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Atlantic Gold acquisition and St Barbara operations update

St Barbara Ltd (ASX: SBM) (“St Barbara” or “Company”) and Atlantic Gold Corporation (TSX-V:AGB) (“Atlantic”) are proceeding with the customary closing conditions precedent under the Arrangement Agreement (“Agreement”) announced on 15 May 2019. Pursuant to the Agreement and the related Canadian Plan of Arrangement (“Transaction”), St Barbara intends to acquire 100% of the outstanding common shares and options of Atlantic for A\$768 million. Further details of the Transaction, including its strategic and financial benefits, are set out in the corresponding announcement and presentation of 15 May 2019.

Following completion last week of the A\$490 million Entitlement Offer, on 14 June 2019 St Barbara had A\$870 million in cash and deposits in readiness for settlement, plus a A\$200 million three year revolving facility, which is undrawn.

The Supreme Court of British Columbia has issued an interim order (“Interim Court Order”) in connection with the Transaction which authorises, among other things, Atlantic to convene a special meeting of Atlantic securityholders (“Atlantic Meeting”) on 15 July 2019 in Vancouver to consider and vote on the Transaction. The corresponding notice of meeting (“Arrangement Circular”) is due for release to Atlantic shareholders on 20 June 2019.

Key events from the transaction timetable are shown below:

Date (2019)

Event	Status	Vancouver time	Melbourne time
✓ <i>Interim Court Order</i>	completed	Mon 10 June	Tue 11 June
✓ <i>Entitlement Offer</i>	completed	Tue 11 June	Wed 12 June
Atlantic Arrangement Circular	scheduled	Thu 20 June	Fri 21 June
Atlantic shareholder vote	scheduled	Mon 15 July	Tue 16 July
Final Court Order	expected	Wed 17 July	Thu 18 July
Completion	expected	Fri 19 July	Sat 20 July

All dates and times are indicative only and subject to change

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The Transaction is subject to customary closing conditions, including court approvals, a successful Atlantic shareholder vote, and no material adverse change to regulatory approvals.

St Barbara Operations

At Gwalia, the blocked paste reticulation circuit announced on 31 May 2019 was resolved and paste fill operations resumed in the subsequent week as anticipated in that announcement. Full year production guidance for Gwalia is maintained at approximately 220,000 ounces of gold.

As anticipated in the Q3 March FY19 Quarterly Report, dry commissioning has commenced on sections of the Paste Aggregate Fill (PAF) circuit on the 1420 metres below surface (mbs) level, and the associated high voltage power cable has successfully been lowered from surface to the 1420 level.

Due to higher than anticipated grade of ore processed to date in June (currently averaging approximately 2 g/t Au), late last week Simberi exceeded the previous annual production record of 134,661 ounces of gold, and is now anticipated to produce close to 140,000 ounces for FY19, which is above the previously announced target of 135,000 ounces.

Disclaimers

The information in this announcement does not constitute investment or financial product advice or any recommendation to acquire entitlements or New Shares. It does not take into account any individual's investment objectives, financial situation or particular needs. Before making an investment decision, prospective investors should consider the appropriateness of the Entitlement Offer from their individual perspective and, if in doubt, seek professional financial, legal or taxation advice.

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction in which such an offer would be illegal. Neither the entitlements nor the New Shares to be offered and sold in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act of 1933 (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be exercised or taken up by, and the New Shares may not be offered or sold, directly or indirectly, to, persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law of any state or other jurisdiction of the United States. There will be no public offer of the entitlements or the New Shares in the United States.

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This announcement includes certain forward looking statements, including statements regarding the completion of the acquisition, the impact of the acquisition and the future strategies and results of the combined St Barbara and Atlantic groups and the opportunities available to it, the integration process and the timing and amount of synergies, the timing and outcome of the Entitlement Offer and the use of proceeds, as well as statements regarding projected earnings, revenue, growth, commodity prices, outlook, plans and



strategies. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “guidance” or other similar words and include statements regarding certain plans, strategies and objectives of management, trends and outlook. Indications of, and guidance on, future earnings and financial position and performance are also forward looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause St Barbara’s actual results, performance and achievements or industry results to differ materially from any future results, performance or achievements, or industry results, expressed or implied by these forward-looking statements.