



## Short term US gold price protection on 40 koz of gold for FY16

St Barbara Limited has entered into a zero cost collar hedging facility to reduce the US dollar gold price risk associated with the early repayment of the US\$36 million balance outstanding on the Red Kite debt facility.

The collar comprises put options acquired at US\$1,187 per ounce and call options sold at US\$1,287 per ounce over 40,000 ounces of gold for the period March to June 2016. In combination with the continuing strong cash flow generated from operations, it is anticipated the Company will pay out the Red Kite debt facility in full by the end of June 2016, twelve months ahead of the amortisation schedule.

In April 2015, to secure a reliable cash margin on Simberi's FY16 gold production, the Company sold forward 100,000 ounces of gold at A\$1,600 per ounce, deliverable in monthly instalments from July 2015 to June 2016. There are approximately 33,000 ounces of these gold forward contracts remaining at the date of this release, to be delivered by June 2016.

This US dollar hedge, combined with the remainder of the earlier Australian dollar hedge, represent approximately 65% of anticipated gold production for the period March to June 2016. The collar hedge announced today provides gold price certainty at the recent higher gold prices for the remaining US dollar denominated Red Kite debt.

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