processing	766	657	771	
Site services	411	391	429	
Stripping and ore inventory adjustments	(88)	154	40	
	1,371	1,581	1,660	
By-product credits	(16)	(9)	(14)	
Third party refining & transport	2	8	6	
Royalties	36	47	50	
Total cash operating costs	1,393	1,627	1,702	
Depreciation and amortisation	381	381	409	
Total operating costs	1,774	2,008	2,111	

[1] The table above shows gold production and associated measures attributable to St Barbara from the date of acquisition, 7 September 2012.

[2] Unaudited.

Simberi, Papua New Guinea

Simberi Gold Production



Operations

- > A number of short term issues contributed to the poor operating performance at Simberi during the quarter with initiatives underway to further lift operational performance and reliability.
- > Mining rates were impacted by heavy rainfall in the quarter and mining fleet reliability issues. Planned improvements and upgrades to the mining fleet are set out in FY14 guidance notes attached.
- > The mill performance was impacted by delays to the commissioning of the Simberi Oxide plant expansion attributable to both delays in receiving government permits and delays in the electrical commissioning of the new 3.5 Mtpa processing circuit. As a consequence, the old 2.0 Mtpa processing circuit was used throughout the quarter. Downtime in the 'old processing circuit' due to mechanical issues also adversely impacted throughput rates.
- > The Simberi Oxide Plant Expansion is now substantially complete with final commissioning pending issue of government permits.
- > Lower mining and processing throughput rates coupled with higher maintenance costs contributed to the higher cash operating costs per ounce.
- > We continue to work on a number of initiatives at Simberi to resolve bottlenecks, reduce spend and lift operational reliability.

Production Summary		Mar Qtr	Jun Qtr	Year
Simberi		FY13	FY13	FY13
Ore mined	kt	621	561	1,942
Grade	g/t	1.0	1.0	1.0
Ore milled	kt	485	414	1,471
Grade	g/t	1.1	1.1	1.1
Recovery	%	89	87	88
Gold production	oz	15,122	12,927	45,609
Cash Operating Costs^[2]		\$ per ounce		
Mining		339	460	384
Processing		499	641	559
Site services		355	581	433
Stripping and ore inventory adjustments		(154)	(130)	(125)
		1,039	1,552	1,251
By-product credits		(2)	(3)	(3)
Third party refining & transport		11	11	12
Royalties		32	38	34
Total cash operating costs		1,080	1,598	1,294
Depreciation and amortisation		319	319	327
Total operating costs		1,399	1,917	1,621

[1] The table above shows gold production and associated measures attributable to St Barbara from the date of acquisition, 7 September 2012.

[2] Unaudited.

Discovery and Growth

- > In the June quarter drilling continued at Simberi and Gold Ridge on a number of highly prospective near-mine targets.
- > Encouraging results have been achieved at :
 - > Simberi Island, PNG; significant gold results from trenching and drilling at Botlu and Pigicow on near-mine prospects.
 - > Tatau Island, PNG; significant gold results from drilling geochemical and geophysical targets at both the Mt Tiro and Mt Siro prospects.
 - > Guadalcanal Island, Solomon Islands; drilling has commenced on the Charivunga zone at Gold Ridge mine, with encouraging gold results, and drilling has also commenced on the first of several exploration targets near-mine.
- > Exploration activities in Australia were scaled back in the June quarter in response to the fall in the gold price and from a portfolio review based on recent work completed.

Simberi, Tatau & Tabar Islands, Papua New Guinea

(Figure 1.0)

On **Simberi Island**, the exploration program is focussed on identifying additional oxide resources to support the current plant expansion. Channel and trench sampling continued on four near-mine gold prospects to define oxide targets for drill testing in the next quarter, all of which are potentially underlain by sulphide mineralisation. Additional surface geochemical sampling (grid soil and rock chip) continued at Pigicow, Pigiput and Samat. Diamond drilling was conducted at Botlu, Pigicow, Samat and Sorowar.

- > **Botlu, Simberi:** preliminary results for initial diamond hole SDH266 intercepted 2m @ 11.7 g/t Au from 92m (down-hole intercept);
- > **Pigicow, Simberi:** significant trenching results include 18m @ 1.6g/t Au;
- > **Patan, Simberi:** encouraging, gold anomalous intercepts were returned from trenching, and this prospect is planned to be drilled early next Quarter when landowner access has been finalised;
- > **Samat, Simberi:** first drill hole completed and results awaited;
- > Geochemical sampling and ground electrical geophysical (IP) surveying continued on both the Mining Licence 136 and Exploration Licence 609 at Simberi Island.

Elsewhere within Exploration Licence (EL) 609 exploration continued on epithermal gold prospects located on **Tatau Island**, south of Simberi Island (Figure 1.0):

- > **Mt Tiro, Tatau:** a series of short drill holes was completed to extend near surface gold oxide mineralisation as a potential source of oxide material for the Simberi plant. Significant oxide gold results from drilling include (all down-hole intercepts):
 - > Drill hole TT034 intercepted 12m @ 8.8 g/t Au from 15m, including 3m @ 28.6 g/t Au from 15m; and
 - > Drill hole TT031 intercepted 23m @ 2.3 g/t Au from 10m, including 2m @ 13.5 g/t Au from 31m.

Encouraging gold anomalous results have also been returned from channel sampling at Mt Tiro; significant channel results include:

- > 32m @ 3.1 g/t Au, including 6m @ 10.9 g/t Au; and
- > 22m @ 4.6 g/t Au, including 4m @ 18.1 g/t Au.

These drilling and channel sampling results are related to a broad WNW trending structure, indicating potential for a gold oxide resource on Tatau; drilling is continuing along strike on this structural zone into the next quarter. The wider exploration program on Tatau will continue aimed at locating higher grade epithermal gold deposits, which includes the current drilling of a series of deeper holes testing geophysical targets.

- > **Mt Siro, Tatau:** drilling also intercepted encouraging near-surface gold oxide mineralisation in one hole but other drill holes intersected narrow or low grade mineralisation partly linked to poor drill core recovery:
 - > TTD27: 15m @ 0.9 g/t Au from 4m, including 6m @ 1.9g/t Au from 5m; and 5m @ 2.8 g/t Au from 50m including 1m @ 11.2 g/t Au (down-hole intercept).

Gold Ridge, Guadalcanal Island, Solomon Islands

(Figure 2.0)

During the June quarter, activities largely focused on drilling in the Charivunga zone, which is thought to be related to a major NNE trending set of structures controlling higher grade mineralisation, central to the Gold Ridge open pit mines.

Preliminary results indicate (see Table 2 for details) that Charivunga is potentially a large mineralised system of earlier low grade gold mineralisation over-printed by a series of later high grade veins and faults, as indicated by the encouraging intercepts below, including (all down-hole intercepts):

- > GDC075: 38m @ 1.7 g/t Au from 292m;
- > GDC076: 13m @ 2.3 g/t Au from 48m, 15m @ 2.6 g/t Au from 215m, and 84m @ 2.0 g/t Au from 313m;
- > DGD001: 46m @ 2.0 g/t Au from 380m, including 12m @ 5.3g/t Au;
- > DGD002: 4m @ 84.4 g/t Au from 231m, including 1m @ 332 g/t Au and 48.9 g/t Ag (silver);
- > DGD003: 24.5m @ 3.8 g/t Au from 334m, including 10m @ 7.4 g/t Au; 5m @ 10.4 g/t Au from 376m including 2m @ 22.1 g/t Au from 377m, and 29m @ 2.5 g/t Au from 387m.

Elsewhere at Gold Ridge, ground electrical geophysical (IP) and geochemical surveys have been completed. On the surrounding Special Prospecting Licence 194, negotiations are nearing completion with landowners to finalise surface access agreements and permit exploration to be extended from the Mining Lease.

Australia

Leonora Region, WA

During the June quarter a reduced drilling program tested shallow drill targets in the Leonora district that can potentially provide material to the Gwalia plant. Work also continued to generate deep Gwalia-analogue targets for drill testing in the September quarter:

- > **Leonora tenements** (Figure 3.0): At **Sullivans Creek**, located north of Leonora, geochemical drilling has identified 2 targets which are now being tested by follow up drilling into the September quarter. Reconnaissance drilling has been completed on three other prospects in the Leonora district – Marionette, Coronation and Raeside.
- > **Yilgarn province** – reconnaissance geochemical drilling has been completed on the **Lake Carnage** prospect, located 100km NW of Kalgoorlie, with results pending.

Other Areas

In the Gawler province, South Australia, subject to finalising land access in the September quarter, reconnaissance drilling will be completed upon the Brambles prospect, located near Whyalla, and a geophysical gravity survey will be completed over the Billa Kalina prospect, located east of Coober Pedy.

Further work on the Nyngan tenements, located within the East Lachlan province, NSW, has been deferred.

Expenditure (unaudited)

All expenditure on mineral exploration for the June 2013 quarter was expensed:

Australia	A\$3.2 million
South West Pacific	A\$4.2 million

September 2013 Quarter

Exploration in the September 2013 quarter will be largely focused on:

- > Continuing to test near-mine drill targets on Simberi Island;
- > Continuing drilling on Tatau Island;
- > Drilling the Charivunga zone and other near-mine targets at Gold Ridge; and
- > Completing drilling programs on targets near Gwalia mine in the Leonora region.

The map below shows current and planned target areas for the September 2013 quarter.



Health & Safety

- > The Company-wide Total Recordable Injury Frequency Rate (TRIFR), calculated as a rolling 12 month average, improved from 9.0 for the year to 30 June 2012, to 6.0 for the year to 30 June 2013. This is the lowest annual TRIFR since the measure was first adopted by St Barbara in 2009.

Financials (unaudited)

- > 108,693 ounces of gold were sold in the June quarter, at an average realised gold price of A\$1,423 per ounce (March quarter A\$1,566 per ounce). Gold sales for the full year were 361,721 ounces at an average gold price of A\$1,550 per ounce.
- > Cash at bank at 30 June 2013 increased to A\$129 million. Cash movements for the June 2013 quarter are summarised in the following table:

Cash balance	\$M
Cash balance 31 March 2013	120
Net proceeds from sale of Southern Cross	18
Net interest and finance costs	1
Gold loan repayments	(10)
Leonora – operating cash flow ^[3]	41
Pacific Ops – operating cash flow ^[4]	(3)
– project capex	(10)
Southern Cross – care & maintenance	(2)
Corporate & rehab	(10)
Working capital movement	(8)
Exploration	(7)
Integration	(1)
Closing cash balance 31 June 2013	129

- > Total interest bearing liabilities at 30 June 2013 of A\$325 million included the Senior Secured Notes of US\$250 million and the Red Kite gold loan of A\$50 million, resulting in gearing of 28%^[4].

Close out of King of the Hills collar hedge

- > The King of the Hills collar structure was established to underwrite a satisfactory IRR on capital invested, which has been achieved. Comprising gold put and call options the collar was closed out in July 2013 for cash proceeds of

\$8.5 million, based upon an assessment of the higher value of the cash proceeds relative to the value of future revenue protection that the collar structure offered. As a consequence of the close out, security over the Company's Australian assets held by Barclays Bank Plc has been removed.

Sale of Southern Cross reduced liabilities

- > The sale of Southern Cross Operations realised net cash proceeds of \$18 million in the June quarter as previously reported. All remaining creditors for Southern Cross Operations, amounting to approximately \$20 million, have been paid, and a balance sheet provision for environmental rehabilitation of Southern Cross Operations amounting to approximately \$16 million has been reversed through the FY13 Income Statement.

Asset impairment testing

- > The carrying value of assets is subject to impairment testing as at 30 June 2013 as part of normal year end reporting processes. In the context of the fall in the gold price and fall in the Company's share market capitalisation during FY13, an impairment write down is anticipated. The Company will provide guidance on the outcome in due course.
- > Any potential impairment write down will not have a cash impact, or impact debt conditions.

Corporate

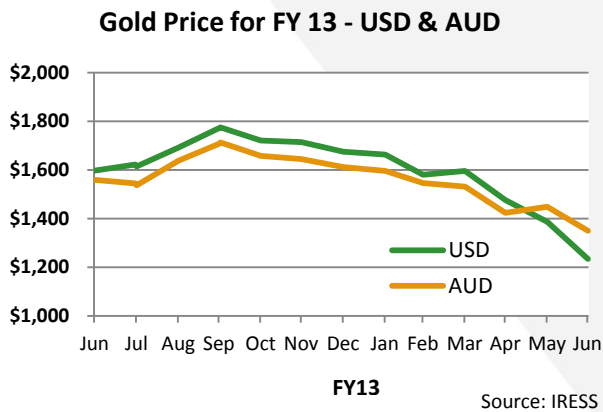
Adapting to a lower gold price environment

- > The diversified nature of the Company's operations allows for flexibility and adaptability to different gold price scenarios.
- > The Company has long term US bonds with terms and conditions aligned to our operations.
- > The Company is keenly focussed on cash flow and preserving cash, with a number of measures taken to reduce cash outflow, including:
 - > a freeze on non-essential recruitment;
 - > delegated spending authorities tightened;
 - > a freeze on Directors fees and senior management salaries;
 - > the Brisbane office is being significantly scaled down.

[3] Net of sustaining capex.

[4] Debt ÷ (debt + equity).

- > Whilst the US\$ gold price has been weakening, the impact on the A\$ gold price has been reduced by the weakening of the Australian Dollar as shown in the following chart:



- > The Company has also undertaken scenario planning at different price points to identify strategic decisions and issues for consideration to further preserve cash funding if required.

Capital at 30 June 2013

Issued shares

Opening balance 31 March 2013	488,074,077
Share movement	-
Closing balance 30 June 2013	488,074,077

Unlisted performance rights

Opening balance 31 March 2013	5,261,180
Issued	-
Lapsed	-2,249,837
Closing balance 30 June 2013	3,011,343

ASX & ADR

The Company's shares are listed on ASX (SBM) and through American Depositary Receipts (ADR) traded in the USA.

Senior Secured Notes

Issue	US\$250 million
Closing bid at 30 June 2013	US\$ 0.91625
Coupon	8.875%
Redemption date	15 April 2018
S&P rating	B
Moody's rating	B2

Scheduled Future Reporting

<u>Date</u>	<u>Report</u>
22 Aug 2013	June 2013 Full Year Financial Report
22 Aug 2103	June 2013 Ore Reserves and Mineral Resources Statement

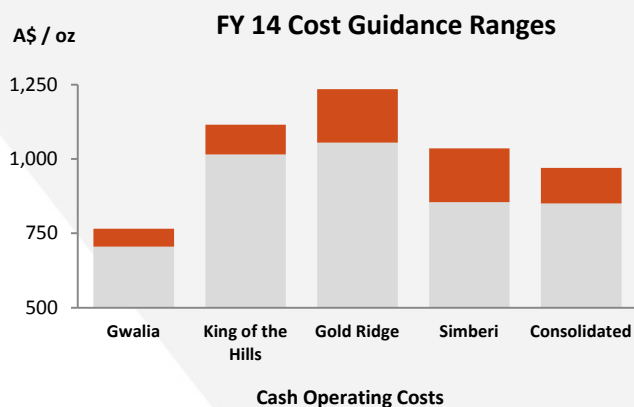
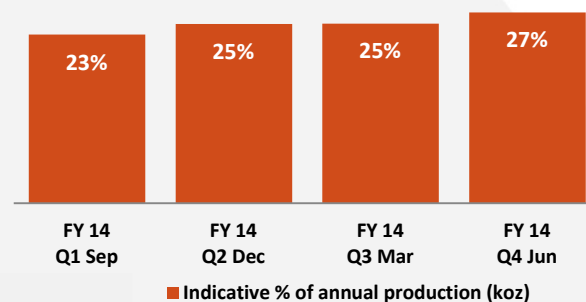
FY14 Guidance - Overview

Executive Summary

- > The Gwalia mine at Leonora remains the Company's cornerstone asset and after capital expenditure is expected to generate significant cash in FY14, even at lower spot gold prices, and cover all finance and corporate overheads.
- > The Pacific Operations, whilst taking longer and costing more to reach steady state, remain valuable long term assets. At current spot gold prices, a net investment will be made into the Pacific Operations during FY14. A higher steady state production level with lower unit costs is expected by the end of FY14.
- > Consolidated FY14 gold production guidance is estimated to be between 395,000 and 445,000 ounces (FY13 attributable production 364,601 ounces), comprising:

	Gold production koz	Cash operating costs ^[5] A\$ / oz	Capex A\$M
Gwalia	180 – 195	720 – 750	45 – 50
King of the Hills	55 – 60	1,040 – 1,090	12 – 15
Gold Ridge	75 – 90	1,100 – 1,190	14 – 18
Simberi	85 – 100	900 – 990	20 – 25
Consolidated	395 – 445	880 – 940	91 - 108

FY14 Production Indicative Quarterly Guidance Profile



[5] Cash operating cost includes mine exploration. Corporate overhead not included in cash operating cost, is estimated at between A\$50 to A\$55 per ounce.

FY14 Guidance - Operations

Gwalia, Leonora Operations, Western Australia

Gold production 180 – 195 koz
Cash operating cost A\$720 -A\$750 / oz
Capital expenditure A\$45 - \$50 million

- > The Gwalia mine is the Company's cornerstone asset and will continue to provide the major source of cash generation for the business. Capital will primarily be spent on underground decline and lateral development.
- > The ongoing establishment of mining fronts ahead of actual mining operations and compliance to the mine schedule are key success factors. A small amount of capital will be spent as part of infrastructure upgrades and replacement of surface facilities.
- > Cash operating cost guidance includes the cost of cable bolting hanging walls in future South West Branch stopes, to minimise potential hanging wall dilution.
- > The quarter by quarter gold production profile is steady across the year.
- > As part of normal business improvement activities, opportunities to improve capital efficiency and reduce operating costs will continue to be pursued.

King of the Hills, Leonora Operations, Western Australia

Gold production 55 – 60 koz
Cash operating cost A\$1,040 – A\$1,090 / oz
Capital expenditure A\$12 - \$15 million

- > King of the Hills mine will continue to produce gold from the higher grade Western Flank with 95% of the gold produced through the higher cost "cut and fill" and "room and pillar" mining methods.
- > Capital expenditure at King of the Hills is mainly sustaining capital in the form of on-going underground development, as well as A\$2 million capital expenditure for resource extension drilling activities and exploration drilling to the north of the mine aimed at extending the resource / reserve position and life of the mine.
- > The quarter by quarter gold production profile is steady across the year.

Gold Ridge Operations, Solomon Islands

Gold production	75 - 90 koz
Cash operating cost	A\$1,100 - A\$1,190 / oz
Capital expenditure	A\$14 - \$18 million

- > Prior to the acquisition of Gold Ridge, due diligence work based on available metallurgical test work indicated Life of Mine recoveries in the order of 82%. Post-acquisition, detailed studies of the Gold Ridge deposits have distinguished a primary mineralisation event with gold closely associated with arsenopyrite. This earlier event can occur at higher than expected levels in the more refractory weathered and transitional zones, and is overprinted by a series of high grade veins associated with higher grade free gold. As a consequence of more refractory ores being encountered in the current operation, gold recoveries from the circuit as currently configured will be about 70%.
- > Metallurgical test work is underway as a priority to determine the appropriate processing solution to increase recoveries.
- > As a direct consequence of lower recoveries in FY14, gold production will be lower and unit costs will be higher.
- > Kupers and Dawsons (H2) open pits will provide the main sources of ore during the year.
- > In addition to investigating solutions to the refractory ore, work improving ore processing efficiencies is an on-going focus. This will entail:
 - > An upgrade of the gravity screen (end H1); and
 - > The installation of an oxygen use enhancement system (end Q1).
- > Work already completed on the processing plant to improve materials handling include the use of a mobile crusher, installation of a new vibrating grizzly, and access to more ore with a lower clay content.
- > Capital expenditure at Gold Ridge of \$14M to \$18M includes funding for a tailings dam wall lift, geological drilling to sterilise ground for a waste dump, upgrading some mining equipment, and expenditure in relation to community relations activities.
- > As initiatives in place aimed at reducing costs and increasing gold production take hold in H2 FY14, cash costs will reduce to A\$1,000 – A\$1,050 / oz by the end of the year.
- > The quarter by quarter production profile has lower production in the first and third quarters and higher production in the second and fourth quarters.
- > The Company is engaging constructively with government, landowners and the community, including taking steps to manage incursions by artisanal miners onto the mining lease.
- > Opportunities include continuing drilling to realise the significant geological potential for a much larger mineralisation system within the current operations.

Simberi, Papua New Guinea

Gold production	85 – 100 koz
Cash operating cost	A\$900 - A\$990 / oz
Capital expenditure	A\$20 - A\$25 million (inc. A\$5-6M to complete FY13 projects)

- > Delays in the permitting and commissioning of the Simberi oxide plant expansion have slowed the planned ramp up of production, and remain the key focus in H1 of FY14 with sustainable production at the 3.5 Mtpa run rate anticipated by Q2 FY14.
- > Drill and blast activities anticipated to commence in H1 FY14 await government approval. This will greatly assist in the enhancement of mine volumes and not only bring the mines stripping ratio back into balance but also provide more operating flexibility.
- > The mining fleet at Simberi will be enhanced by the addition of some new equipment in the capital expenditure program for the year. In addition, other capital expenditure includes a rebuild programme on some of the older vehicles in the Heavy Vehicle fleet, a Heavy Vehicle maintenance facility to be constructed on site, a new dump pocket to be established at Sorowar, plus funding for community relations projects. Additional equipment such as cranes and ancillary equipment needed to maintain high safety performance will also be purchased during the year.
- > The Company is waiting on government approvals to commission the oxide expansion.
- > The production profile for the year will be lower in the first quarter and then steady at a higher rate for the remainder of the year.
- > A number of opportunities for additional potential ore sources are emerging from drilling and exploration activities in proximity to existing mining operations.
- > Risks for FY14 include the time required to obtain necessary permits relating to the oxide plant expansion.

FY14 Guidance - Discovery & Growth

Strategy

- > The FY14 exploration program will largely focus on potential near-mine ore sources around the Gwalia, Simberi and Gold Ridge operations. The aim for FY14 is to extend the life of each operation and provide future growth options for the Company.

Australia

- > A strategic review of the portfolio of prospects on the tenements around the Leonora operation, based on work completed in FY13, produced a list of exploration targets ranked on value, size and potential to deliver new feed options to the mine. In FY14 the five most prospective of these will be drilled tested. Drilling has already commenced on the first of these targets. Low potential tenements will be relinquished reducing land holding costs. Other leases will be offered for sale or JV also reducing holding costs whilst retaining access to exploration upside.
- > Outside Leonora, work in the Yilgarn of Western Australia and Gawler Craton of South Australia is focused on advancing early stage projects to decision point or drill ready targets. The longer lead time, high risk but possibly high reward Nyngan Project in NSW targeting porphyry-related gold-copper mineralisation will be deferred.

South-West Pacific

- > At Simberi, encouraging exploration results for the near mine targets at Sorowar, Botlu, Pigicow, Patan and Samat will continue to be aggressively pursued for both oxide and sulphide ore. To the south on Tatau Island, drilling at Mt Tiro and Mt Siro is aimed at delineating the extent of existing gold mineralisation. Drilling will also be undertaken on a number of other high priority geochemical and geophysical targets.
- > Likewise at Gold Ridge, work will be centred on drilling targets around the existing pits to expand the mine's mineral resources. A key focus will be the Charivunga zone where high grade zones have been targeted that could support production at higher grades than currently being mined and potentially within a larger scale mining operation.
- > Outside the immediate mine areas exploration will continue at both Simberi and Gold Ridge to generate new drill targets.

Budget

- > The exploration budget for FY14 is estimated at \$20-25 million, which will be split between Australia (\$8-10M) and the SW Pacific tenements (Simberi \$7-9M and Gold Ridge \$5-6M), of which approximately 40% will be spent on drill testing targets. Tenement rationalisation and prioritisation of work is targeting lease holding savings of \$0.5 million per annum.

Non-IFRS Measures

- > The Company supplements its financial information reporting determined under International Financial Reporting Standards (IFRS) with certain non-IFRS financial measures, including cash operating costs. We believe that these measures provide additional meaningful information to assist management, investors and analysts in understanding the financial results and assessing our prospects for future performance.
- > Cash operating costs for FY13 are calculated according to common mining industry practice using The Gold Institute (USA) Production Cost Standard (1999 revision).

Competent Persons Statement

- > The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Phillip Uttley, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Phillip Uttley is a full-time employee of St Barbara Ltd and has sufficient experience 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). Mr Uttley consents to the inclusion in the statement of the matters based on his information in the form and context in which it appears.
- > The information in this report that relates to Ore Reserves is based on information compiled by Mr John de Vries, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr de Vries is a full-time employee of St Barbara Ltd and has sufficient experience 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). Mr de Vries consents to the inclusion in the statement of the matters based on his information in the form and context in which it appears.

Corporate Directory

St Barbara Limited

ABN 36 009 165 066

Board of Directors

Colin Wise	Non-Executive Chairman
Tim Lehany	Managing Director & CEO
Doug Bailey	Non-Executive Director
Betsy Donaghey	Non-Executive Director
Phil Lockyer	Non-Executive Director
Robert Rae	Non-Executive Director

Executive Team

Tim Lehany	Managing Director & CEO
Garth Campbell-Cowan	Chief Financial Officer
Alistair Croll	Chief Operating Officer
Ross Kennedy	EGM Corporate Services
Katie-Jeyn Romeyn	EGM Human Resources
Phil Uttley	EGM Discovery & Growth

Registered Office

Level 10, 432 St Kilda Road

Melbourne Victoria 3004 Australia

Telephone +61 3 8660 1900

Facsimile +61 3 8660 1999

Email melbourne@stbarbara.com.au

Website www.stbarbara.com.au

Substantial Shareholders	% of Holdings ¹
M&G Investment Management Ltd ²	19.1%
Van Eck Associates Corporation	7.9%
Baker Steel Capital Managers	6.0%
Franklin Resources Inc	6.0%

1. % as notified by the substantial shareholders to 30 June 2013.

2. M&G Group's interest includes shares also disclosed by Vanguard Precious Metals & Mining Fund.

Shareholder Enquiries

Computershare Limited

GPO Box 2975

Melbourne Victoria 3001

Australia

Telephone (within Australia) 1300 653 935

Telephone (international) +61 3 9415 4356

Facsimile +61 3 9473 2500

Investor Relations Contacts

Ross Kennedy +61 3 8660 1903

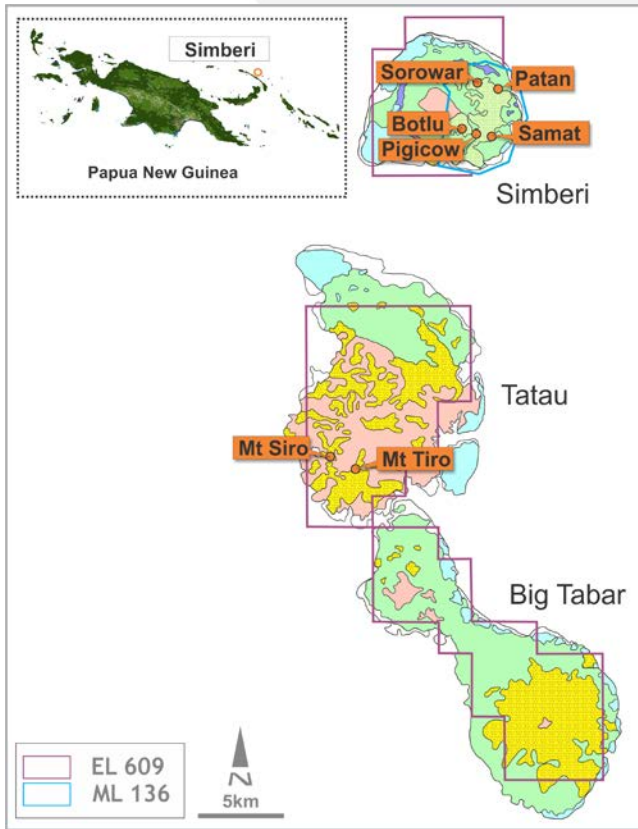
Rowan Cole +61 3 8660 1914

Australian Securities Exchange (ASX) Listing code "SBM"

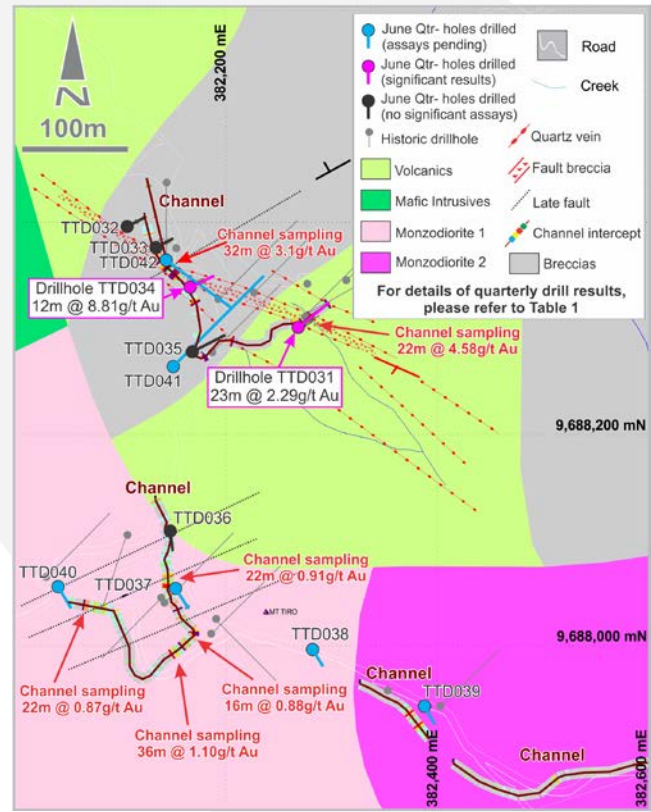
American Depositary Receipts (ADR) – through The Bank of New York Mellon, www.adrbnymellon.com

Financial figures are in Australian dollars.

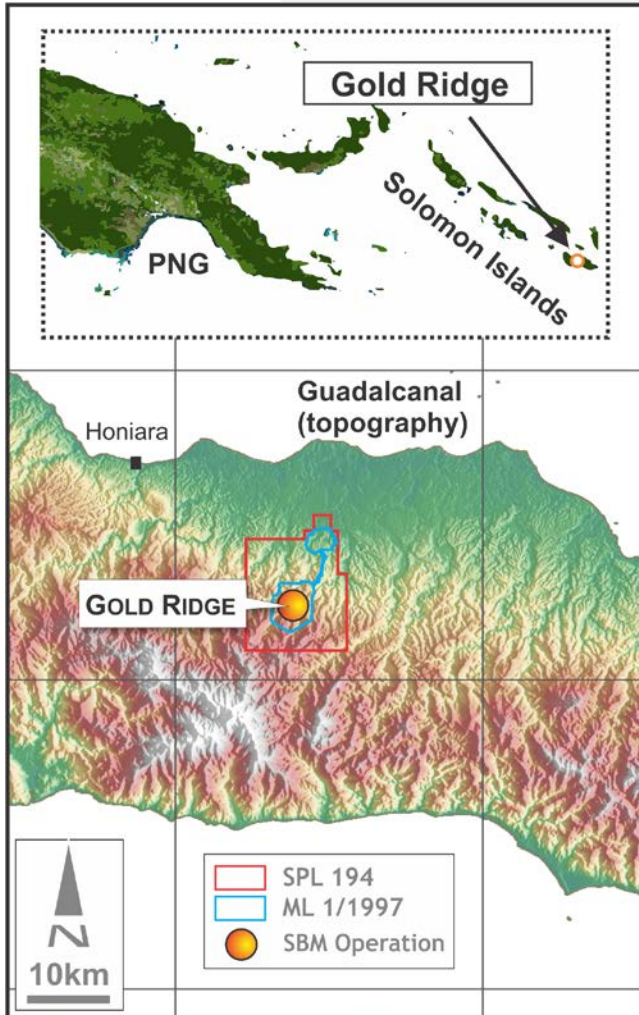
**Figure 1.0 Simberi Location Map
Papua New Guinea**



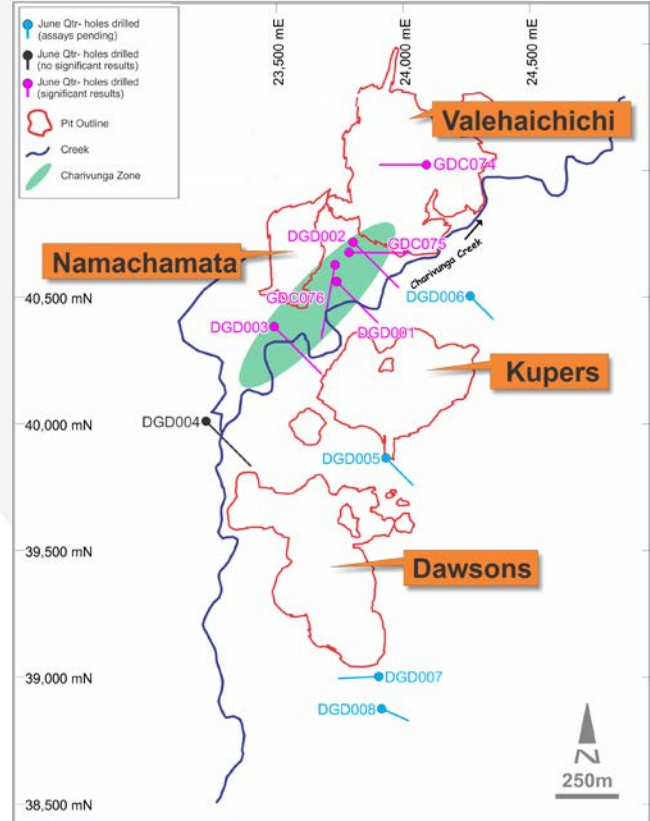
**Figure 1.1 Mt Tiro, Tatau Island
Papua New Guinea**



**Figure 2.0 Gold Ridge location map
Solomon Islands**



**Figure 2.1 Gold Ridge Drill Hole location map
Solomon Islands**



**Figure 3.0 Leonora Region
Western Australia**

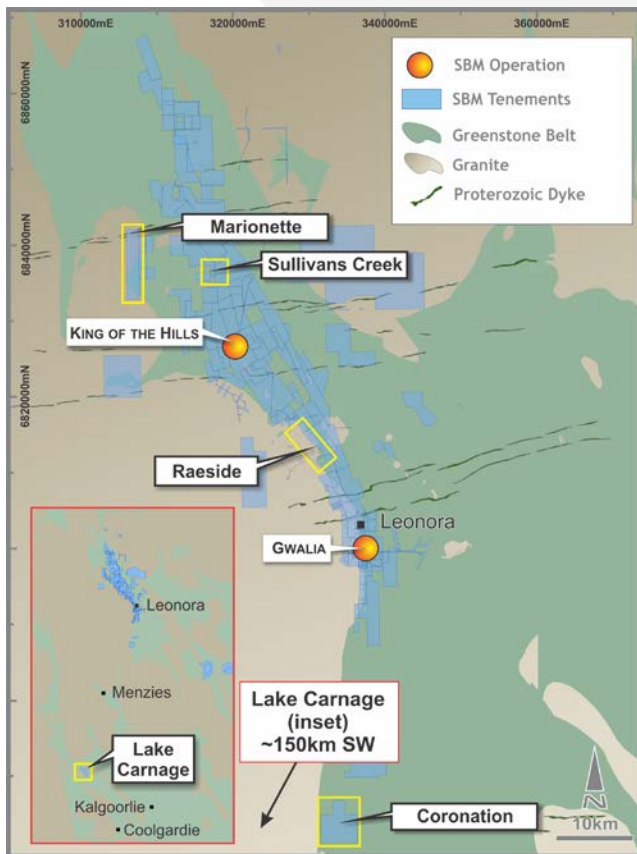


Table 1: Significant Intercepts - Simberi, Tabar & Tatau Islands, Papua New Guinea-

Hole No	North	East	RL	Dip/ Azimuth	Total Depth	Vertical Depth mbs	Lode	Down-hole Mineralised Intersection		
								From m	Length m	Gold grade g/t Au
Tatau Island, Papua New Guinea										
TTD027 (Mt Siro)	189285	35865	93.0	-62/245	134.4			4	15	0.9
<i>including</i>								5	6	1.9
								50	5	2.8
<i>including</i>								52	1	11.2
TTD028 (Mt Tiro)	189350	36469	214.0	-59/227	203.7			No significant assays		
TTD029 (Mt Tiro)	189406	36405	169.0	-60/222	237.0			No significant assays		
TTD030 (Mt Tiro)	189407	36406	168.0	-60/273	237.6			No significant assays		
TTD031 (Mt Tiro)	188374	37225	289.0	-56/61	40.0			10	23	2.3
<i>including</i>								31	2	13.5
TTD032 (Mt Tiro)	188471	37058	289.0	-56/61	34.2			No significant assays		
TTD033 (Mt Tiro)	188449	37091	299.0	-55/61	30.6			No significant assays		
TTD034 (Mt Tiro)	188412	37123	308.0	-56/65	42.1			15	12	8.8
<i>including</i>								15	3	28.6
<i>including</i>								16	2	42.4
<i>and</i>								20	7	2.7
<i>including</i>								24	1	12.1
TTD035 (Mt Tiro)	188351	37125	302.0	-54/64	58.4			No significant assays		
SDH266 (Botlu)	208026	43069	134.6	-61/267	133.3			92	2	11.7
<i>including</i>								93	1	16.0
SDH268 (Botlu)	208023	43067	134.2	-60/225	202.6			No significant assays		

NOTE:

Down hole intercepts are determined using a cut-off of 0.5 g/t Au with up to 5m of internal dilution. No high grade cut is applied. The reported intercepts are all down hole lengths. Intercepts quoted are above 10 gram metres.

Table 2: Significant Intercepts - Gold Ridge, Solomon Islands

Hole No	North	East	RL	Dip/ Azimuth	Total Depth	Vertical Depth mbs	Lode	Down-hole Mineralised Intersection		
								From m	Length m	Gold grade g/t Au
Gold Ridge, Solomon Islands										
GDC072	40831	23800	376.7	-60/90	272.5			59	20	1.3
GDC073	41017	24091	284.0	-53/99	110.4			7	14	1.0
GDC074	41017	24091	284.0	-54/270	311.2			0	9	2.4
<i>including</i>								8	1	15.9
								15	5	2.3
<i>including</i>								19	1	8.5
								135	3	19.6
<i>including</i>								135	1	57.1
GDC075	406685	23803	433.0	-61/90	503.5			292	38	1.7
<i>including</i>								328	2	16.7
GDC076	40624	23727	427.0	-56/191	518.5			48	13	2.3
								215	15	2.6
<i>including</i>								215	1	12.8
<i>and</i>								221	1	9.3
								261	44	1.5
<i>including</i>								296	9	3.3
<i>and</i>								304	1	14.8
								313	84	2.0
<i>including</i>								318	40	2.6
<i>including</i>								334	1	17.1
<i>and</i>								340	18	2.6
<i>and</i>								360	37	1.7
<i>including</i>								371	1	14.2
								469	11	2.1
DGD001	40563	23738	412.0	-61/133	458.3			147	12	2.6
<i>including</i>								153	6	4.5
<i>including</i>								157	2	11.1
								209	43	1.2

Hole No	North	East	RL	Dip/ Azimuth	Total Depth	Vertical Depth mbs	Lode	Down-hole Mineralised Intersection		
								From m	Length m	Gold grade g/t Au
Gold Ridge, Solomon Islands										
DGD001 (cont'd)								352	23	1.9
<i>including</i>								365	10	2.01
								380	46	2.0
<i>including</i>								380	12	5.3
<i>including</i>								380	2	17.6
DGD002	40718	23798	396.0	-54/130	507.8			112	1	16.7
								120	1	25.2
								183	16	3.3
<i>including</i>								190	1	39.0
								231	4	84.4
<i>including</i>								231.5	1	332
								279	4	9.2
<i>including</i>								281	1	34.9
DGD003	40376	23491	450.0	60/134	545.5			264	22	4.2
<i>including</i>								269	7	11.1
<i>including</i>								270	1	57.8
								302	20	2.2
<i>including</i>								312	8	2.7
								334	24.5	3.8
<i>including</i>								346	10	7.4
<i>including</i>								348	4	13.7
								370	11	6.0
<i>including</i>								376	5	10.4
								377	2	22.1
								387	57	1.9
<i>including</i>								387	29	2.5

NOTE:

Down hole intercepts are determined using a cut-off of 0.5 g/t Au with up to 5m of internal dilution. No high grade cut is applied. The reported intercepts are all down hole lengths. Intercepts quoted are above 20 gram metres, in addition to individual metres returning above or around 10 gram metres. Diamond drill holes GDC072, GDC073 and GDC074 represent resource development holes that were drilled from within the proposed pit outline of the Valehaichichi deposit.