



## Consistent Q3 March 2016 production supports further debt reduction and an increase in FY16 guidance at Gwalia

Key results for Q3 March 2016 quarter:

- Gwalia (WA) gold production of 66,147 ounces (202,068 ounces YTD Q3 FY16)
- Simberi (PNG) gold production of 25,433 ounces ( 83,351 ounces YTD Q3 FY16)
- Total gold production of 91,580 ounces (294,531 ounces YTD Q3 FY16)
- Closing cash balance of A\$114 million<sup>1</sup> after total principal payments on US\$ debt of A\$37 million (US\$27 million)

As anticipated in the mine schedule, mining at Gwalia returned to higher grade stopes during the quarter, and achieved a higher than expected mined grade of 10.2 g/t Au, compared with the Ore Reserve grade of 9.4 g/t Au<sup>1</sup>. The higher grade was partially offset by a decrease in ore milled, primarily due to stope cycles, resulting in gold production being 4% higher than the previous quarter. Due to the higher than anticipated production in the quarter, Gwalia production guidance has been increased for FY16 to between 260,000 and 265,000 ounces (previously 245,000 to 260,000 ounces, refer table on next page).

Simberi produced 25,433 ounces of gold for the quarter and 110,488 ounces of gold for the 12 months to 31 March 2016, exceeding the target 100,000 ounce per annum run-rate for the fourth consecutive quarter (refer table on next page). Mined grade for the quarter averaged 1.35 g/t Au, consistent with the Ore Reserve grade of 1.3 g/t Au<sup>2</sup>. The aerial rope conveyor was out of service for two weeks in January during repairs to the conveyor belt, and ore was trucked to the processing plant at an increased rate during this time. Simberi production guidance for FY16 is maintained at between 100,000 and 110,000 ounces.

The Company maintained strong cash generation in the quarter with a closing cash at bank balance of approximately A\$114 million<sup>1</sup> at the end of the March 2016 quarter (Q2 Dec 2015: A\$100 million), after

<sup>1</sup> Financial information unaudited, cash balance excludes A\$1.5 million restricted cash

<sup>2</sup> Ore Reserve grade at 30 June 2015, refer Ore Reserves and Mineral Resources Statements released 25 August 2015

<b>Investor Relations</b>	Mr Rowan Cole	Company Secretary	+61 3 8660 1900
<b>Media Relations</b>	Ms Nerida Mossop	Hinton & Associates	+61 3 9600 1979

total principal payments against US dollar denominated debt during the quarter of A\$37 million (US\$27 million - details below).

US\$15 million was repaid against the Red Kite debt facility during the March 2016 quarter. The balance of the Red Kite facility at the end of the March quarter was US\$21 million. The Company has given notice to Red Kite of a further US\$10 million repayment to occur in April 2016, which will reduce the outstanding balance on this facility to US\$11 million. As previously announced, the Company plans to fully repay the facility, one year early, by 30 June 2016.

As previously reported, the Company repurchased US\$12 million in aggregate principal of its US Senior Secured Notes during the March quarter. St Barbara has now repurchased US\$82 million (33%) in aggregate principal of the original US\$250 million of Notes issued by St Barbara in March 2013. US\$168 million of the Notes remain on issue at the date of this announcement.

Details of the March 2016 quarter production are set out in the table below. The Company will issue its full March 2016 quarterly report later in April 2016, including production costs and cash flow details, an update on progress with the deep drilling program and the materials handling study at Gwalia, and further detail on the Simberi sulphide pre-feasibility study. The full March quarterly report will also include an update on FY16 guidance for All-In Sustaining Costs.

Production Summary	Year FY15	Q1 Sep FY16	Q2 Dec FY16	1H FY16	Q3 Mar FY16	Q3 YTD FY16	Guidance FY16
<b><u>Production</u></b>							
Gwalia oz	248,142	72,388	63,533	135,921	66,147	202,068	260 to 265 koz <i>(previously 245 to 260 koz<sup>3</sup>)</i>
King of the Hills oz	49,677	9,112 <sup>4</sup>	-	9,112	-	9,112	9 koz <sup>5</sup>
Simberi oz	79,568	29,539	28,379	57,918	25,433	83,351	100 to 110 koz <sup>6</sup>
<b>Consolidated</b> oz	<b>377,387</b>	<b>111,039</b>	<b>91,912</b>	<b>202,951</b>	<b>91,580</b>	<b>294,531</b>	<b>369 to 384 koz</b> <i>(previously 354 to 379 koz)</i>
<b><u>Mined Grade</u></b>							
Gwalia g/t Au	8.9	9.7	7.9	8.8	10.2		<u>Reserve grade<sup>7</sup></u> 9.4
Simberi g/t Au	1.23	1.22	1.22	1.22	1.35		1.3

3 Previous FY16 guidance for Gwalia revised in the Q2 December 2015 production report (released on 8 January 2016)

4 King of the Hills ceased mining in April 2015 and ceased processing in September 2015. It was sold to Saracen in October 2015 (refer ASX announcement 16 October 2015)

5 Stockpiled as at 30 June 2015

6 Current FY16 guidance for Simberi revised in the Q2 December 2015 production report (released on 8 January 2016)

7 Ore Reserve grade at 30 June 2015, refer Ore Reserves and Mineral Resources Statements released 25 August 2015