



Record annual production and FY16 guidance exceeded at Gwalia and Simberi

Key results for Q4 June 2016 quarter:

- Gwalia (WA) gold production of 65,098 ounces (267,166 ounces full year FY16)
- Simberi (PNG) gold production of 26,935 ounces (110,286 ounces full year FY16)
- Total gold production of 92,033 ounces (386,564¹ ounces full year FY16)
- Closing cash balance of A\$137 million² after total principal payments on USD debt of A\$28 million (US\$21 million), fully repaying the Red Kite debt facility.

Gwalia produced a record 267,166 ounces of gold in FY16, a third consecutive record year, exceeding guidance (260,000 to 265,000 ounces) after a better than expected final quarter. The result is primarily due to an increase in ore mined, and reflects the successful progressive implementation of innovations in underground ore handling and waste storage.

During the quarter Gwalia produced 65,098 ounces (Q3 Mar 2016: 66,147 ounces). Mined grade in Q4 of 8.9 g/t Au was, as expected, lower than the previous quarter (Q3 Mar 2016: 10.2 g/t Au), reflecting the grade cycle anticipated in the mine plan. This was partially offset by an increase in ore mined and milled.

Simberi also had a record year producing 110,286 ounces of gold in FY16, exceeding guidance (100,000 to 110,000 ounces), a 39% increase on FY15.

Simberi produced 26,935 ounces of gold in Q4 (Q3 Mar 2016: 25,433 ounces), the fifth consecutive quarter above the 100,000 ounce per annum target run rate. This was the result of a number of operational records for the quarter, including for total material moved and ore processed (details to be provided in the June 2016 quarterly report to be released later in July).

¹ Consolidated FY16 result includes 9,112 oz for King of the Hills

² Financial information unaudited

Total cash at bank increased by A\$23 million during the quarter to approximately A\$137 million³ (Q3 Mar 2016: A\$114 million) at 30 June 2016, after total principal payments of A\$28 million (US\$21 million) to fully repay the Red Kite facility.

To date St Barbara has 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, and the Company will continue to reduce debt through the repurchase of Notes as opportunities arise.

The hedging in place at the date of this announcement comprises:

- 1H FY17
- 50,000 ounces of gold forward contracts to be delivered in monthly instalments between July and December 2016 at US\$1,260 per ounce (this hedge announced 18 March 2016)
- 2H FY17
- 50,000 ounces of gold forward contracts to be delivered in monthly instalments between January and June 2017 at US\$1,338 per ounce (this hedge announced 4 July 2016)

These two hedges reduce US dollar gold price risk associated with repayment of the remaining US Senior Secured Notes, and represent less than 30% of current annual Company production. All other hedging relating to FY16 was delivered by 30 June 2016.

Details of the June 2016 quarter and FY16 total production are set out in the table below. The Company will issue its June 2016 quarterly report later in July 2016, including production costs and cash flow details, an update on progress with the Company's organic growth & exploration programs and guidance for FY17. Annual financial results will be issued in late August.

Production Summary		Year FY15	Q3 Mar FY16	Q4 Jun FY16	Year FY16	Guidance FY16
<u>Production</u>						
Gwalia	oz	248,142	66,147	65,098	267,166	260 to 265 koz ⁴
King of the Hills	oz	49,677	-	-	9,112	9 koz ⁵
Simberi	oz	79,568	25,433	26,935	110,286	100 to 110 koz ⁶
Consolidated	oz	377,387	91,580	92,033	386,564	369 to 384 koz
<u>Mined Grade</u>						
						<u>Reserve grade⁷</u>
Gwalia	g/t Au	8.9	10.2	8.9	9.1	9.4
Simberi	g/t Au	1.23	1.35	1.18	1.26	1.3

³ Financial information unaudited

⁴ Current FY16 guidance for Gwalia revised in the Q3 March 2016 quarterly report (released on 19 April 2016)

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