

FY17 highlights:

- > **Record consolidated production of 381,101 ounces of gold**
- > **Record low All-In Sustaining Cost (AISC) of A\$907 per ounce**
- > **Record safety performance**
- > **Debt free with A\$161 million cash at bank¹**

Executive Summary

Operations

- > **Consolidated gold production** for FY17 was 381,101 ounces (FY16: 377,452 ounces from continuing operations) with gold production for the June quarter of 94,226 ounces (Q3 Mar: 95,346 ounces). Consolidated annual production was a record for continuing operations.
- > **Consolidated All-In Sustaining Cost² (AISC)** for FY17 was a record low A\$907 per ounce (FY16: A\$932), with both Gwalia and Simberi outperforming guidance. June quarter AISC was A\$959 per ounce (Q3 Mar: A\$862). The average realised gold price for FY17 was A\$1,685 per ounce with the average for the June quarter A\$1,715 per ounce (Q3 Mar: A\$1,651 per ounce).
- > **Gwalia** (Western Australia) gold production for FY17 was 265,057 ounces (FY16: 267,166 ounces) at AISC of A\$785 per ounce (FY16: A\$783 per ounce). Production for the June quarter was 62,098 ounces (Q3 Mar: 64,916 ounces) at AISC of A\$872 per ounce (Q3 Mar: A\$786 per ounce). Mined grade for the quarter was 9.2 g/t Au (Q3 Mar: 11.3 g/t Au) with 226 kt milled (Q3 Mar: 186 kt).
- > **Simberi** (PNG) gold production for FY17 was a record 116,044 ounces (FY16: 110,286 ounces). Production for the June quarter was a record 32,128 ounces (Q3 Mar: 30,430 ounces). AISC for FY17 was A\$1,187 per ounce (FY16: A\$1,293 per ounce) and A\$1,125 per ounce for the June quarter (Q3 Mar: A\$1,025 per ounce).

Health & Safety

- > The Company-wide Total Recordable Injury Frequency Rate (TRIFR), calculated as a rolling 12 month average, improved to a new record low of 1.2 to 30 June 2017 (Q3 Mar: 1.5, FY16: 2.1).

Gwalia Extension Project

- > Work on the Gwalia Extension Project continued during the quarter. The Project remains on time and within budget.
- > The Project commenced in Q3 March 2017, has an overall budget of A\$100 million and is expected to take two and a half to three years to construct. The Project consists of two main components, a ventilation upgrade and paste aggregate fill (PAF) involving mixing paste from surface with waste crushed underground to fill stope cavities.
- > During the quarter, the raise-bore contract for the major ventilation shaft works was awarded. Negotiation with the major PAF counterparties has also been completed.

Exploration

- > **Gwalia** (Western Australia) Activities focused on defining extensions to the Gwalia lode system continued during the quarter, with surface drill programs targeting down-plunge zones.
- > Two daughter holes (GWDD13R and GWDD17I) were completed at Gwalia targeting below 2,000 metres below surface (mbs), passing through intervals interpreted to represent South West Branch (SWB) and South Gwalia Series (SGS2).
- > The field data acquisition phase of a **3D seismic program** targeting a 15 km² area surrounding the Gwalia mine was completed. Data processing and interpretation work is in progress and results are expected in Q1 FY18. The program will assist in understanding the Gwalia shear zone to identify possible Gwalia-like mineralised systems in the nearby area.
- > A new drilling campaign commenced in an area known as Gwalia '**Intermediates**'. This area is at approximately 1,065 mbs, extending the currently understood limits of the mineralised system further up-plunge, and to the north.
- > **Pinjin** (Western Australia) Exploration continued on the Pinjin project, including 3,721 metres of Aircore drilling and a 1,011 line kilometre Airborne Electromagnetic (AEM) Survey (see summary on page 9 and details in Figures 5.0 and 5.1).

1. Financial information unaudited. No interest bearing debt except for equipment leases amounting to approx. A\$500,000.
 2. Non IFRS measure, refer appendix.

- > **Tatau Island (PNG)** Trenching, mapping and drilling was completed at Southwest Tatau Island, during the June 2017 quarter, targeting high grade sulphide-oxide gold mineralisation (see summary on page 10 and details in Figures 7.0 to 7.2 and Table 3).
- > **Option and Farm-in with Newcrest** A regional soil and rock chip sampling program, targeting copper-gold porphyry mineralisation continued through the June 2017 quarter (page 10, Figures 7.3 and 7.4).

Finance (unaudited)

- > Total cash at bank at 30 June 2017 was A\$161¹ million (31 March 2017: A\$99 million). In addition, there was 5,327 ounces of gold inventory on hand at 30 June 2017 (31 March 2017: 9,997 ounces).
- > The Company generated record operational cash contribution ² for FY17 of A\$323 million (FY16 A\$277 million).
- > In FY17, Gwalia sustaining capex totalled A\$30 million (guidance A\$32 to A\$35 million). Growth capex was A\$8 million (guidance A\$12 to A\$15 million). Simberi capex was A\$4 million (guidance A\$4 to A\$5 million).

Outlook

- > Guidance for FY18 is summarised as follows:
 - > Forecast Gwalia gold production of between 245,000 and 260,000 ounces at an AISC of between A\$840 and A\$890 per ounce, with sustaining capex of between A\$35 and A\$38 million, plus growth capex of between A\$50 to A\$55 million.
 - > Forecast Simberi gold production of between 105,000 and 115,000 ounces at an AISC of between A\$1,260 and A\$1,380 per ounce, with capex of between A\$5 and A\$7 million.
 - > Forecast exploration expenditure of between A\$16 and A\$20 million, consisting of:
 - > A\$8 to A\$10 million at Gwalia
 - > A\$4 to A\$5 million at Pinjin in WA and
 - > A\$4 to A\$5 million on the Tabar (Simberi) Island group in PNG³.

Bob Vassie

Managing Director and CEO

26 July 2017

Presentation on quarterly report and audio webcast

Bob Vassie, Managing Director & CEO, will brief analysts and institutional investors on the June 2017 Quarterly Report at 11:00 am Australian Eastern Standard Time (UTC + 10 hours) on Wednesday 26 July 2017. Participation on the conference call is by personal invitation only.

A live audio webcast of the briefing will be available on St Barbara's website at www.stbarbara.com.au/investors/webcast/ or by [clicking here](#). The audio webcast is 'listen only' and does not enable questions. The audio webcast will subsequently be made available on the website.

1 No interest bearing debt except for equipment leases amounting to approx. A\$500,000.

2 Non-IFRS measure, see Cash movements table in this and previous quarterly reports, page 13. Corresponds to Operational Cash Flow less sustaining capital, but excludes growth capital of A\$8 million.

3 Excludes copper-gold porphyry exploration on the Tabar Island Group as part of the option and farm-in agreement with Newcrest.

St Barbara Gold Production & Guidance

Production Summary Consolidated		Year FY16	Q1 Sep FY17	Q2 Dec FY17	Q3 Mar FY17	Q4 Jun FY17	Year FY17	Guidance FY17 ³	Guidance FY18
Production									
Gwalia	oz	267,166	67,118	70,925	64,916	62,098	265,057	260 to 265 koz	245 to 260 koz
Simberi	oz	110,286	25,429	28,057	30,430	32,128	116,044	105 to 110 koz	105 to 115 koz
Consolidated (continuing operations)	oz	377,452	92,547	98,982	95,346	94,226	381,101	365 to 375 koz	350 to 375 koz
King of the Hills ⁴	oz	9,112	-	-	-	-	-	-	-
Mined Grade								<u>Reserve grade²</u>	
Gwalia	g/t	9.3	10.4	11.9	11.3	9.2	10.7	8.3	
Simberi	g/t	1.26	1.05	1.13	1.14	1.21	1.13	1.3	
Total Cash Operating Costs¹									
Gwalia	A\$/oz	609	580	546	582	668	592	n/a	n/a
Simberi	A\$/oz	1,143	1,247	1,161	944	1,048	1,092	n/a	n/a
Consolidated (continuing operations)	A\$/oz	765	763	721	697	798	689		
King of the Hills ⁴	A\$/oz	893	-	-	-	-	-	-	-
All-In Sustaining Cost¹									
Gwalia	A\$/oz	783	774	716	786	872	785	795 to 815	840 to 890
Simberi	A\$/oz	1,293	1,359	1,277	1,025	1,125	1,187	1,285 to 1,330	1,260 to 1,380 ⁵
Consolidated (continuing operations)	A\$/oz	932	935	876	862	959	907	940 to 980	970 to 1,035
King of the Hills ⁴	A\$/oz	964	-	-	-	-	-	-	-

[1] Non-IFRS measure, refer Appendix.

[2] Ore Reserve grade at 30 June 2016, refer Ore Reserve and Mineral Resources Statement (released 23 August 2016).

[3] FY17 guidance announced in Q4 June 2016 quarterly report (released 19 July 2016), updated in subsequent quarters.

[4] King of the Hills ceased mining in April 2015 and ceased processing in September 2015.

It was sold in October 2015 (refer ASX announcement 16 October 2015).

[5] US\$995 to US\$1,090 @ AUD conversion of 0.79

Disclaimer

This report has been prepared by St Barbara Limited ("Company"). The material contained in this report is for information purposes only. This release is not an offer or invitation for subscription or purchase of, or a recommendation in relation to, securities in the Company and neither this release nor anything contained in it shall form the basis of any contract or commitment.

This report contains forward-looking statements that are subject to risk factors associated with exploring for, developing, mining, processing and the sale of gold. Forward-looking statements include those containing such words as anticipate, estimates, forecasts, indicative, should, will, would, expects, plans or similar expressions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, and which could cause actual results or trends to differ materially from those expressed in this report. Actual results may vary

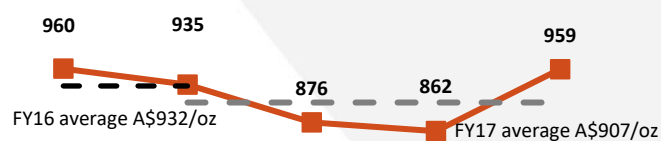
from the information in this report. The Company does not make, and this report should not be relied upon as, any representation or warranty as to the accuracy, or reasonableness, of such statements or assumptions. Investors are cautioned not to place undue reliance on such statements.

This report has been prepared by the Company based on information available to it, including information from third parties, and has not been independently verified. No representation or warranty, express or implied, is made as to the fairness, accuracy or completeness of the information or opinions contained in this report.

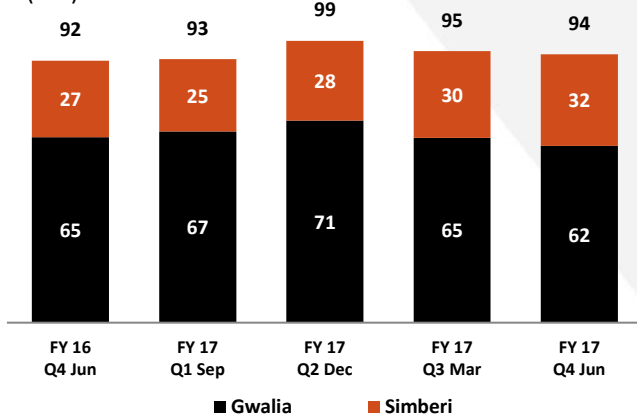
The Company estimates its reserves and resources in accordance with the Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves 2012 Edition ("JORC Code"), which governs such disclosures by companies listed on the Australian Securities Exchange.

Consolidated results graphs (continuing operations)

Quarterly AISC (Consolidated) (A\$/oz)

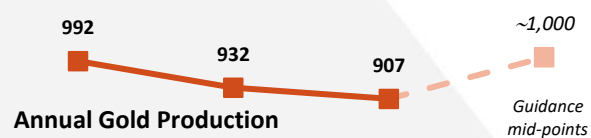


Quarterly Gold Production (koz)

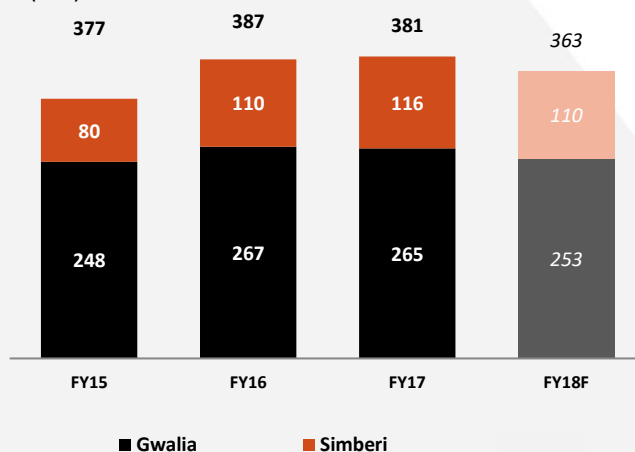


Figures displayed to nearest thousand ounces. Reported ounces in associated table.

Annual AISC (Consolidated) (A\$/oz)

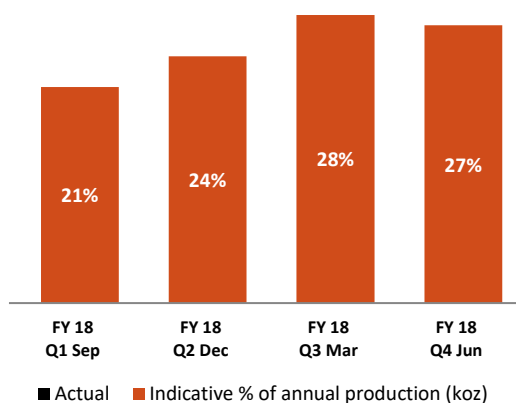


Annual Gold Production (koz)

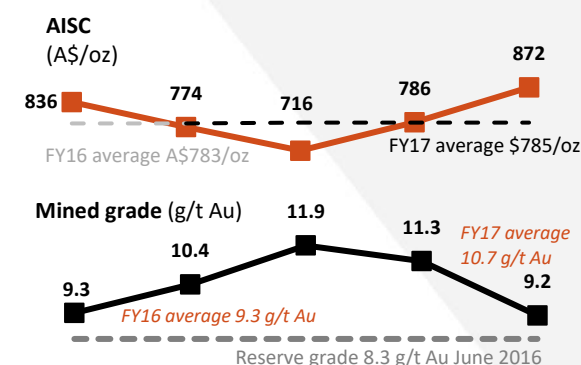


Figures displayed to nearest thousand ounces. Reported ounces in associated table.

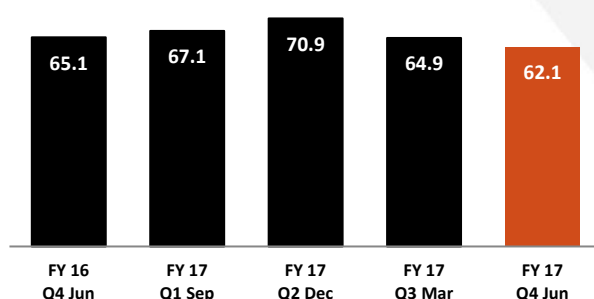
FY18 Production Indicative Quarterly Guidance Profile



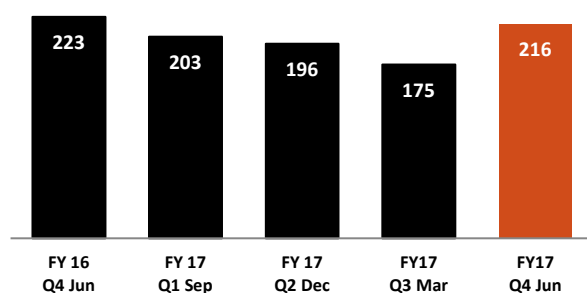
Gwalia, Leonora, WA



Production (koz)



Gwalia underground ore mined (kt)



Operations

- > Gwalia gold production for FY17 was 265,057 ounces (FY16: 267,166 ounces).
- > Average mined grade for FY17 was 10.7 g/t Au, 15% higher than the FY16 average of 9.3 g/t Au.
- > Mined tonnes for FY17 was 790 kt, 15% lower than 924 kt in FY16. Lower mining volumes were primarily the result of previously announced mine sequencing delays and weather-related delays in the March 2017 quarter.
- > All In Sustaining Cost (AISC) was A\$785 per ounce for FY17, (FY16: A\$783 per ounce).
- > Gwalia generated record operational cash contribution of A\$255 million (FY16 A\$235 million)¹.
- > In the June quarter, Gwalia gold production was 62,098 ounces (Q3 Mar: 64,916 ounces) with increased ore mined offset by lower grade.
- > AISC was A\$872 per ounce for the June quarter (Q3 Mar: A\$786 per ounce), which included the impact of increased mined and milled tonnes and higher sustaining capital expenditure.
- > Mill recovery was steady throughout FY17 at 97% (FY16: 96%).

Outlook

- > FY18 guidance comprises:
 - > Production of between 245,000 and 260,000 ounces
 - > AISC of between A\$840 and A\$890 per ounce
 - > Capital expenditure comprising:
 - > Sustaining capex: \$35 to \$38 million and
 - > Growth capex: \$50 to \$55 million.
- > Gwalia guidance is influenced by:
 - > The challenges of scheduling resources for the extension project.
 - > The positive impacts of PAF eliminating truck haulage to surface and increasing stope filling rate will not benefit operations until late in FY18.
 - > Ongoing improvements in stope access design and task scheduling.

¹ Non-IFRS measure, see Cash movements table in this and previous quarterly reports, page 13. Corresponds to Operational Cash Flow less sustaining capital, but excludes growth capital of A\$8 million.

Production Summary		Q3 Mar	Q4 Jun	Year
Gwalia		FY17	FY17	FY17
Underground ore mined	kt	175	216	790
Grade	g/t	11.3	9.2	10.7
Ore milled ^[1]	kt	186	226	828
Grade ^[1]	g/t	11.2	8.8	10.3
Recovery	%	97	97	97
Gold production	oz	64,916	62,098	265,057
All-In Sustaining Cost ^[2]		A\$ per ounce		
Mining		347	393	367
Processing		114	152	122
Site services		58	72	60
Stripping and ore inventory adjustments		21	11	3
		540	628	552
By-product credits		(2)	(2)	(2)
Third party refining & transport		2	2	2
Royalties		42	40	40
Total cash operating costs		582	668	592
less operating development		(62)	(88)	(79)
Adjusted cash operating cost		520	580	513
Corporate and administration		49	54	51
Corporate royalty		25	24	25
Rehabilitation		4	3	3
Capitalised mine & op development		175	178	169
Sustaining capital expenditure		13	33	24
All-In Sustaining Cost (AISC)		786	872	785

[1] Includes Gwalia mineralised waste

[2] Non-IFRS measure, refer Appendix

Gwalia Extension Project Summary	
Capex	A\$100 million
Construction period	<ul style="list-style-type: none"> 2.5 to 3 years PAF completed in first year
Works	
Ventilation upgrade	<ul style="list-style-type: none"> Ventilation shafts, power & cooling Supports mining to at least 2,000 mbs in FY 2024¹ Approx. 80% of project budget
Paste Aggregate Fill (PAF)	<ul style="list-style-type: none"> Underground waste crushing, paste and aggregate fill mixing and pumping Increase trucking efficiency Improve stope cycle times Reduce impact of vent shaft construction on production Approx. 20% of project budget

Gwalia Extension Project - progress

- > The Gwalia Extension Project is proceeding on schedule and to budget.

Project Description

- > The St Barbara Board approved capital expenditure relating to the Gwalia Extension Project, as announced 27 March 2017.
- > The Project has an overall budget of A\$100 million and is planned to take two and a half to three years to construct.² The Project consists of two main components, a ventilation upgrade and paste aggregate fill.

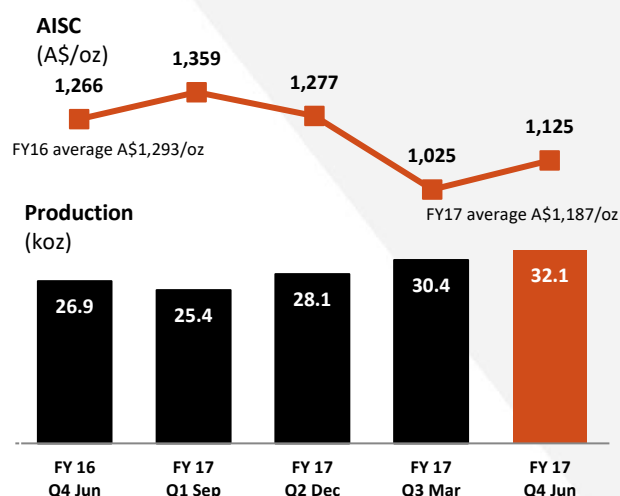
Project Update

- > The principle project activities in the June Quarter were engineering design work, contracting and advanced procurement and underground development.
 - > Underground development to the site of ventilation raise-boring is progressing on schedule.
 - > Negotiations with the major PAF counterparties have been completed, including major equipment suppliers and design consultants Weir Minerals Australia Ltd. Detailed planning and engineering is ongoing.
 - > Raise-bore contract has been completed with Western Australian based mining services firm RUC Cementation Mining selected.
- > The project team is investigating the potential for raise boring multiple shafts concurrently with a view to reducing the overall project timeline.
- > A\$3.5 million project expenditure was incurred and capitalised in the June quarter and A\$7.9 million during FY17.

1 Ore Reserves at 30 June 2016 extend down to 1,940 mbs, refer to Annual Mineral Resources and Ore Reserves Report at 30 June 2016, available at www.stbarbara.com.au

2 Commenced in the March quarter 2017

Simberi, Papua New Guinea



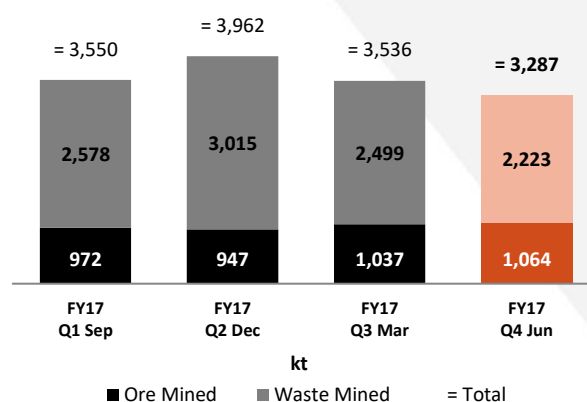
Operations

- > Simberi gold production for FY17 was a record 116,044 ounces (FY16: 110,286 ounces). This record was the result of:
 - > the successful waste-stripping campaign in the first half of the year leading to increased mining of ore and improved grade,
 - > improvements in both Aerial Rope Conveyor and Mill throughput, which enabled the processing of the increased ore tonnage.
- > Total material moved (waste and ore) for the year was 14,335 kt, a 45% increase on FY16.
- > Average mined grade for FY17 was 1.13 g/t Au, compared with 1.26 g/t Au for FY16, while average milled grade for the year was 1.19 g/t (FY16: 1.26 g/t Au).
- > All In Sustaining Cost (AISC) was A\$1,187 per ounce for FY17 (FY16: A\$1,293 per ounce). AISC for the June quarter was A\$1,125 per ounce (Q3 Mar: A\$1,025 per ounce).
- > Costs in the quarter increased due in part to additional mining costs relating to the creation of an ore stockpile (approximately 67,000 tonnes). This will be processed in FY18.
- > Simberi produced a record 32,128 ounces of gold in the June quarter (Q3 Mar: 30,430 ounces).
- > As noted in the previous quarter, waste stripping efforts in the first half of the year have successfully exposed higher grade ore areas, especially in the Sorowar pit. Grade, ore mined and strip ratio have continued to improve as a result.

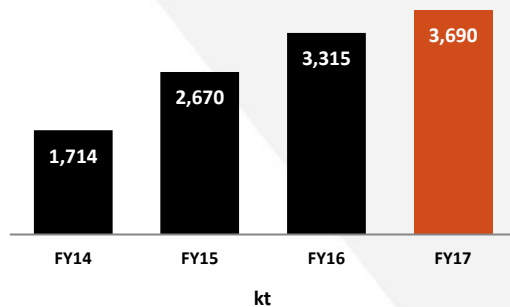
Production Summary		Q3 Mar	Q4 Jun	Year
Simberi		FY17	FY17	FY17
Total ore & waste mined	kt	3,536	3,287	14,335
Ore mined	kt	1,037	1,064	4,020
Grade	g/t	1.14	1.21	1.13
Ore milled	kt	918	881	3,690
Grade	g/t	1.20	1.35	1.19
Recovery	%	85	84	82
Gold production	oz	30,430	32,128	116,044
All-In Sustaining Cost ^[1]		A\$ per ounce		
Mining		344	388	400
Processing		335	394	401
Site services		216	223	247
		895	1,005	1,048
By-product credits		-	(2)	(3)
Third party refining & transport		10	7	8
Royalties		39	38	39
Total cash operating costs		944	1,048	1,092
Corporate and administration		49	54	52
Rehabilitation		16	13	15
Sustaining capital expenditure		16	10	28
All-In Sustaining Cost (AISC)		1,025	1,125	1,187

[1] Non-IFRS measure, refer Appendix

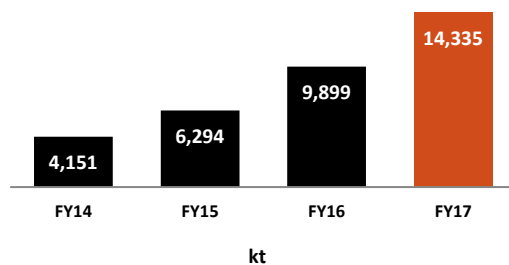
Simberi Ore & Waste Mined



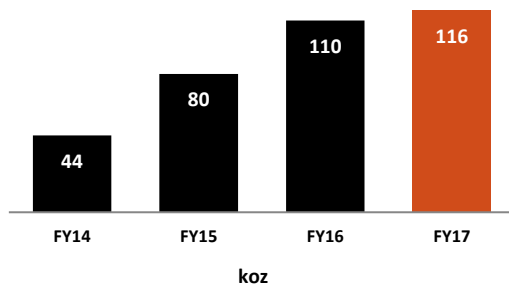
Simberi Annual Ore Milled



Simberi Annual Total Material Moved



Simberi Annual Production



Outlook

- > FY18 guidance comprises:
 - > Production of between 105,000 and 115,000 ounces
 - > AISC of between A\$1,260 and A\$1,380 per ounce (US\$995 to US\$1,090 per ounce converted at AUD/USD of 0.79).
 - > Capex of between A\$5 and A\$7 million (US\$4 to US\$5 million).
- > With Simberi's reducing unit costs and a better understanding of the orebody, it is possible the mine life can be extended. This is being considered with the updated plan to be announced as part of the financial report and forthcoming reserves and resources statement.

Exploration – Results June 2017 Quarter

Gwalia Exploration Program, Leonora WA

- > **Gwalia Deeps Extension** The Gwalia Deeps drilling program continued with the successful completion of two new daughter drill holes.
- > Daughter holes GWDD13R and GWDD17I aimed to provide data allowing the extension of the Indicated Resource to 2,100 mbs. The holes entered the Mine Sequence at depths between 2,120 and 2,220 mbs and passed through intervals interpreted to represent South West Branch (SWB) and South Gwalia Series (SGS2), intersecting approximately 100 m of Mine Sequence.
- > Significant intercepts from these holes are indicated below (all intercepts referenced as metres below surface), with full details set out in Figures 2.0 to 2.2 and Table 1 in the Exploration Figures and Tables appendix.

GWDD13R:

- > SWB 2.2 m @ 2.1 g/t Au from 1,988 mbs
- > SGS2 2.0 m @ 3.4 g/t Au from 2,057 mbs

GWDD17I:

- > SGS2 9.2 m @ 3.3 g/t Au from 2,148 mbs

- > Daughter hole GWDD18F continued to be drilled through the quarter and at the end of the reporting period had reached a downhole depth of 2,123 m.
- > **Gwalia Seismic Reflection Program:** The field data acquisition phase of a 3D seismic program targeting a 15 km² area surrounding the Gwalia mine was completed in April 2017. Data processing and interpretation work is currently in progress and results are expected in the September 2017 quarter. Once these results become available a full evaluation of extensions to the Gwalia Shear Zone will be undertaken through a 3D seismic geophysical program during the September 2017 quarter. The survey will seek to identify extensions to the lode system and other potential occurrences of Gwalia-style mineralisation.
- > **Gwalia Intermediates Drilling:** In the June quarter a new drilling campaign commenced in the 'Intermediates' area. This area is at approximately 1,000 mbs, extending the currently understood limits of the mineralised system further up-plunge, and to the north.
- > This program continues a campaign to explore promising underexplored areas within or adjacent to the known Gwalia mineralised sequence, 'Northern Extension' being the first of these.
- > In the June 2017 quarter, 5 holes drilled horizontally from the northern-most spur of the decline at 1,065 mbs, intersected narrow (<3m), but in some cases high grade (>15 g/t Au) mineralisation. These will be followed up in the September 2017 quarter, potentially increasing the Resources in the shallower part of the Gwalia lode system.

- > Significant intercepts from this drilling program are presented below showing horizontal downhole intercepts. All holes began between 1034 and 1060 mbs, full details are set out in Figure 2.0. 3.0 and Table 2 in the Exploration Figures and Tables appendix.

- > UGD2492A 2.0 m @ 7.2 g/t Au from 66.7 m
2.3 m @ 1.5 g/t Au from 89.0 m
- > UGD2493 0.9 m @ 21.4 g/t Au from 17.4 m
2.4 m @ 3.1 g/t Au from 38.6 m
- > UGD2496 1.9 m @ 7.9 g/t Au from 82.9 m
1.9 m @ 16.8 g/t Au from 103.0 m
- > UGD2497 2.3 m @ 6.2 g/t Au from 62.8 m
2.2 m @ 16.3 g/t Au from 72.0 m
- > UGD2498 1.1 m @ 3.0 g/t Au from 94.0 m
2.0 m @ 1.4 g/t Au from 104.3 m

Pinjin Project, Yilgarn WA

- > Exploration continued on the Pinjin project within the Yilgarn Province, WA. The Pinjin Project is located 150 km northeast of Kalgoorlie, comprising a large tenement package of 20 exploration licences (1,434 km²) for 485 blocks (Figure 5.0).
- > A 600 hole, up to 35,000 metre Aircore drill program commenced in June 2017 with the aim of testing 17 targets (comprising four gold in bedrock geochemical anomalies defined by historical Aircore drilling and 13 geophysical targets). To date, 91 holes (PJAC0821 to PJAC0911) for 3,721 metres have been completed testing six targets (Figure 5.0). Drilling is expected to be completed in September and results returned in the December 2017 quarter.
- > A 1,011 line kilometre Airborne Electromagnetic (AEM) Survey was completed in June 2017 over 11 targets testing for potential bedrock sulphide conductors within potential Banded Iron Formations (Figure 5.1). The purpose of the survey is to target gold associated with sulphide replacement of magnetite within Banded Iron Formation (BIF) rocks. Results are expected in the September 2017 quarter.
- > A 330km² ground Gravity Survey commenced in late June 2017 over several western Pinjin tenements (Figure 5.1). The survey is expected to be completed in the September 2017 quarter. The purpose of the survey is to map geological trends through cover on and around Lake Rebecca. The area has a subdued magnetic relief and gravity has previously been used to the northwest to define the prospective late basin volcanoclastic sediments which host the main deposits in the Carosue Dam area.

Back Creek, NSW (EL 8214 and EL 8530)

- > Inversion modelling of the airborne magnetic data was completed over selected areas of interest within Back Creek (EL8214 and EL8530) in central NSW (Figure 6.0). A follow-up ground gravity survey has been designed and is planned for completion during the September 2017 quarter.

Simberi, Tatau & Tabar Islands, Papua New Guinea (ML 136 and EL 609)

- > Exploration continued on EL609 at Tatau Island during the June quarter (Figure 7.0). Trenching, mapping and drilling were completed at Southwest Tatau targeting the Mt Tiro, Mt Siro and Seraror prospects.

Tatau Island

- > A diamond drill program at Southwest Tatau targeting narrow, high-grade, sulphide-oxide gold targets was completed in June 2017. Four diamond holes (TTD080 to TTD083) for 722.8 metres were completed in the June 2017 quarter. The overall Southwest Tatau drill program comprised 22 holes for 2,274.7 metres. Assay results for 7 diamond drill holes (TTD075 to TTD081) testing the Mt Tiro prospect were returned and are highlighted in Figure 7.1 and Table 3 and include:
 - > TTD079 15m @ 2.0 g/t Au from 14m, including 4m @ 5.6 g/t Au from 17m
 - > TTD080 13m @ 2.2 g/t Au from 116m
 - > TTD081 7m @ 3.8 g/t Au from 40m and 2m @ 14.8 g/t Au from 93m, including 1m @ 26.5 g/t Au from 93m
- > Results for the remaining two holes (TTD082 and TTD083) at Mt Siro are pending.
- > The trenching and mapping program at Southwest Tatau to identify the number and determine the strike length of potential narrow high grade mineralised trends was completed. Results were returned for all nine trenches (TATTR237 to TATTR245) completed at Mt Siro during the June quarter and are highlighted in Figure 7.2 and include:
 - > TATTR239 20m @ 1.0 g/t Au
 - > TATTR243 30m @ 0.8 g/t Au
- > Results for Southwest Tatau will be reviewed and modelled during September 2017 quarter.

Option and Farm-in with Newcrest, Tatau & Tabar Islands, Papua New Guinea

- > The St Barbara group (through its wholly owned PNG subsidiary Nord Australlex Nominees (PNG) Ltd) has entered into an Option and Farm-in Agreement with Newcrest PNG Exploration Limited (a wholly owned subsidiary of Newcrest

Mining Limited) for copper-gold porphyry exploration within EL609 and EL2462 on nearby Tatau and Big Tabar Islands.

- > A regional soil and rock chip sampling program designed to cover six copper - gold porphyry targets on central Tatau and parts of Big Tabar Island continued during the June 2017 quarter. 344 hand auger soil samples were collected during the June quarter 2017 for a total of 951 samples to date covering a 36km² area of Tatau Island, on a 200m x 200m offset grid (Figure 7.3). 246 rock chip samples were collected during soil sampling and follow-up creek reconnaissance mapping for a total of 367 samples to date. Five trenches (TATTR246 to TATTR250) were completed at Kupo during the June quarter for 530 metres and 106 samples (Figure 7.4).
- > Results for the program are expected to be finalised in the September 2017 quarter. Diamond drilling is expected to commence late September 2017 quarter or early December 2017 quarter.

Expenditure June Quarter (unaudited)

- > Expenditure on mineral exploration is shown below:

	<u>Q4 Jun</u> <u>2017</u>	<u>FY17</u>	
	A\$ million	A\$ million	
Australia	2.0	4.0	(expensed)
Pacific	1.2	5.6	(expensed)
Gwalia Deep Drilling	1.2	9.4	(capitalised)
Total	4.3	19.0	

- > Note that the Gwalia region seismic exploration (\$1.3 million in the June quarter) was expensed and is included in 'Australia' category above.

Exploration – September 2017 Quarter

- > The map below shows current and planned target areas for the September 2017 quarter.
- > Exploration in the September 2017 quarter (Q1 FY18) will focus on:
 - > **Gwalia Deeps Below 2,000 mbs** Completion of the current phase and commencement of a subsequent phase of the Gwalia Deeps drilling directed at establishing a Indicated Mineral Resource down to 2,200 mbs.
 - > Evaluate the results of a 3D seismic survey over the **greater Gwalia** area to identify extensions to the lode system and other potential occurrences of Gwalia-style mineralisation.

- > Conduct further Geophysical work in the Greater Leonora Region with the aim of finding new exploration targets.
- > Completion of the 600 hole, up to 35,000 metre Aircore drilling program at **Pinjin** testing the 17 geophysical and geochemical targets.
- > Assessment of the results of the Airborne Electromagnetic (AEM) Survey over 11 targets on the **Pinjin** project and design follow-up ground EM and / or Aircore drilling if warranted.
- > Subject to weather and lake water levels, completion of the 330km² ground Gravity survey for selected areas of the Pinjin project and design follow-up Aircore drilling if warranted.
- > Subject to access, continuing the oxide/sulphide gold soil, rock chip sampling, reconnaissance mapping and trenching over gold targets on **Tatau Island**.
- > Subject to access, completion of a ground gravity survey over selected targets at **Back Creek** (EL8214 and EL8530) highlighted by the 3D inversion modelling of the airborne magnetics.
- > As part of the Newcrest option period work program, continue the regional soil, rock chip sampling and reconnaissance mapping over copper-gold porphyry targets on Tatau and Big Tabar Islands. Once complete, interpret the results of the regional multi-element geochemical survey to determine potential diamond drill targets.

Exploration - FY18 guidance & strategy

Exploration guidance FY18

- > Forecast exploration expenditure of between A\$16 and A\$20 million, consisting of:
 - > A\$8 to A\$10 million at Gwalia, including regional exploration;
 - > A\$4 to A\$5 million mainly at Pinjin in WA; and
 - > A\$4 to A\$5 million on the Simberi Island group in PNG. (excludes expenditure on Copper – Gold porphyry exploration in Tabar Island Group via option and farm-in with Newcrest)

Strategy

- > The FY18 exploration program will largely focus on potential near-mine ore sources around Gwalia and within the Mine Lease and Exploration Licences at Pinjin and the islands near Simberi. The aim for FY18 is to extend the life of each operation and provide future growth options for the Company.

Australia

- > Activities in the Leonora area for FY18 will concentrate on Gwalia and the Greater Gwalia area. The Gwalia system itself will be targeted with a number of drilling campaigns, including the completion of current exploration below 2,000 mbs. Subject to successful testing, the Seismic Reflective campaign shall extend outwards from Gwalia targeting the Greater Gwalia area and other nearby Leonora Province tenements.
- > Work on the Pinjin project in the Yilgarn area of Western Australia is focused on continuing to test the highest ranked geological, structural and bedrock geochemical targets with Aircore drilling. Targets returning significant results will be followed up with reverse circulation drilling.

Simberi, PNG

- > A review of the portfolio of prospects within ML136 and EL609, based on work completed in FY17, produced a list of exploration targets ranked on value, size and potential to define oxide gold mineralisation and possible feed options to the mine, sulphide gold mineralisation and porphyry style copper-gold mineralisation.
- > At Simberi, detailed pit mapping will be conducted on ML136 to better define controls on potential extensions to oxide ore and sulphide ore.
- > On Tatau Island and Big Tabar Islands (EL609), copper - gold porphyry targets will be advanced to the drill ready stage through grid soils, rock chip sampling, reconnaissance mapping & trenching during the September and December 2017 quarters. Diamond drilling of the best copper - gold porphyry target or targets will commence in the December 2017 quarter (or sooner)..
- > Data relating to the Simberi Sulphides has been shared with Newcrest and samples will be provided to assess opportunities for further collaboration in the region.



Exploration Investments

- > One component of the Company's growth strategy is targeted investments in early to advanced stage exploration through earn-in arrangements, joint ventures or direct equity investments.
- > The Company has invested in two Australian explorers, Catalyst Metals Limited (ASX:CYL) and Peel Mining Limited (ASX:PEX).
- > Further information on these two companies is available at peelmining.com.au and catalystmetals.com.au

Health & Safety

- > The Company-wide Total Recordable Injury Frequency Rate (TRIFR), calculated as a rolling 12 month average, improved to a new record low of 1.2 to 30 June 2017 (31 March 2017: 1.5, 30 June 2016: 2.1).

Finance (unaudited)

- > 91,065 ounces of gold were sold in the June quarter, at an average realised gold price of A\$1,715 per ounce (Q3 Mar: 99,861 ounces at A\$1,651 per ounce).

Cash at bank at 30 June 2017 was \$161 million (31 March 2017 A\$99 million). The cash contribution from operations during the quarter was \$73 million (see cash movement table below, March 2017 quarter: A\$91 million).

- > At 30 June 2017, 5,327 ounces of gold inventory was on hand, the value of which is not included in cash at bank (31 March 2017: 9,997 ounces).
- > Cash movements for the June 2017 quarter are summarised in the following table:
- > Hedging in place in relation to FY18 comprises:
 - > 50,000 ounces to be delivered in monthly instalments between July 2017 and June 2018 at A\$1,725 per ounce (this hedge announced 12 April 2017).
 - > 50,000 ounces to be delivered in monthly instalments between July 2017 and June 2018 at A\$1,730 per ounce (this hedge announced 1 June 2017).

Cash movements & balance A\$M (unaudited)	Q1 Sep FY17	Q2 Dec FY17	Q3 Mar FY17	Q4 Jun FY17	Full Year FY17
Leonora - operating cash flow ^[1]	64	71	67	53	255
Leonora - growth capital	-	(2)	(2)	(4)	(8)
Simberi - operating cash flow ^[1]	19	5	24 ²	20	68
Rehabilitation , land management & project costs	(1)	(1)	(1)	-	(3)
Corporate costs	(4)	(4)	(5)	(5)	(18)
Corporate royalties	(2)	(2)	(2)	(2)	(8)
Exploration ^[3]	(3)	(5)	(6)	(4)	(18)
Investments ^[4]	-	-	(2)	(3)	(5)
Proceeds from other receivables ^[5]	-	-	-	3	3
Working capital movement	2	1	(5)	4	2
Cash flows before finance costs	75	63	68	62	268
Net interest and finance costs	(2)	(9)	(2)	-	(13)
US debt repayment	(56)	(121)	(54)	-	(231)
Net movement for period	17	(67)	12	62	24
Cash balance at start of period	137	154	87	99	137
Cash balance at end of period	154	87	99	161	161

¹ Net of sustaining capex

² As at 31 December 2016 there was 6,311 ounces of gold at Simberi that was shipped on 1 January 2017

³ Includes Gwalia deep drilling

⁴ Comprises \$1.5 million investment in Catalyst in Q3 March 2017, \$3.3 million investment in Peel Q4 June 2017.

⁵ Proceeds from King of the Hills deferred payment received in June 2017.

Corporate

- > On 1 June 2017 St Barbara published its Workplace Gender Equality Act 2015-16 Public Report, available at www.stbarbara.com.au/Investors/2017/Workplace_Gender_Equality_Act_2016-17_Public_Report.pdf.
- > St Barbara's Managing Director and CEO, Bob Vassie is a WGEA (Workplace Gender Equality Agency) 'Pay Equity Ambassador' and St Barbara is a WGEA 'Employer of Choice' - the only gold mining company and one of only three mining companies in Australia to achieve this certification.
- > St Barbara received the Company Gender Diversity Program award at the inaugural Victorian Women in Resources awards for its program of industry-leading gender equality initiatives. The award noted the Company's diversity and inclusion initiatives, including monthly gender pay equity gap analysis and reporting, a domestic violence strategy and a Women's Internal Network sponsored by its Managing Director and Chief Executive Officer.
- > St Barbara has participated in the Mackie 'Resources Industry Turnover Survey' since 2007 and this year Leonora Operations reported employee turnover of 5.5% compared to the Australian industry average of 12% and the Western Australian industry average of 15.3%.

Share Capital

Issued shares

Opening balance 31 Mar 2017	497,331,095
Issued	nil
Closing balance 30 Jun 2017	497,331,095

Unlisted employee rights

Opening balance 31 Mar 2017	21,004,361
Issued	nil
Subject to assessment [1]	-15,953,028
Closing balance 30 Jun 2017	5,051,333
Comprises rights expiring:	
30 June 2018	3,974,617
30 June 2019	1,076,716
Closing balance 30 Jun 2017	5,051,333

[1] Assessment of 15,953,028 employee rights expiring on 30 June 2017 will be determined by the Remuneration Committee and Board and advised on 23 August 2017 as part of annual financial reporting.

Scheduled Future Reporting

<u>Date</u>	<u>Report</u>
23 August	Annual Financial Report Resources and Reserves Statements

[Dates are tentative and subject to change]

Corporate Directory

St Barbara Limited ABN 36 009 165 066

Board of Directors

Tim Netscher	Non-Executive Chairman
Bob Vassie	Managing Director & CEO
Kerry Gleeson	Non-Executive Director
David Moroney	Non-Executive Director

Executives

Bob Vassie	Managing Director & CEO
Garth Campbell-Cowan	Chief Financial Officer

Registered Office

Level 10, 432 St Kilda Road

Melbourne Victoria 3004 Australia

Telephone +61 3 8660 1900

Facsimile +61 3 8660 1999

Email info@stbarbara.com.au

Website www.stbarbara.com.au

Australian Securities Exchange (ASX) Listing code "SBM"

American Depositary Receipts (ADR OTC code "STBMY")
through BNY Mellon,
www.adrbnymellon.com/dr_profile.jsp?cusip=852278100

Financial figures are in Australian dollars (unless otherwise noted).

Financial year commences 1 July and ends 30 June.

Shareholder Enquiries

Computershare Investor Services Pty Ltd

GPO Box 2975

Melbourne Victoria 3001 Australia

Telephone (within Australia) 1300 653 935

Telephone (international) +61 3 9415 4356

Facsimile +61 3 9473 2500

www-au.computershare.com/investor

American Depositary Receipt enquires:

BNY Mellon Depositary Receipts

www.bnymellon.com/shareowner

Investor Relations Contact

Rowan Cole, Company Secretary + 61 3 8660 1900

Substantial Shareholders

	% of Holdings ¹
Van Eck Associates Corporation	9.7%
M&G Investment Management Ltd	7.3%
Vinva Investment Management	5.2%
Norges Bank	5.1%

¹ As notified by the substantial shareholders to 25 July 2017

Appendix

Non-IFRS Measures

- > The Company supplements its financial information reporting determined under International Financial Reporting Standards (IFRS) with certain non-IFRS financial measures, including cash operating costs and All-In Sustaining Cost. We believe that these measures provide additional meaningful information to assist management, investors and analysts in understanding the financial results and assessing our prospects for future performance.
- > Cash Operating Costs are calculated according to common mining industry practice using The Gold Institute (USA) Production Cost Standard (1999 revision).
- > All-In Sustaining Cost (AISC) is based on Cash Operating Costs, and adds items relevant to sustaining production. It includes some, but not all, of the components identified in World Gold Council's Guidance Note on Non-GAAP Metrics - All-In Sustaining Costs and All-In Costs (June 2013).
 - > AISC is calculated on gold production in the quarter.
 - > For underground mines, amortisation of operating development is adjusted from "Total Cash Operating Costs" in order to avoid duplication with cash expended on operating development in the period contained within the "Mine & Operating Development" line item.
 - > Rehabilitation is calculated as the amortisation of the rehabilitation provision on a straight-line basis over the estimated life of mine.

Competent Persons Statement

Exploration Results

- > The information in this report that relates to Exploration Results for Simberi and Pinjin is based on information compiled by Dr Roger Mustard, who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Mustard is a full-time employee of St Barbara and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Mustard consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- > The information in this report that relates to Exploration Results for Gwalia and the Leonora region is based on information compiled by Mr Robert Love, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Love is a full-time employee of St Barbara and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore

Reserves'. Mr Love consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mineral Resource and Ore Reserve Estimates

- > The information in this report that relates to Mineral Resources or Ore Reserves is extracted from the report titled 'Ore Reserves and Mineral Resources Statements 30 June 2016' released to the Australian Securities Exchange (ASX) on 23 August 2016 and available to view at www.stbarbara.com.au and for which Competent Persons' consents were obtained. Each Competent Person's consent remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.
- > The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcement released on 23 August 2016 and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcement.
- > Competent Person Mr Tim Richards is entitled to participate in St Barbara's long term incentive plan, details of which are most recently included in the 2016 Directors' and Financial Report released to the ASX on 23 August 2016. In 2014 increase in Ore Reserves was one of the performance measures under that plan. No incentive has been paid arising from this performance measure.
- > Full details are contained in the ASX release dated 22 August 2016 'Ore Reserves and Mineral Resources Statements 30 June 2016' available at www.stbarbara.com.au.

Exploration Figures and Tables

Figure 1.0: Leonora: Summary of Gwalia Extension Drilling, Plan View

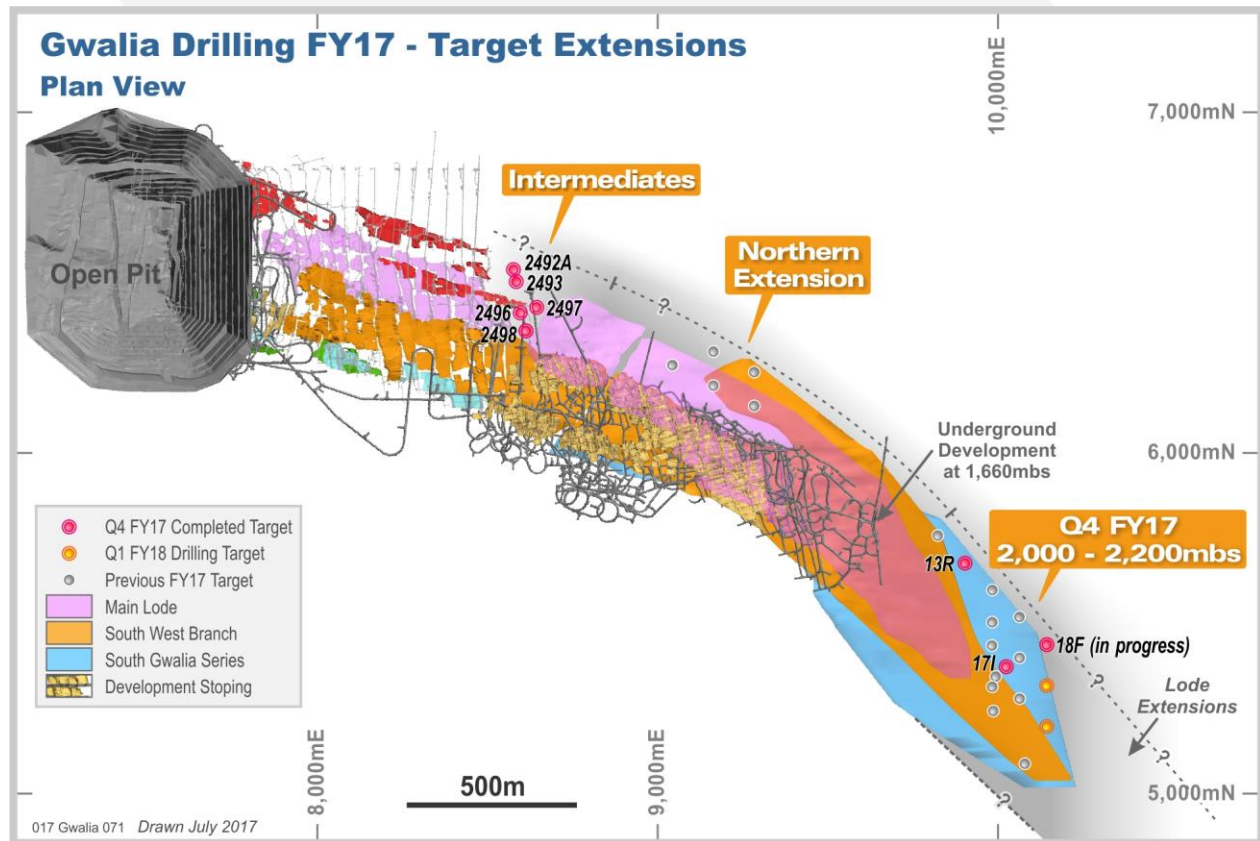


Figure 2.0: Gwalia Deeps Drilling Program Q4 FY17, Cross Section (looking north)

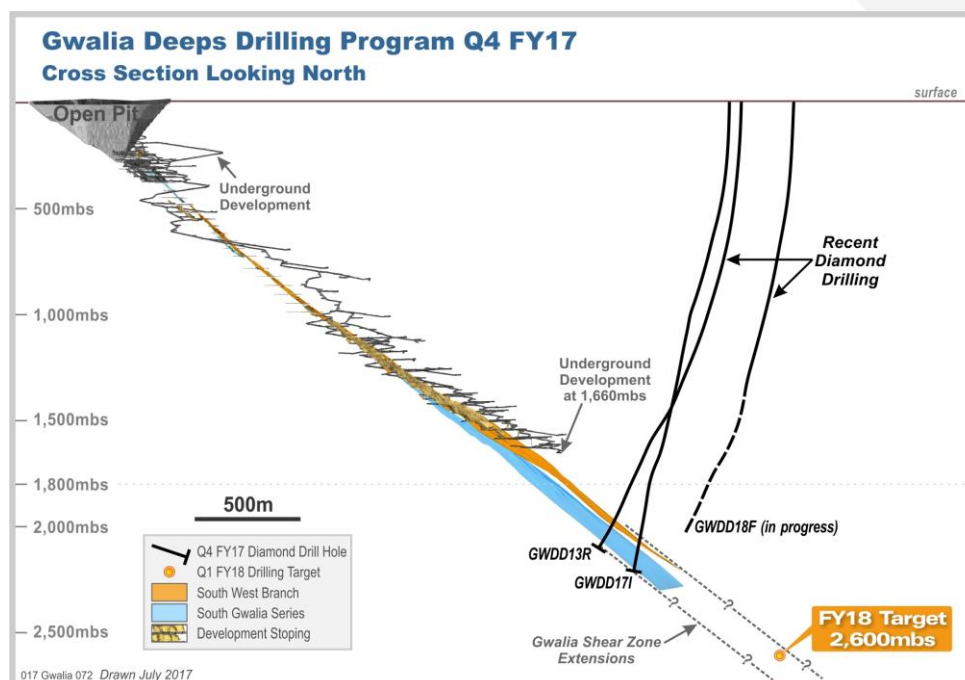


Figure 2.1: Gwalia Deeps Drilling Program Q4 FY17 Results, Long Section (looking west)

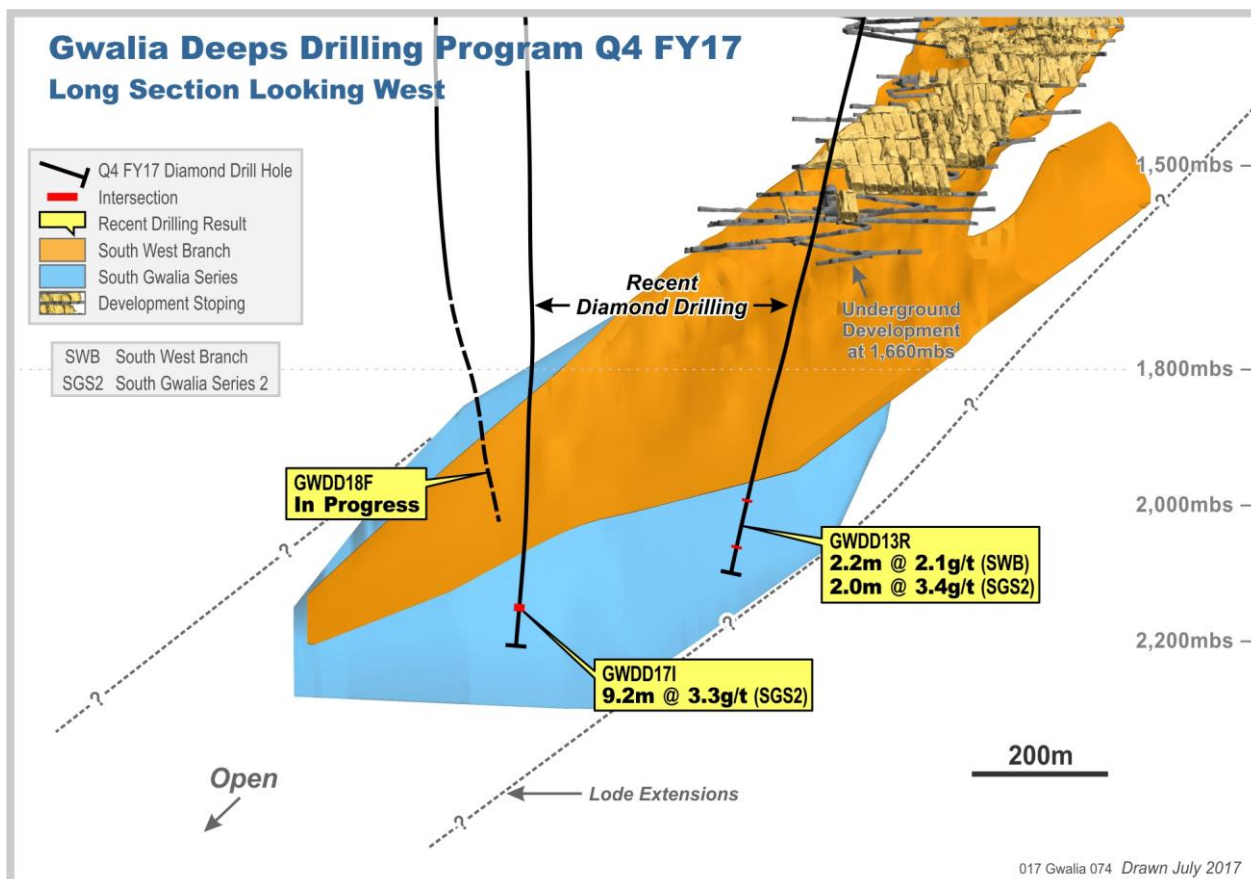


Figure 2.2: Gwalia Deeps Drilling Program Q4 FY17 Results, Cross Section (looking north)

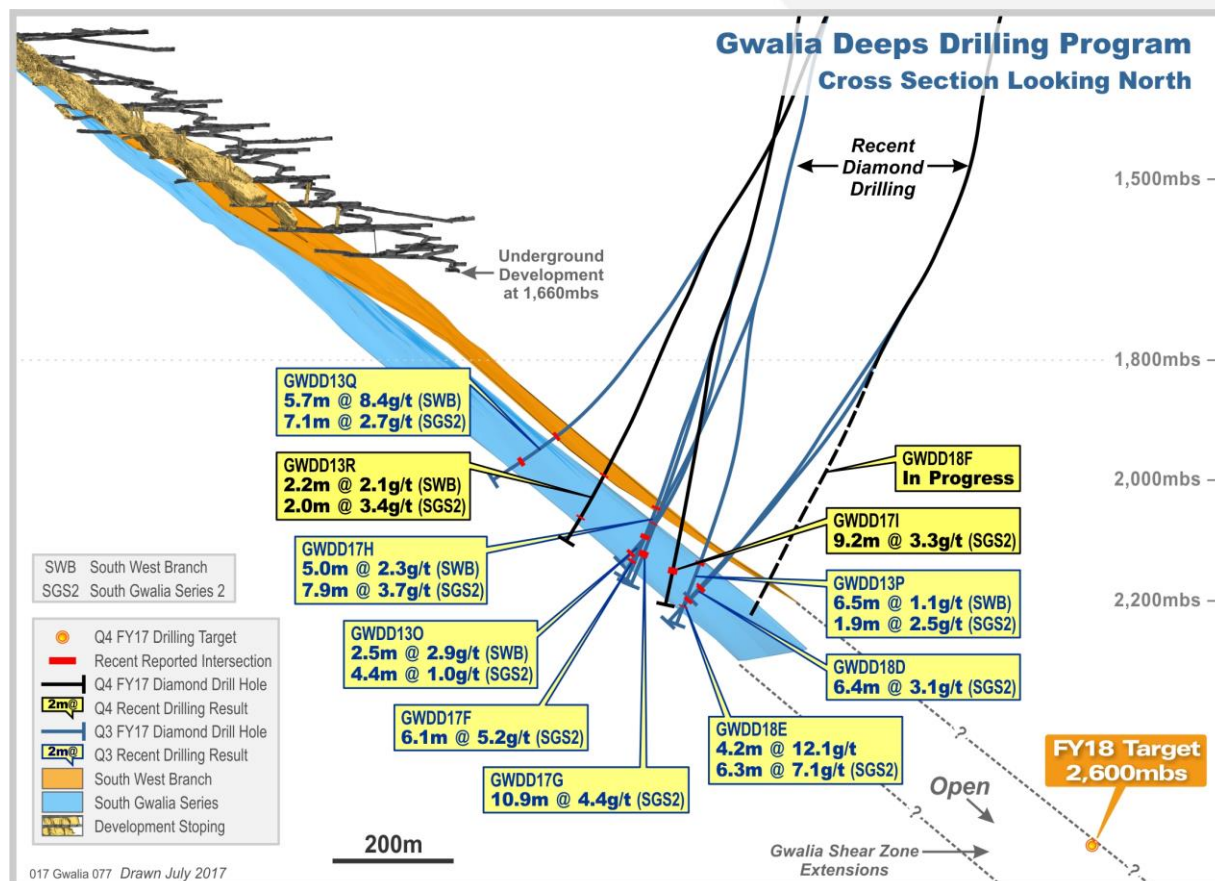


Figure 3.0: Gwalia Intermediates Drilling Program Q4 FY17 Results, Long Section (looking west)

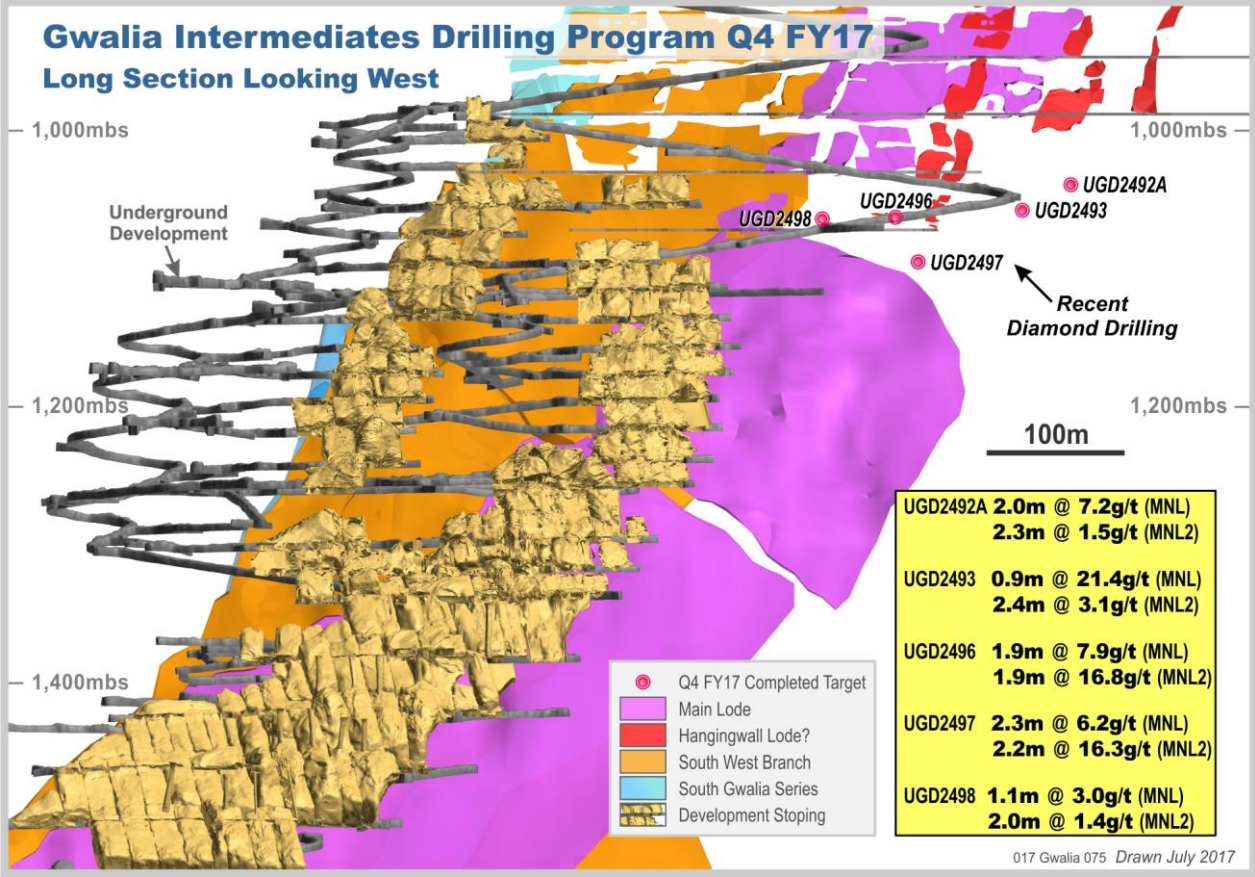
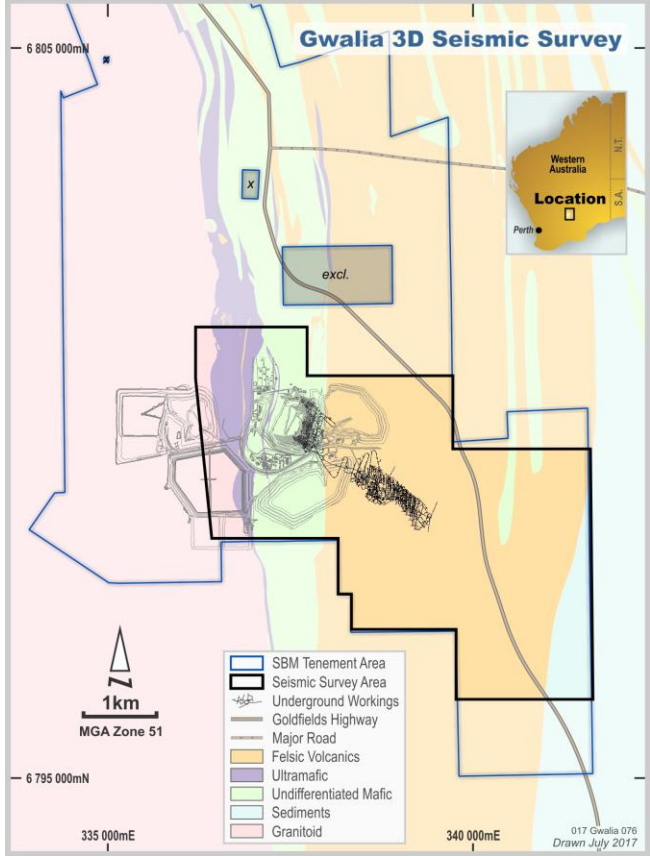


Figure 4.0: Location Gwalia 3D Seismic Survey



Exploration Figures and Tables

Figure 5.0: Pinjin Project Aircore and Reverse Circulation Drilling Location Map

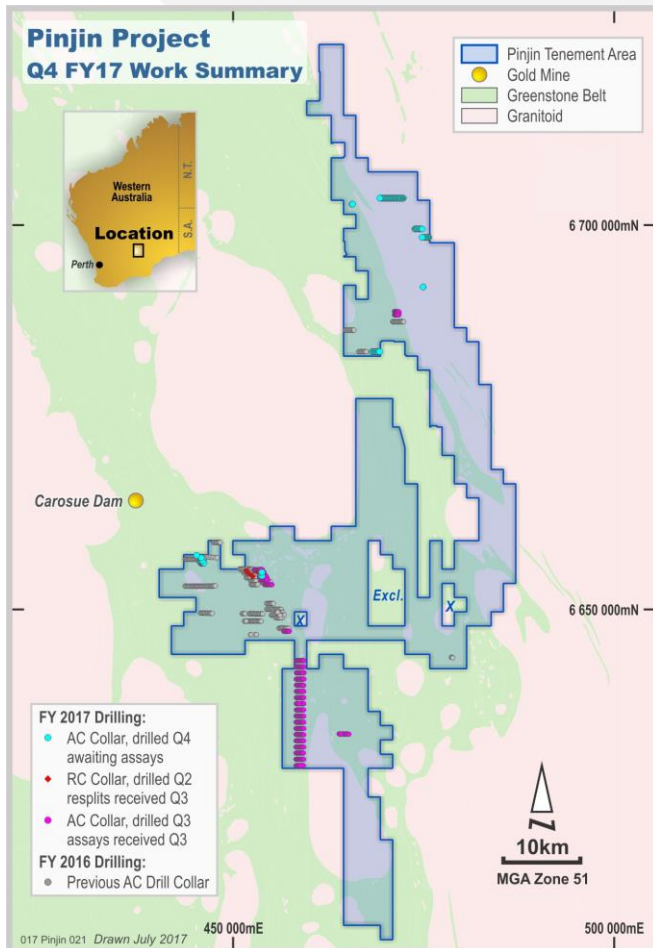


Figure 5.1: Pinjin Project Airborne Electromagnetic (AEM) and Ground Gravity Survey Location Map

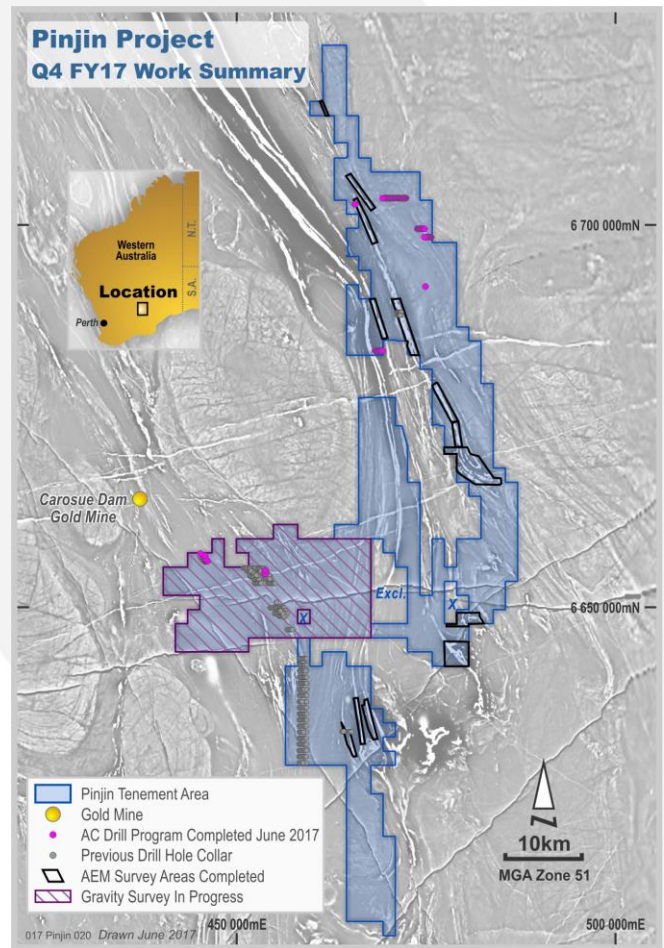


Figure 6.0: Back Creek EL8214 and EL8530, New South Wales

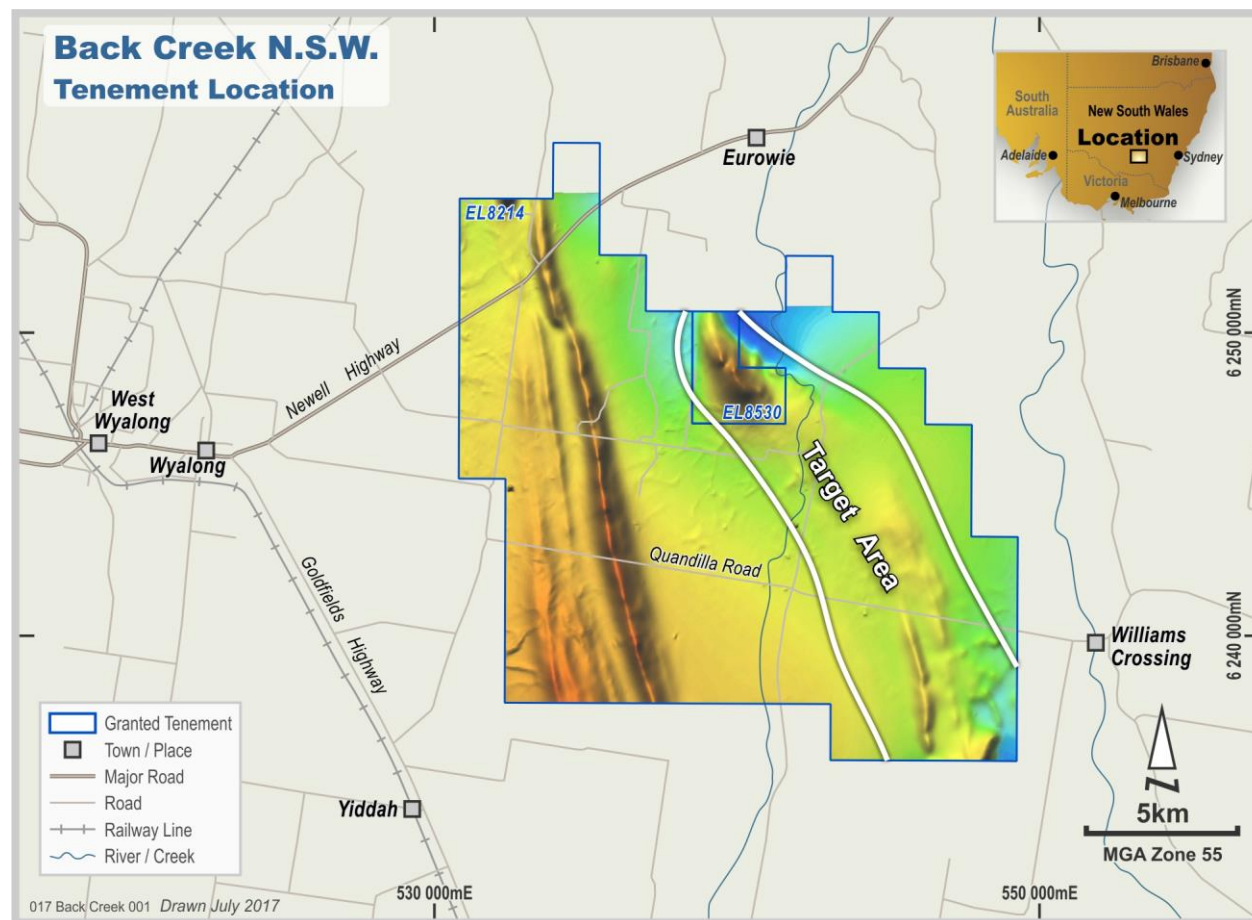


Figure 7.0: Tabar Islands Location Map, Papua New Guinea

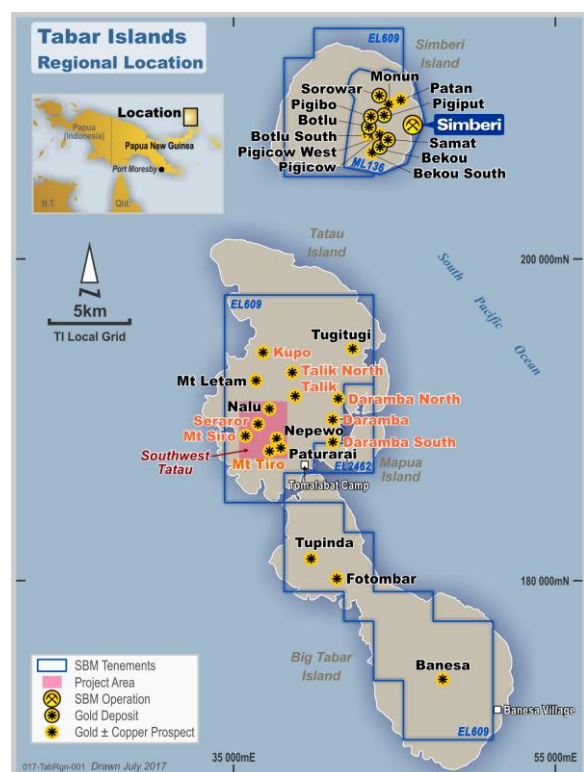


Figure 7.1: Southwest Tatau Trench and Drill Location Map, Tatau Island, Papua New Guinea

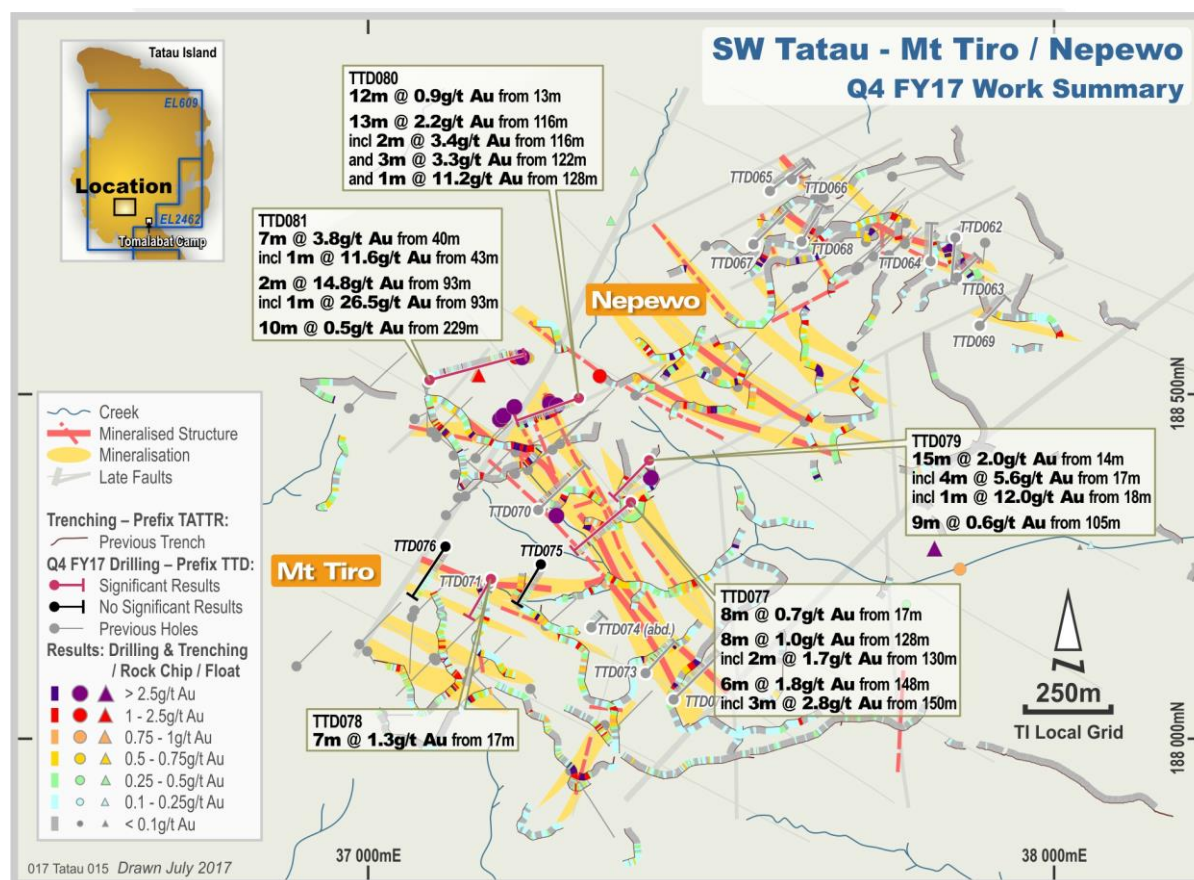


Figure 7.2: Mt Siro and Seraror Trench and Drill Location Map, Tatau Island, Papua New Guinea

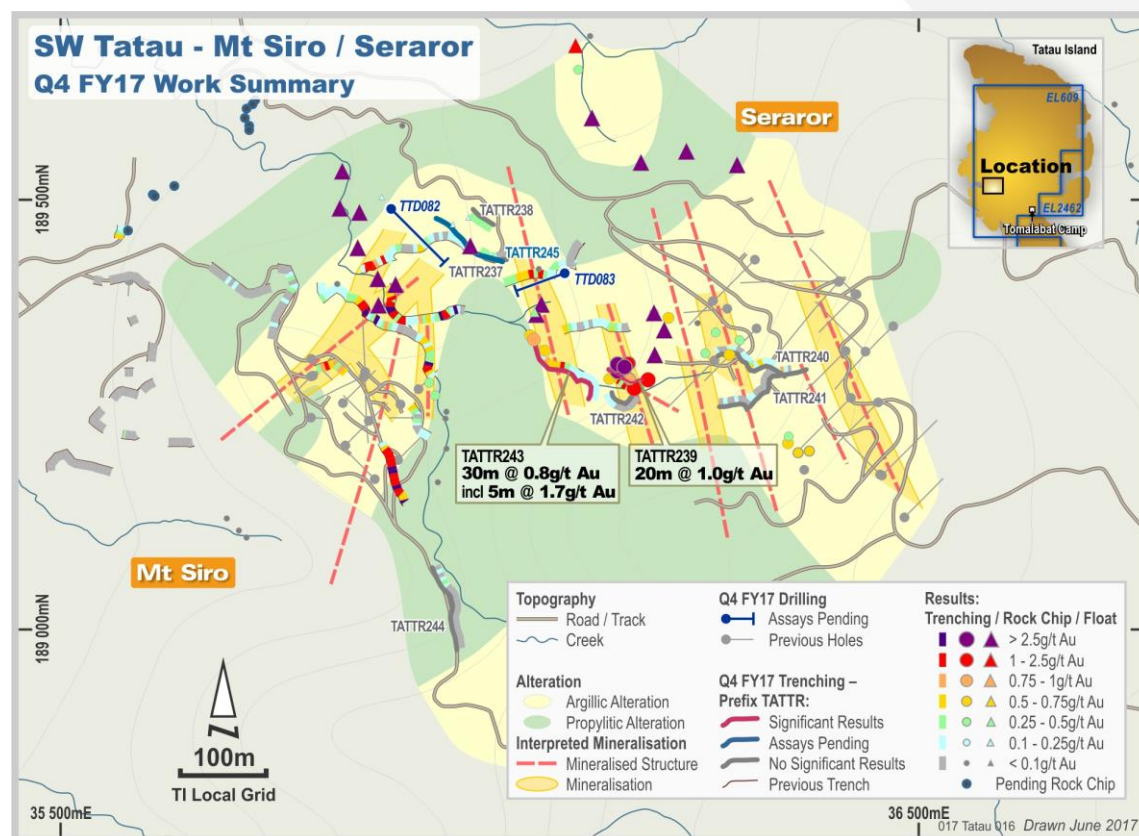


Figure 7.3: Regional Soil Survey and Rockchip Location Map, Tatau Island, Papua New Guinea

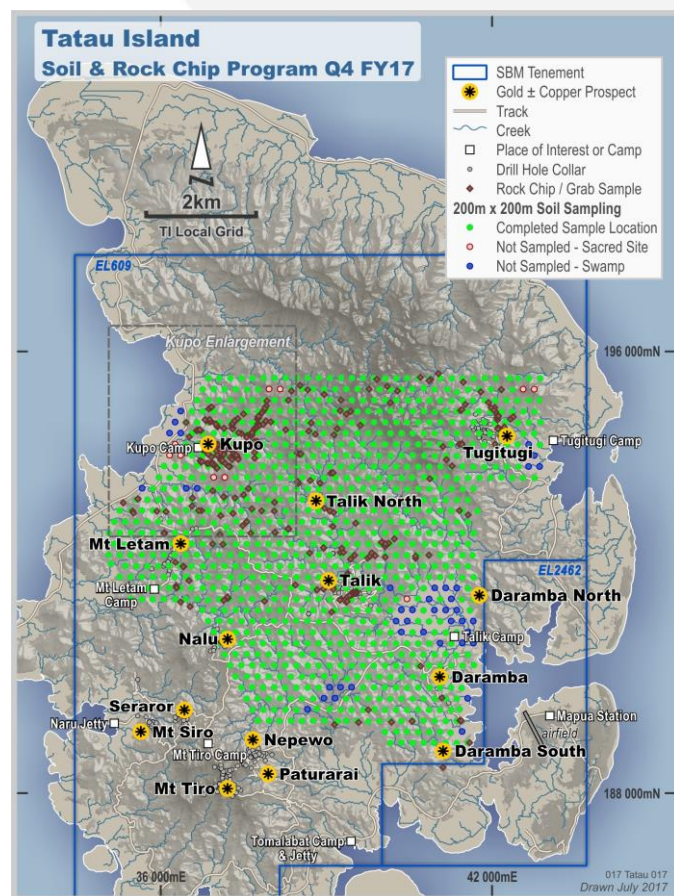


Figure 7.4: Kupo Soil Survey, Rockchip and Trench Location Map, Tatau Island, Papua New Guinea

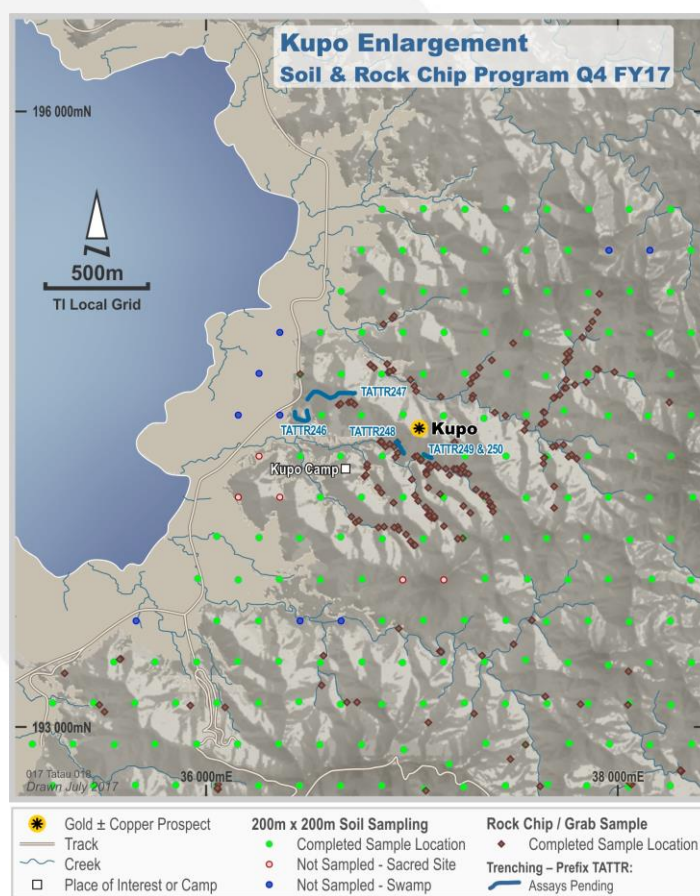


Table 1: Gwalia Deeps Significant Intercepts– Leonora Operations, Gwalia Mine

Hole Id	Down-hole Mineralised Intersection									
	North m	East m	RL m	Metres Below Surface	Lode	Dip/ Azimuth degrees	From m	To m	Interval m	Gold grade g/t Au
GWDD13R	5687.2	9889.7	3387.4	1987.6	SWB	-60 /246	2126.0	2128.2	2.2	2.1
	5672.0	9850.4	3318.3	2056.7	SGS2	-58/251	2207.0	2209.0	2.0	3.4
GWDD17I	5350.6	10002.2	3227.3	2147.7	SGS2	-78/247	2190.8	2200.0	9.2	3.3

NOTES:

High grade cuts have not been applied.

Dip and Azimuth angles estimated at intercept depth.

Coordinates and Azimuth referenced to Gwalia Local Mine Grid.

Reported intercepts are all down hole lengths.

Numbers have been rounded to one significant figure.

Table 2: Gwalia Intermediates Significant Intercepts– Leonora Operations, Gwalia Mine

Hole Id	Down-hole Mineralised Intersection									
	North m	East m	RL m	Metres Below Surface	Lode	Dip/ Azimuth degrees	From m	To m	Interval m	Gold grade g/t Au
UGD2492A	6540.9	8570.6	4341.5	1033.5	MNL	4/328	66.7	74.0	2.0	7.2
	6560.6	8558.2	4342.7	1032.3	MNL2	4/328	89.0	98.4	2.3	1.5
UGD2493	6492.1	8593.4	4329.5	1045.5	MNL	-21/311	17.4	18.7	0.9	21.4
	6505.1	8578.6	4321.9	1053.1	MNL2	-21/311	38.6	42.2	2.4	3.1
UGD2496	6412.0	8610.6	4317.4	1057.6	MNL	-1/277	82.9	86.0	1.9	7.9
	6414.7	8590.7	4317.1	1057.9	MNL2	-1/277	103.0	106.0	1.9	16.8
UGD2497	6428.7	8643.3	4285.9	1089.1	MNL	-26/296	62.8	65.6	2.3	6.2
	6432.4	8636.0	4281.9	1093.1	MNL2	-26/296	72.0	74.6	2.2	16.3
UGD2498	6360.2	8608.8	4315.9	1059.1	MNL	-1/245	94.0	96.0	1.1	3.0
	6355.6	8598.7	4315.7	1059.3	MNL2	-2/246	104.3	107.9	2.0	1.5

NOTES:

High grade cuts have not been applied.

Dip and Azimuth angles estimated at intercept depth.

Coordinates and Azimuth referenced to Gwalia Local Mine Grid

Reported intercepts are estimated true widths.

Numbers have been rounded to one significant figure.

Table 3: Southwest Tatau Significant Intercepts – Tatau Island, Papua New Guinea

Hole Id	North m	East m	RL m	Dip/ Azimuth degrees	Total Depth	Lode	Down-hole Mineralised Intersection			
							From m	To m	Interval m	Gold grade g/t Au
TTD075 (Nepewo)	188,254	37,251	227.0	-55 / 210	123.9		No Significant Results			
TTD076 (Nepewo)	188,281	37,113	283.8	-55 / 216	154.2		No Significant Results			
TTD077 (Mt Tiro)	188,344	37,383	214.0	-55 / 231	191.2	OX	17	25	8.0	0.7
						SU	128	136	8.0	1.0
<i>including</i>						SU	130	132	2.0	1.7
						SU	148	154	6.0	1.8
<i>including</i>						SU	150	153	3.0	2.8
TTD078 (Mt Tiro)	188,233	37,179	238.9	-55 / 210	30.0	OX	17	24	7.0	1.3
TTD079 (Mt Tiro)	188,405	37,408	213.5	-55 / 226	133.0	OX	14	29	15.0	2.0
<i>including</i>						OX	17	21	4.0	5.6
<i>including</i>						OX	18	19	1.0	12.0
						TR	105	114	9.0	0.6
TTD080 (Mt Tiro)	188,496	37,306	236.3	-55 / 250	173.4	OX	13	25	12.0	0.9
						SU	116	129	13.0	2.2
<i>including</i>						SU	116	118	2.0	3.4
<i>and</i>						SU	122	125	3.0	3.3
<i>and</i>						SU	128	129	1.0	11.2
TTD081 (Mt Tiro)	188,522	37,089	272.5	-55 / 070	254.3	OX	40	47	7.0	3.8
<i>including</i>						OX	43	44	1.0	11.6
						OX,SU	93	95	2.0	14.8
<i>including</i>						OX,SU	93	94	1.0	26.5
						SU	229	239	10.0	0.5

NOTES:

Coordinates and Azimuth referenced to Tabar Island Grid (TIG).

Reported intercepts are all down hole lengths.

Contents

Drilling:	Section 1 Sampling Techniques and Data
	Section 2 Reporting of Exploration Results

Drilling - Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria in this section apply to all succeeding sections.

Criteria	Commentary																								
Sampling techniques	<ul style="list-style-type: none">Half-core sampling of NQ2 diamond drilling with boundaries defined geologically. Samples are mostly one metre in length unless a significant geological feature warrants a change from this standard unit. The upper or right-hand side of the core is submitted for sample analysis, with each one metre of half core providing between 2.5 – 3 kg of material as an assay sample.																								
Drilling techniques	<ul style="list-style-type: none">Diamond drilling using NQ2 (50.6mm) sized core (standard tubes). Holes have been surveyed using a single shot electronic camera. All core is orientated using a Reflex ACT II RD orientation tool.																								
Drill sample recovery	<ul style="list-style-type: none">Core is metre marked and orientated and checked against drillers blocks to ensure that any core loss is accounted for.Sample recovery is rarely less than 100%. Where minor core loss does occur it is due to drilling conditions and not ground conditions.																								
Logging	<ul style="list-style-type: none">All SBM holes are logged primarily for lithology, alteration and vein type/intensity which are key to modelling gold grade distributions. Validation of geological data is controlled via the use of library codes and reliability and consistency of data is monitored through regular peer review.All logging is qualitative.																								
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none">SBM half core is cut using a core saw before being sent to SGS laboratory in Kalgoorlie where the entire sample is crushed to achieve particle size <4mm followed by complete pulverisation (90% passing 75 µm).																								
Quality of assay data and laboratory tests	<ul style="list-style-type: none">SBM samples were analysed for gold using fire assay with a 50g charge and analysis by flame Atomic Absorption Spectrometry (AAS). QC includes insertion of 3 commercial standards (1 per 20 samples), barren material used for blank control samples, use of barren flush material between designated high grade samples during the pulverising stage, re-numbered sample pulp residues re-submitted to original laboratory, and sample pulp residues submitted to accredited umpire laboratory, submission of residual (duplicate) half core from ore intervals. The analysis of gold was sound and re-analysis of pulps showed acceptable repeatability with no significant bias.																								
Verification of sampling and assaying	<ul style="list-style-type: none">Sampling data is recorded electronically in spread sheets which ensure only valid non-overlapping data can be recorded. Assay and down hole survey data are subsequently merged electronically. All drill data is stored in a SQL database on secure company server.																								
Location of data points	<ul style="list-style-type: none">Collars for surface holes are recorded by DGPS. Upon completion of underground drill holes an authorised surveyor will pick up the collar by placing a survey rod into the hole to measure azimuth and dip. This process may also occur while the hole is in progress by surveying the drill rods in the hole.All coordinates and Azimuth are specified in using the Gwalia Local Mine Grid (LE_SGMG). The two-point transformation of MGA_51 to LE_SGMG is detailed below: <table><tr><th>Grid</th><th>Azimuth</th><th>MGAE 1</th><th>MGAN 1</th><th>MGAE 2</th><th>MGAN 2</th><th>GridE 1</th><th>GridN 1</th><th>GridE 2</th><th>GridN 2</th><th>Rotation</th><th>Scale</th></tr><tr><td>LE_SGMG Sons of Gwalia Mine Grid</td><td>15.13</td><td>337371.157</td><td>6800342.586</td><td>340246.451</td><td>6799408.751</td><td>7200.281</td><td>6987.844</td><td>10219.711</td><td>6836.814</td><td>344.522</td><td>1</td></tr></table>	Grid	Azimuth	MGAE 1	MGAN 1	MGAE 2	MGAN 2	GridE 1	GridN 1	GridE 2	GridN 2	Rotation	Scale	LE_SGMG Sons of Gwalia Mine Grid	15.13	337371.157	6800342.586	340246.451	6799408.751	7200.281	6987.844	10219.711	6836.814	344.522	1
Grid	Azimuth	MGAE 1	MGAN 1	MGAE 2	MGAN 2	GridE 1	GridN 1	GridE 2	GridN 2	Rotation	Scale														
LE_SGMG Sons of Gwalia Mine Grid	15.13	337371.157	6800342.586	340246.451	6799408.751	7200.281	6987.844	10219.711	6836.814	344.522	1														
Data spacing and distribution	<ul style="list-style-type: none">Surface drilling is spaced on an approximate 60m x 80m below 1620 metres below surface Drilling data is sufficient to establish down plunge continuity for all lodes.																								
Orientation of data in relation to geological structure	<ul style="list-style-type: none">Sampling is perpendicular to lode orientations and is sound based on past production and underground mapping.																								
Sample security	<ul style="list-style-type: none">Company personnel or approved contractors only allowed on drill sites; drill samples are only removed from drill site by approved contractors to the company's secure core logging/processing facility; cut core is consigned to accredited laboratories for sample preparation and analysis.																								
Audits or reviews	<ul style="list-style-type: none">Regular reviews of core logging and sampling are completed through SBM mentoring and auditing. Additionally, regular laboratory inspections are conducted by SBM personnel. Inspections are documented electronically and stored on secure company server. No significant issues were identified.																								

Drilling - Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> SBM has 100% ownership of the two tenements M37/25 and M37/333 over the Gwalia deposit.
Exploration done by other parties	<ul style="list-style-type: none"> Western Mining Corporation (WMC) and Sons of Gwalia (SGW), have previously completed deep diamond drilling below 1,100 metres below surface
Geology	<ul style="list-style-type: none"> Gold mineralisation occurs as a number of stepped, moderately east dipping, foliation parallel lodes within strongly potassic altered mafic rocks which extend over a strike length of approximately 500 metres and to a vertical depth of at least 2,200 metres below surface. The deposit exhibits significant down-plunge continuity but is interrupted at approximately 1,200 metres below surface (mbs) by a cross cutting post-mineralisation doleritic dyke, with a horizontal width of approximately 30 metres.
Drill hole Information	<ul style="list-style-type: none"> Drill hole information is included in intercept table outlining mid-point co-ordinates including vertical hole depth and composited mineralized intercepts lengths and depth.
Data aggregation methods	<ul style="list-style-type: none"> Down hole intercepts are reported as length weighted averages. No high grade cut is applied.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> Down hole length is reported for all holes; true width is not immediately known until further drilling is completed and the orebody modelled.
Diagrams	<ul style="list-style-type: none"> Appropriate diagrams are included within the body of the report
Balanced reporting	<ul style="list-style-type: none"> Details of all holes material to Exploration Results have been reported in the intercept table.
Other substantive exploration data	<ul style="list-style-type: none"> These holes test the deepest limits of mineralisation and no other data is available
Further Work	<ul style="list-style-type: none"> Further exploration drill holes are planned
Balanced reporting	<ul style="list-style-type: none"> Details of all holes material to Exploration Results have been reported in the intercept table.
Other substantive exploration data	<ul style="list-style-type: none"> Data is included in the body of the report
Further Work	<ul style="list-style-type: none"> Follow-up drilling is planned and is discussed in the body of the report

Contents

Drilling:	Section 1 Sampling Techniques and Data Section 2 Reporting of Exploration Results
Trenching:	Section 1 Sampling Techniques and Data Section 2 Reporting of Exploration Results
Surface Sampling:	Section 1 Sampling Techniques and Data Section 2 Reporting of Exploration Results

Drilling - Section 1 Sampling Techniques and Data

(Criteria in this section apply to the succeeding section.)

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> Diamond Drilling - Sampled using PQ (85mm), HQ (63.5mm) or HQ3 (61.1mm) and on occasion NQ2 (50.5mm) or NQ3 (45mm) sized core using standard triple tubes. Half core was sampled on nominal 1-metre intervals with the upper or left - hand side of the core prepped on-site to produce a 200gm pulp sample. A 50gm charge was then extracted from the 200gm pulp for Au fire assay and ICP - AES base metal analysis.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> Diamond Drilling comprised PQ (85mm), HQ (63.5mm) or HQ3 (61.1mm) and on occasion NQ2 (50.5mm) or NQ3 (45mm) core recovered using 1.5m to 3m barrels. When ground conditions permit, an ACT Digital Core Orientation Instrument was used by the contractor to orientate the core.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> Diamond drilling recovery percentages were measured by comparing actual meters recovered per drill run versus meters measured on the core blocks. Recoveries averaged over >90% with increased core loss present in fault zones and zones of strong alteration. No relationship exists between sample recovery and grade.
<i>Logging</i>	<ul style="list-style-type: none"> Diamond holes are qualitatively geologically logged for lithology, structure and alteration and qualitatively and quantitatively logged for veining and sulphides. Diamond holes are geotechnically logged with the following attributes qualitatively recorded - strength, infill material, weathering and shape. Whole core together with half core, were photographed when wet. All holes are fully logged.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> Diamond core was sampled largely on 1 metre intervals. Core was cut with the upper or left-hand side of the core routinely submitted for total pulverisation (85% passing 75 µm). Quality control of sub-sampling consisted of insertion of blank control samples and coarse reject duplicates, both at a ratio of 1:20 samples. The samples were fully prepared at the company's on-site sample preparation facility on Simberi Island with 200g pulps sent to ALS Laboratory in Townsville. Pulp residues are stored in Townsville for future re-assay if required.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> Half Core samples were analysed for gold using fire assay with a 50g charge and analysis by flame atomic absorption spectrometry (Au-AA26 method). Additional elements (Ag, As, Cu, Fe, Mo, Pb, S, Sb and Zn) were analysed by Aqua Regia digestion using Inductively Coupled Plasma Atomic Emission Spectroscopy (ICP-AES) via method ME-ICP41. QC included insertion of certified reference material (1 in 20); insertion of in-house blank control material (1 in 20); and the insertion of reject residues (1 in 20). QAQC results were assessed as each laboratory batch was received and again on a quarterly basis. Results indicate that pulveriser bowls were adequately cleaned between samples. ALS Townsville inserted certified standards and replicates and lab repeats.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> Sampling data is recorded electronically which ensures only valid non-overlapping data can be recorded. Assay and downhole survey data are subsequently merged electronically. All drill data is stored in a SQL database on secure company server. No twin holes have been completed.
<i>Location of data points</i>	<ul style="list-style-type: none"> All Simberi Island collars were surveyed by in-house surveyors using DGPS using Tabar Island Grid (TIG) which is based on WGS84 ellipsoid and is GPS compatible. Tatau and Tabar Island collars were surveyed by hand held GPS. All holes were downhole surveyed using either a Reflex or Ranger single shot camera with the first reading at about 15m and then approximately every 30m increments to the bottom-of-the hole.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> Drilling data is not yet sufficient to establish continuity of the lodes and therefore the drill spacing is irregular and broad spaced.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> Where surface mapping and sampling has contributed to understanding of outcropping geological structures, drilling and sampling has been undertaken orthogonal to the mapped structure.
<i>Sample security</i>	<ul style="list-style-type: none"> Only company personnel or approved contractors are allowed on drill sites; drill core is only removed from drill site to secure core logging/processing facility within the gated exploration core yard; core is promptly logged, cut and prepped on site. The 200gm pulps are then consigned to ALS in Townsville for Au and multi-element analysis.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> No audits or reviews of sampling protocols have been completed.

Drilling - Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> SBM has 100% ownership of the three tenements over the Simberi Islands; ML136 on Simberi Island, EL609 which covers the remaining area of Simberi Island, as well as Tatau Island and Big Tabar Island and 4 sub-block EL2462 which covers part of Tatau and Mapua Island.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> CRA, BHP, Tabar JV (Kennecott, Nord Australer and Niugini Mining), Nord Pacific, Barrick and Allied Gold have all previously worked in this area. Nord Pacific followed by Allied Gold was instrumental in the discovery and delineation of the 5 main oxide and sulphide deposits at Simberi.
<i>Geology</i>	<ul style="list-style-type: none"> The Simberi gold deposits are low sulphidation, intrusion related adularia-sericite epithermal gold deposits. The dominant host rocks for mineralisation are andesites, volcanoclastics and lesser porphyries. Gold mineralisation is generally associated with sulphides or iron oxides occurring within a variety of fractures, such as simple fracture in-fills, single vein coatings and crackle brecciation in the more competent andesite units, along andesite/polymict breccia contact margins as well as sulphide disseminations. On Tatau and Big Tabar Islands, located immediately south of Simberi, potential also exists for porphyry Cu-Au, epithermal quartz Au-Ag and carbonate-base metal Au mineralisation.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> Drill hole information is included in intercept table outlining collar position obtained by DGPS pickup, hole dip and azimuth acquired from a downhole surveying camera as discussed in section 1, composited mineralized intercepts lengths and depth as well as hole depth.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> Broad down hole intercepts are reported as length weighted averages using a cut-off of 0.5 g/t Au and a minimum grade*length of 5gmpt. Such intercepts may include material below cut-off but no more than 5 sequential meters of such material and except where the average drops below the cut-off. Selvage is only included where its average grade exceeds 0.5 g/t Au. Using the same criteria for included sub-grade, supplementary cut-offs, of 2.5g/t Au, 5.0g/t Au and 10g/t Au, may be used to highlight higher grade zones and spikes within the broader aggregated interval. Single assays intervals are reported only where $\geq 5.0\text{g/t Au}$ and $\geq 1\text{m}$ down hole. In core holes, core loss is assigned zero grade. No high grade cut is applied. No metal equivalent values are used for reporting exploration results.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> Down hole length is reported for all holes; true width is not known as the orientation of the orebody is not fully understood.
<i>Diagrams</i>	<ul style="list-style-type: none"> Diagrams show all drill holes material and immaterial to Exploration Results.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> Details of all holes material to Exploration Results have been reported in the intercept table, and all other drill holes drilled during the reporting period are highlighted on diagrams included in the report.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> Included in the body of the report. Core holes are routinely measured for bulk density determinations to be used for potential future resource modelling.
<i>Further work</i>	<ul style="list-style-type: none"> Included in the body of the report.

Trenching - Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> Sampling of trenches was done over measured intervals of between 1 and 5 meters dependent on geology. A geo-pick was used to collect a continuous channel sample from the trench faces across the designated interval with the samples collected in calico bags.
<i>Trenching/Benching techniques</i>	<ul style="list-style-type: none"> Trenches were created by both hand and mechanical techniques. Hand trenches were dug using spades, crowbars and shovels to depths of between 1 and 2 meters. Creek channel sampling is conducted in the same manner as trenches, where continuous exposure of bedrock is made by hand clearing of vegetation and cover. Mechanised trenches were dug by an excavator exposing up to 5 meters of trench wall.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> N/A
<i>Logging / Mapping</i>	<ul style="list-style-type: none"> All trenches were qualitatively geologically mapped for lithology, structure and alteration.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> Southwest Tatau trench samples (3 to 5kg) were prepped on-site (jaw crushed, disk mill pulverised and then split) to produce a 200g pulp sample. The Southwest Tatau samples (Mt Siro and Seraror) are routinely submitted for total pulverisation (85% passing <75 µm) at the company onsite sample preparation facility on Simberi Island. For Southwest Tatau samples 200g pulps are sent to St Barbara's Simberi Laboratory where a 25g sub-sample is taken. Kupo trench samples (2 to 4kg) were taken to a restricted area at the company's on-site sample preparation facility on Simberi Island and dried in a dedicated oven at low Temperature (60°C) for 24 hours to reduce weight for transport. The whole Kupo trench samples were sent to ALS Laboratory in Brisbane for analysis. Samples were sterilised at Steritech Pty Ltd, an irradiation facility in Brisbane.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> The Southwest Tatau samples (Mt Siro and Seraror) were analysed for gold at the Simberi Lab using Aqua Regia digestion with a 25g charge and analysis by Atomic Absorption Spectrometry. The Southwest Tatau sample QC included the insertion of two in house blanks at the start of each batch of trench samples, the insertion of certified gold standards (1:100) as well as the collection of field duplicates (1:100). No multi-element analyses were completed. The Kupo sample pulps were analysed for Au via 30g Fire Assay and AAS finish (Au-AA21 method) and then multi-elements (Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, U, V, W, Y, Zn and Zr) via multi acid digest with HF (GEO-4A01 method) and Inductively Coupled Plasma Mass Spectroscopy (ICPMS) via (MEMS61L method). The Kupo sample QC included the insertion of certified copper - gold Standards (OREAS45d, OREAS45e) into the sample sequence so that 5% of samples (1 in 20) are a standard.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> Sampling data is recorded electronically which ensures only valid non-overlapping data can be recorded. Assay and trench survey data are subsequently merged electronically. All data is stored in a SQL database on secure company server.
<i>Location of data points</i>	<ul style="list-style-type: none"> All trenches were initially surveyed by a handheld GPS to capture the trench start point. The GPS used the Tabar Island Grid (TIG) which is based on WGS84 ellipsoid. The path of the trench from the initial start point to the end was surveyed by Tape & Compass method. Trench interval coordinates were then generated using basic trigonometry. Selected recent trenches have been picked up using dGPS WGS84 zone 56.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> Trench data spacing is irregular and broad spaced.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> Where preceding surface mapping and sampling of trenches has contributed to understanding of outcropping geological structures, trenching and sampling has been undertaken to extend the strike length of the mapped structure. However, in many of the areas the lode orientation is poorly understood.
<i>Sample security</i>	<ul style="list-style-type: none"> Only company personnel or approved contractors are allowed on trench sites; trench samples are only removed from site to secure core logging/processing facility within the gated exploration core yard; samples are promptly logged, cut and prepped on site.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> No audits or reviews of sampling protocols have been completed.

Trenching - Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> SBM has 100% ownership of the three tenements over the Simberi Islands; ML136 on Simberi Island, EL609 which covers the remaining area of Simberi Island, as well as Tatau Island and Big Tabar Island and 4 sub-block EL2462 which covers part of Tatau and Mapua Island.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> CRA, BHP, Tabar JV (Kennecott, Nord Australer and Niugini Mining), Nord Pacific, Barrick and Allied Gold have all previously worked in this area. Nord Pacific followed by Allied Gold was instrumental in the discovery and delineation of the 5 main oxide and sulphide deposits at Simberi.
<i>Geology</i>	<ul style="list-style-type: none"> The Simberi gold deposits are low sulphidation, intrusion related adularia-sericite epithermal gold deposits. The dominant host rocks for mineralisation are andesites, volcanoclastics and lesser porphyries. Gold mineralisation is generally associated with sulphides or iron oxides occurring within a variety of fractures, such as simple fracture in-fills, single vein coatings and crackle brecciation in the more competent andesite units, along andesite/polymict breccia contact margins as well as sulphide disseminations. On Tatau and Big Tabar Islands, located immediately south of Simberi, potential also exists for porphyry Cu-Au, epithermal quartz Au-Ag and carbonate-base metal Au mineralisation.
<i>Trench/Bench Information</i>	<ul style="list-style-type: none"> Included in the report text and annotated on diagrams.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> Broad trench intercepts are reported as length weighted averages using a cut-off of 0.5 g/t Au and a minimum grade*length of 5gmp. Such intercepts may include material below cut-off but no more than 5 sequential meters of such material and except where the average drops below the cut-off. Selvage is only included where its average grade exceeds 0.5 g/t Au. Using the same criteria for included sub-grade, supplementary cut-offs, of 2.5g/t Au, 5.0g/t Au and 10g/t Au, may be used to highlight higher grade zones and spikes within the broader aggregated interval. Single assays intervals are reported only where $\geq 1.0\text{g/t}$ and $\geq 5\text{m}$ trench length is intercepted. No high grade cut is applied.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> Trench intercepts are sampled along the length of the trench and are reported for all trenches; true width is not reported.
<i>Diagrams</i>	<ul style="list-style-type: none"> Diagrams show all trenches material and immaterial to Exploration Results.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> Details of all trenches material to Exploration Results have been reported in the text, and all other trenches dug during the reporting period are highlighted on diagrams included in the report.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> Included in the body of the report.
<i>Further work</i>	<ul style="list-style-type: none"> Included in the body of the report.

Surface Sampling - Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> For the regional soil survey, samples were collected by first removing organic litter from the surface. A hand auger was then used to collect a C-horizon sample from typically between 140cm to 190cm depth. Sampling teams were supervised by a geologist who determined the depth of the sample collected. A bulk sample of ≥ 2kg was then collected in a calico bag. A reference sample of soil and any weathered rock fragments is placed in a plastic chip tray for ASD analysis. Rock chip samples (2 to 5kg) were cleaned of any organic material and paced in a calico bag. A small reference rock chip sample is placed in a plastic chip tray for ASD analysis.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> N/A
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> N/A
<i>Logging</i>	<ul style="list-style-type: none"> All rock chip and float were qualitatively logged for lithology, alteration, weathering and colour. Regional soil sample sites were recorded for land use, vegetation type, slope (degrees) and slope direction. For regional soil samples, the depth (from, to) collected was recorded in centimetres. Regional soil samples were logged for regolith (weathering) type, colour, tone and moisture content by a geologist. A digital photograph is taken showing the soil profile laid out and the location of the sample material highlighted.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> Rock chip, float and soil samples collected from the regional soil survey and from Mt Siro and Seraror were taken to a restricted area at the company's on-site sample preparation facility on Simberi Island and dried in a dedicated oven at low Temperature (60°C) for 24 hours to reduce weight for transport. The whole soil and regional rock chip samples were sent to ALS Laboratory in Brisbane for analysis. Samples were first sterilised at Steritech Pty Ltd, an irradiation facility in Brisbane.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> Regional soil and rock chip samples were prepared and analysed by ALS Brisbane and ALS Townsville. Samples were coarse crushed, dried at 105°C, whole sample pulverised (85% passing 75 microns) and then riffle split. Pulps were analysed for Au via 30g Fire Assay and AAS finish (Au-AA21 method) and then multi-elements (Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn and Zr) via multi acid digest with HF (GEO-4A01 method) and Inductively Coupled Plasma Mass Spectroscopy (ICPMS) via (MEMS61L method). Regional soil sample field duplicates are collected in the field while collecting the original sample. Field duplicates are collected from a new hole dug less than 1m from the primary sample site at the same depth as the primary sample. Field duplicates are collected so that 5% of samples (1 in 20) are a duplicate. Standards (OREAS45d, OREAS45e) are inserted into the sample sequence so that 5% of samples (1 in 20) are a standard. For rock chip sample QC, Standards (OREAS45d, OREAS45e) are inserted into the sample sequence so that 5% of samples (1 in 20) are a standard.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> N/A
<i>Location of data points</i>	<ul style="list-style-type: none"> All regional soil and rock chip sampling sites were surveyed by a hand held GPS for Easting, Northing and RL using WGS84.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> Regional soil sample sites are located on a 200m x 200m off-set grid. Subject to results, follow-up soil samples may be collected on 100m x 100m spacing in selected areas. In some areas samples cannot be collected due to the presence of sacred sites or swamps. Rock chip sample locations are dictated by the presence of outcrop and are usually restricted to creeks, cliffs and breaks in slope.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> N/A
<i>Sample security</i>	<ul style="list-style-type: none"> Only trained company personnel were allowed to collect the samples. All samples were held within a secure company building before dispatch to ALS in Brisbane for Au and multi-element analysis.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> No audits or reviews of sampling protocols have been completed.

Surface Sampling - Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none">SBM has 100% ownership of the three tenements over the Simberi Islands; ML136 on Simberi Island, EL609 which covers the remaining area of Simberi Island, as well as Tatau Island and Big Tabar Island and 4 sub-block EL2462 which covers part of Tatau and Mapua Island.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none">CRA, BHP, Tabar JV (Kennecott, Nord Australex and Niugini Mining), Nord Pacific, Barrick and Allied Gold have all previously worked in this area. Nord Pacific followed by Allied Gold was instrumental in the discovery and delineation of the 5 main oxide and sulphide deposits at Simberi.
<i>Geology</i>	<ul style="list-style-type: none">The Simberi gold deposits are low sulphidation, intrusion related adularia-sericite epithermal gold deposits. The dominant host rocks for mineralisation are andesites, volcaniclastics and lesser porphyries. Gold mineralisation is generally associated with sulphides or iron oxides occurring within a variety of fractures, such as simple fracture in-fills, single vein coatings and crackle brecciation in the more competent andesite units, along andesite/polymict breccia contact margins as well as sulphide disseminations. On Tatau and Big Tabar Islands, located immediately south of Simberi, potential also exists for porphyry Cu-Au, epithermal quartz Au-Ag and carbonate-base metal Au mineralisation.
<i>Drill hole Information</i>	<ul style="list-style-type: none">N/A
<i>Data aggregation methods</i>	<ul style="list-style-type: none">N/A
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none">N/A
<i>Diagrams</i>	<ul style="list-style-type: none">Figures show all sample sites material and immaterial to Exploration Results.
<i>Balanced reporting</i>	<ul style="list-style-type: none">All rock chip, float and soils sample locations with any significant results are shown in Figures.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none">Included in the body of the report.
<i>Further work</i>	<ul style="list-style-type: none">Included in the body of the report.

End of report