



St Barbara to extinguish final US\$20 million of Senior Secured Notes and be effectively debt free¹

St Barbara Limited will repurchase the final US\$20 million in aggregate principal of its US 144A Senior Secured Notes, effective 15 March 2017. The repurchase will be achieved via a notice of redemption administered by the Trustee, and completes in full repayment of the US Notes that were due to mature in April 2018.

Similar to recent repurchases, the Notes will be repurchased at a 3.3% premium to par value, being the optional redemption price from mid-October 2016 under the Notes agreement. The Note repurchase will reduce future interest expense by approximately A\$2.4 million per annum. The net payment for the repurchase is anticipated to amount to approximately US\$21 million (approx. A\$28 million²), consisting of principal repayment, premium and accrued interest.

The Note repurchase will be funded from US dollar cash reserves generated from US dollar gold sales. St Barbara's aggregate cash balance immediately following the repurchase is anticipated to be approximately A\$70 million.

Other than equipment leases amounting to less than A\$1 million, St Barbara will be debt free following the settlement of this final Note repurchase. In a little over 1½ years since June 2015, and including this payment, the Company has repaid total principal of approximately A\$436 million (US\$325 million) of debt from its cash flows.

Bob Vassie, St Barbara MD & CEO, said: "Our strong cash flow over the last two years has allowed us to repay in full our debt more than 12 months ahead of schedule. We are now effectively debt free, well positioned to fund the proposed Gwalia extension project, and able to take advantage of value accretive opportunities should they arise. Repayment of the debt also informs the Board's consideration of future dividends, as mentioned by the Chairman at last year's annual general meeting."

¹ No interest bearing borrowings, except for equipment leases amounting to less than A\$1 million

² At A\$1.00 = US\$0.75

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| Investor Relations | Mr Rowan Cole | Company Secretary | +61 3 8660 1900 |
| Media Relations | Mr Tim Duncan | Hinton & Associates | +61 3 9600 1979 |