



Record gold production in March 2015 quarter drives increase in cash balance

St Barbara Limited achieved record gold production of 111,288 ounces in the March 2015 quarter, surpassing the previous record production of 97,917 ounces in the December 2014 quarter, with record quarterly production from both Leonora and Simberi.

Highlights for the March 2015 quarter include:

- Gwalia production of 76,954 ounces (Leonora: 88,790 ounces)
- Simberi production of 9,473 ounces in the month of March, and 22,498 ounces for the quarter
- Simberi operations generate first quarter of net positive cash flow since acquisition
- Cash balance as at 31 March 2015 A\$108 million, up A\$40 million from A\$68 million at 31 December 2014 ¹

Gwalia's production in the quarter was an all-time record, due to a variety of reasons including higher mined grade of 9.7 g/t Au, and improved productivity from increased underground waste deposition. Whilst full year FY15 production guidance for Gwalia has been increased (see table on next page), an anticipated return to reserve grade and commencement of a number of new stopes will result in lower production in the June 2015 quarter.

As anticipated, Simberi was net cash flow positive for the first time since acquisition in the March quarter. Simberi's quarterly production continued to increase towards the target 100,000 ounce per annum run rate, with production for the month of March exceeding the target run rate. Simberi is anticipated to maintain a 100,000 ounce per annum run rate for the June 2015 quarter.

¹ Financial information unaudited, cash balances exclude A\$2 million restricted cash

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The Company will report the March 2015 quarter unit costs and cash flow, and FY15 unit cost guidance, in its March quarterly report to be released later in April 2015. Gwalia unit costs are expected to be favourable compared to guidance, and Simberi unit costs are anticipated to show further improvement over the previous quarter.

Details of the March 2015 quarter production are set out in the table below.

Production Summary Consolidated		Q1 Sep FY15	Q2 Dec FY15	Q3 Mar FY15	Full Year FY15 Guidance Range
<u>Production</u>					
Gwalia	oz	45,391	68,589	76,954	235,000 to 240,000 <i>(previously 200,000 to 210,000)</i>
King of the Hills	oz	10,793	12,033	11,836	45,000 to 50,000 <i>(previously 50,000 to 55,000)</i>
Simberi	oz	12,639	17,295	22,498	70,000 to 80,000 <i>(no change)</i>
Consolidated	oz	68,823	97,917	111,288	350,000 to 370,000 <i>(previously 320,000 to 345,000)</i>
<u>Mined Grade</u>					
Gwalia	g/t Au	7.9	9.1	9.7	
King of the Hills	g/t Au	4.1	4.2	4.1	
Simberi	g/t Au	1.10	1.09	1.38	

Short term gold price protection extended

In July 2014, to minimise the potential impact of a material fall in the gold price occurring during the turnaround planned for Simberi, the Company sold forward 153,000 ounces of gold at A\$1,415 per ounce for the period ending June 2015. There are approximately 44,000 ounces of gold forward contracts remaining at the date of this release to be delivered into April, May and June 2015.

To secure a reasonable cash margin on Simberi's anticipated FY16 gold production of 100,000 ounces, the Company has sold forward 100,000 ounces of gold at A\$1,600 per ounce, deliverable in monthly instalments from July 2015 to June 2016.