



Financial Results

For the six months ended
31 December 2008

Summary

- Gold production from all operations for the half was 104,579 ounces (2007: 82,881 ounces).
- Average gold price of A\$1,122 (2007: A\$837) per ounce achieved during the half.
- EBITDA from operations of \$34.1 million (2007: \$28.8 million)
- Exploration expenditure of \$13.4 million (2007: \$16.3 million).
- Capital expenditure of \$103.9 million (2007: \$63.0 million) on Gwalia redevelopment and Southern Cross.
- Cash at bank as at 31 December 2008 was \$43.9 million; included restricted cash of \$23.4 million
- Total debt \$21.3 million, excluding convertible notes
- No forward hedging commitments.

Event Subsequent to Balance Date

On 20 February 2009 the Company completed an institutional placement for the issue of 189,600,000 shares at a price of \$0.41 per share for net proceeds of \$75 million. These proceeds will provide the Company with a strengthened balance sheet and funds to enable it to partially buy back convertible notes currently on issue at an appropriate discount, and/or fund their later potential redemption of all or some of the notes. Note holders have an early redemption right on 4 June 2010 and otherwise the convertible notes mature on 4 June 2012.

Consolidated Results

The reported net loss after tax was \$41.2 million for the six months ended 31 December 2008 (2007: net loss of \$9.3 million), which included net exceptional items of \$27.0 million that had a significant impact on the result, as set out in the table below.

	31 Dec 08 \$'000	31 Dec 07 \$'000
Sales revenue	110,377	70,442
EBITDA (including exceptional items)	(19,504)	8,471
EBIT (including exceptional items)	(39,896)	(8,214)
Net loss after tax for the period	(41,220)	(9,272)
Total net exceptional items	(27,019)	6,891
EBITDA – excluding exceptional items	7,515	1,580
Net loss after tax – excluding exceptional items	(14,201)	(16,163)



Review of Operations

The successful commissioning of the Leonora Operations in October 2008 has transformed St Barbara into a two mine producer with the attendant benefits of scale and risk reduction. Total gold production for the period was 104,579 ounces (2007: 82,881 ounces). The strategic focus during the period continued to be the achievement of consistent production and the extension of the mine life at the Southern Cross Operations, commissioning of new operations at Leonora and to identify higher grade underground deposits and select open pit opportunities to complement ore from the Marvel Loch and Gwalia underground mines at Southern Cross and Leonora respectively.

Production Performance

Production at Southern Cross totalled 77,006 ounces (2007: 82,881 ounces) for the period, which was sourced from the Marvel Loch underground mine and Grand National, Norton and Pakistani open pits. At Leonora gold production was sourced from Gwalia Deeps, Gwalia West Lode in the Gwalia Intermediates and Trump open pit, with total production in the period of 27,573 ounces.

Financial Performance

Revenue and Sales

Sales revenue of \$110.4 million (2007: \$70.4 million) was generated from gold sales of 97,965 ounces (2007: 83,767 ounces) at an average achieved gold price of A\$1,122 (2007: A\$837) per ounce.

EBITDA

EBITDA from the operations for the period was \$34.1 million compared to \$28.8 million in the previous corresponding period, reflecting higher gold prices and an initial contribution from the Leonora Operations commissioned in October 2008. At Southern Cross, the unit cash operating cost of production for the period was \$818 (2007: \$572) per ounce. At Leonora, since commissioning of the operations, the unit cash operating cost of production was \$808 per ounce. The higher corporate costs reflect the impact of restructuring and redundancy expenses recognised in the period.

Exploration

Exploration expensed in the income statement in the period totalled \$9.8 million (2007: \$13.3 million), with total exploration expenditure amounting to \$13.4 million (2007: \$16.3 million). Exploration expenditure capitalised during the period related mainly to Marvel Loch and Tower Hill.

Depreciation and Amortisation

Depreciation and amortisation of fixed assets and capitalised mine development for the period totalled \$20.4 million (2007: \$16.7 million). The higher depreciation and amortisation charge in the period was mainly attributable to bringing Leonora Operations into production.

Finance costs

Net finance costs increased to \$3.3 million (2007: \$1.9 million) in the period as capitalisation of interest to the Gwalia development ceased on commissioning of the operations in October 2008.



Exceptional Items

The exceptional loss items comprised impairment write downs in relation to the carrying value of open pit assets and listed investments, and recognition of corporate restructuring and redundancy costs, totalling \$28.5 million. In addition to the exceptional loss items a gain from the close out of the gold put options of \$1.5 million (2007: unrealised gain of \$6.9 million) was recorded in the period.

Financial Position

At 31 December 2008 net current assets had decreased to \$36.9 million (30 June 2008: \$40.3 million), due mainly to reduced cash balances. At 31 December 2008 other receivables included restricted cash of \$23.4 million (30 June 2008: \$20.6 million), representing cash held on deposit as security for bank guarantees.

The fair value of derivative financial assets totalling \$34.6 million as at 30 June 2008 was realised during the period through the close out of gold put options.

Interest bearing borrowings excluding the convertible notes totalled \$21.3 million (30 June 2008: \$3.3 million). The increase in interest bearing borrowings during the period was attributable mainly to the draw down of \$20 million under an asset finance facility, negotiated in the previous financial year, to fund the acquisition of infrastructure assets at Gwalia

On 20 February 2009 the Company completed an institutional placement to raise a net \$75 million.

Cash Flow

Operating activities

Payments to suppliers and employees were \$52.9 million higher than the prior corresponding period, reflecting the impact of bringing Leonora Operations into production and increased operating costs.

Investing activities

Capital expenditure during the period amounted to \$103.9 million (2007: \$63.0 million) and was comprised mainly of:

- Construction at Gwalia - \$28.7 million
- Mine development expenditure at Gwalia operations - \$16.9 million
- Purchase of property, plant and equipment; principally at Gwalia - \$47.4 million
- Mine development expenditure at Southern Cross operations - \$10.6 million.

Investing cash flows in the period included proceeds from the close out of gold put options of \$36.3 million (2007: \$nil).

Financing activities

Cash from financing activities totalled \$68.3 million (2007: \$90.3 million), which included net proceeds from the fully underwritten retail component of the renounceable accelerated pro-rata entitlement offer announced in June 2008 of \$53.5 million and net proceeds from the draw down of the asset finance facility of \$19.7 million.

Eduard Eshuys

Managing Director & CEO

Appendix 4D

Half year report

Name of entity

ST BARBARA LIMITED

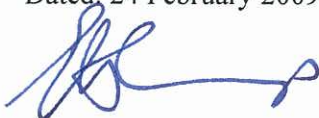
ABN or equivalent company reference	Half yearly (tick)	Preliminary final (tick)	Half year/financial year ended ('current period')
36 009 165 066	<input checked="" type="checkbox"/>	<input type="checkbox"/>	31 December 2008

Results for announcement to the market

		%		AS'000
Revenues from ordinary activities	up	56%	to	112,671
Loss from ordinary activities after tax attributable to members	increase in loss	345%	to	(41,220)
<i>Prior period loss: \$(9,272,000)</i>				
Loss attributable to members	increase in loss	345%	to	(41,220)
<i>Prior period loss: \$(9,272,000)</i>				
Dividends				
No dividend has been declared				

	31/12/08	31/12/07
Net Tangible Assets per security	0.19	0.18
Entities over which control has been gained or lost over the period.	N/A	N/A
Details of dividend distribution	N/A	N/A
Details of reinvestment plans	N/A	N/A
Details of joint venture entities and associates	N/A	N/A
Foreign entity accounting standards	N/A	N/A
Audit dispute or qualification	N/A	N/A

Dated: 24 February 2009.



Eduard Eshuys
Managing Director and CEO



ST BARBARA LIMITED

ABN 36 009 165 066

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

Table of Contents

DIRECTORS' REPORT	3
AUDITOR'S INDEPENDENCE DECLARATION	8
CONSOLIDATED INCOME STATEMENT	9
CONSOLIDATED BALANCE SHEET	10
CONSOLIDATED STATEMENT OF RECOGNISED INCOME & EXPENSE.....	11
CONSOLIDATED STATEMENT OF CASH FLOWS	12
Note 1 – Basis of preparation of half-year consolidated report.....	13
Note 2 – Significant accounting policies.....	13
Note 3 – Critical accounting estimates and judgements.....	13
Note 4 – Financial risk management.....	14
Note 5 – Segment information	14
Note 6 – Events subsequent to balance date.....	14
Note 7 – Contingent liabilities.....	14
Note 8 – Dividends.....	15
Note 9 – Revenue	15
Note 10 – Finance costs	15
Note 11 – Exceptional Items.....	16
Note 12 – Cash and cash equivalents	17
Note 13 – Trade and other receivables.....	17
Note 14 – Derivative financial assets.....	17
Note 15 – Mine properties.....	18
Note 16 – Exploration and evaluation.....	19
Note 17 – Interest bearing liabilities	19
Note 18 – Contributed equity	20
Note 19 – Earnings Per Share (“EPS”).....	20
DIRECTORS' DECLARATION.....	21
INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ST BARBARA LTD	22

**ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

The Directors present their report on the consolidated entity, consisting of St Barbara Limited ("St Barbara") and the entities it controlled at the end of, or during, the half year ended 31 December 2008.

Directors

The following persons were Directors of St Barbara Limited during the whole of the half year and up to the date of this report:

- S J C Wise Chairman
- E Eshuys* Managing Director & CEO
- D W Bailey Non-executive director
- B J Gibson Non-executive director
- P C Lockyer Non-executive director
- R K Rae Non-executive director

* Mr Eshuys will resign from the Board and the position of Managing Director & CEO on 2 March 2009 and will be succeeded by Mr Tim Lehany from this date.

Principal activities

During the six months ended 31 December 2008 the principal activities of the consolidated entity were mining and the sale of gold, mineral exploration, development and investments. There were no significant changes in the nature of the activities of the consolidated entity during the period.

Consolidated results

The result reported by the consolidated entity for the six months ended 31 December 2008 was a net loss after tax of \$41,220,000 (2007: net loss of \$9,272,000). The result for the period was after net exceptional items totaling a loss of \$27,019,000 (2007: gain of \$6,892,000). The consolidated revenues and result for the period is summarised as follows:

	31 Dec 08 \$'000	31 Dec 07 \$'000
Sales revenue	110,377	70,442
Interest earned	1,956	1,408
Other	338	566
Total revenue	112,671	72,416
EBITDA	(19,504)	8,471
EBIT	(39,896)	(8,214)
Loss after tax attributable to members of the Company for the year	(41,220)	(9,272)

**ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

The exceptional items included in the result are as follows:

	31 Dec 08 \$'000	31 Dec 07 \$'000
Net realised/unrealised gains on derivatives	1,514	6,891
Restructuring and redundancy costs	(795)	-
Redundancy provisions	(2,227)	-
Write off of capitalised exploration	(4,010)	-
Write off mine properties	(2,148)	-
Write off of capitalised open pit development	(12,981)	-
Write down of listed investments to fair value	(6,372)	-
Total exceptional items	(27,019)	6,891
EBITDA – excluding exceptional items	7,515	1,580
EBIT – excluding exceptional items	(12,877)	(15,105)
Loss after tax – excluding exceptional items	(14,201)	(16,163)

Review of operations

The Company's strategic focus during the period continued to be the achievement of consistent production and the extension of the mine life at the Southern Cross operations, commissioning of new operations at Leonora and to identify higher grade underground deposits and select open pit opportunities to complement ore from the Marvel Loch and Gwalia underground mines at Southern Cross and Leonora respectively.

Financial performance

Total sales revenue of \$110,377,000 (2007: \$70,442,000) was generated from gold sales of 97,965 ounces (2007: 83,767 ounces) at an average achieved gold price of A\$1,122 per ounce (2007: A\$837 per ounce) from the Southern Cross and Leonora operations. The successful commissioning of the Leonora operations in October 2008 has transformed the Company into a two mine producer with the attendant benefits of scale and risk reduction. Total gold production for the period was 104,579 ounces (2007: 82,881 ounces).

Production at Southern Cross totalled 77,006 ounces (2007: 82,881 ounces) for the period, which was from the Marvel Loch underground mine and Grand National, Norton and Pakistani open pits. At Leonora gold production commenced on 22 October 2008 and was sourced from Gwalia Deeps, Gwalia West Lode in the Gwalia Intermediates and Trump open pit, with total production in the period of 27,573 ounces.

A summary of the production performance for the period ended 31 December is provided in the tables below.

Details of Production Performance – Southern Cross Operations

		Sep Qtr 08	Dec Qtr 08	6 Months 31 Dec 08	6 Months 31 Dec 07
Open Pit Ore Mined	t	281,957	249,286	531,243	1,048,626
Grade	g/t	1.6	1.6	1.6	1.9
Underground Ore Mined	t	266,707	251,170	517,877	372,407
Grade	g/t	3.2	3.9	3.5	3.9
Ore Milled	t	547,092	555,319	1,102,411	1,161,661
Grade	g/t	2.4	2.6	2.5	2.5
Recovery	%	87	89	88	89
Gold Production	oz	36,717	40,289	77,006	82,881
Cash Operating Cost	A\$/oz	862	777	818	572

**ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

At Southern Cross Operations production from Marvel Loch increased to 518,000 tonnes during the period at an average grade of 3.5g/t, compensating for lower production from open pits. Production from open pits during the period totalled 531,000 tonnes at an average grade of 1.6g/t. Stockpiles contributed 52,000 tonnes to production, and as at 31 December 2008 Run of Mine (ROM) stockpiles totalled 409,000 tonnes at 1.6g/t for 20,600 contained ounces. The lower gold production compared to the prior corresponding period was attributable mainly to reduced mill throughput.

Details of Production Performance – Leonora Operations

		6 Months 31 Dec 08
Open Pit Ore Mined	t	226,608
Grade	g/t	1.5
Underground Ore Mined	t	97,590
Grade	g/t	5.9
Ore Milled	t	348,126
Grade	g/t	2.5
Recovery	%	93
Gold Production	oz	27,573
Cash Operating Cost	A\$/oz	808

At Leonora Operations ore production in October and November 2008 was sourced from lower grade ore from Gwalia West Lode and the Trump open pit to assist in commissioning the Gwalia mill. Production for the period included 98,000 tonnes from underground operations at an average grade of 5.9g/t. First ore production from Gwalia Deeps occurred in mid-December 2008 from the 1050 level.

Other revenue of \$2,285,000 (2007: \$1,939,000) comprised mainly interest earned during the period of \$1,956,000 (2007: \$2,741,000). In the prior corresponding period \$1,333,000 of interest earned was capitalised to mines under construction.

Cash operating costs at Southern Cross operations were higher in the period compared to the prior corresponding period, due to increased mining costs associated with underground and open pit production and higher processing costs. At Southern Cross, the unit cash operating cost of production for the period was \$818 (2007: \$572) per ounce. At Leonora, since commissioning of the Operations, the unit cash operating cost of production was \$808 per ounce.

Exploration expensed in the income statement in the period totalled \$9,828,000 (2007: \$13,329,000), with total exploration expenditure amounting to \$13,387,000 (2007: \$16,291,000). The Company policy in relation to accounting for exploration supports capitalisation of expenditure where it results in an increase in reserves and is likely to be recouped from successful development and exploitation of the area of interest, or alternatively, by its sale. Exploration expenditure capitalised during the period related mainly to Marvel Loch and Tower Hill.

Corporate administration costs consists of expenses related to the corporate office, rates and taxes associated with the Company's landholdings, compliance costs and operations support and technical services, which totalled \$14,664,000 (2007: \$10,197,000) for the period. Corporate administration costs for the period included exceptional items associated with restructuring corporate functions and associated redundancy expenses totalling \$3,022,000 (2007: \$nil).

Royalty expenses for the period were \$4,325,000 (2007: \$2,967,000), reflecting the impact of the higher achieved gold price. This expense represents gold royalties paid to the Western Australian Government and a third party corporate royalty.

Depreciation and amortisation of fixed assets and capitalised mine development totalled \$20,392,000 (2007: \$16,685,000) for the period. Depreciation and amortisation attributable to Southern Cross was \$10,824,000 (2007: \$15,737,000) and \$3,847,000 (2007: \$nil) was for Leonora, with the balance associated with corporate

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES DIRECTORS' REPORT

and exploration activities. The higher depreciation and amortisation charge in the period was mainly attributable to bringing Leonora Operations into production.

Net finance costs increased to \$3,280,000 (2007: \$1,881,000) in the period due mainly to the fact that capitalisation of interest to the Gwalia development ceased on commissioning of the operations in October 2008. During the period interest paid of \$2,039,000 (2007: \$2,965,000) was capitalised to mines under construction.

Net realised/unrealised gains on the close out of gold put options during the period totalled \$1,514,000 (2007: realised/unrealised net gain of \$6,891,000). As a consequence of the significant increase in the mark-to-market value of these gold put options the Company decided that the proceeds from a close out could be more effectively deployed.

During the period the Company recognised a decline in the fair value of listed investments, classified as available for sale financial assets, as an impairment loss in the income statement totalling \$6,372,000 (2007: \$nil). The listed investments comprised mainly the Company's investment in Bendigo Mining Limited.

Other asset write downs totalling \$19,139,000 were recognised in the income statement as at 31 December 2008, representing one off accounting adjustments to reflect the impairment in the carrying value of open pit capitalised expenditure at Southern Cross and Leonora.

Financial position

As at 31 December 2008 net current assets decreased to \$36,870,000 (30 June 2008: \$40,277,000) due mainly to reduced cash balances. Lower cash was offset by lower trade and other payables and increased inventories. As at 31 December 2008 other receivables included restricted cash of \$23,438,000 (30 June 2008: \$20,597,000), representing cash held on deposit as security for bank guarantees. The working capital balance as at 31 December 2008, excluding the current deferred mining asset and restricted cash, was negative \$1,224,000 (30 June 2008: positive \$3,757,000).

Total non current assets increased by \$30,982,000 during the period to \$355,462,000 (30 June 2008: \$324,480,000). The increase in non current assets was attributable to capitalised development expenditure at Southern Cross and Gwalia and an increase in property, plant and equipment, mainly associated with completing the refurbishment of the Gwalia mill. The fair value of derivative financial assets totalling \$34,647,000 as at 30 June 2008 was realised during the period through the close out of gold put options.

Non current liabilities increased to \$143,151,000 (30 June 2008: \$128,093,000) mainly as a result of an increase in interest bearing liabilities. Non current interest bearing borrowings totalled \$113,182,000 (30 June 2008: \$98,570,000) as at 31 December 2008, comprising the balance on the convertible notes of \$99,600,000 (30 June 2008: \$100,000,000) and the non current portion owing under lease facilities of \$15,608,000 (30 June 2008: \$891,000). During the period negotiations that commenced in the previous financial year for an equipment finance facility of \$20,000,000, to fund the acquisition and construction of certain plant and equipment at Gwalia, were completed.

Cash flows

Net cash decreased in the period by \$15,056,000 (2007: increase of \$15,676,000) due to negative net cash flow from operations, capital expenditure associated with the development of the Gwalia Mine and completion of the refurbishment of the Gwalia mill and mine infrastructure. Financing activities contributed a net \$68,253,000 (2007: \$90,290,000) to the cash flows for the period. In addition, the close out of gold put options contributed \$36,300,000 to cash flows in the period.

Cash flow from operating activities for the year was negative \$2,326,000 (2007: positive \$10,923,000). A substantial increase in receipts from customers, reflecting the benefit of a higher average achieved gold price and production from Leonora Operations, was offset by increased payments to suppliers and employees.

Payments to suppliers and employees were \$56,659,000 higher than the prior corresponding period, reflecting the impact of bringing Leonora Operations into production and increased operating costs. Interest received of \$1,925,000 (2007: \$2,492,000) was marginally lower than in the prior corresponding period due to lower cash balances. The interest paid in the period of \$3,984,000 (2007: \$4,000,000) represented the semi-annual payment in respect of the convertible notes.

**ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

Cash flow used in investing activities amounted to \$80,983,000 (2007: \$85,537,000) and was mainly in the following major areas:

- Mines under construction at Gwalia - \$28,682,000;
- Mine development expenditure at Gwalia operations - \$16,888,000;
- Purchase of property, plant and equipment, principally at Gwalia - \$47,437,000;
- Mine development expenditure at Southern Cross operations - \$10,561,000; and
- Exploration expenditure - \$16,291,000.

Investing cash flows in the period included proceeds from the close out of gold put options of \$36,300,000 (2007: \$nil).

Development activities at Gwalia during the period focussed on continuation of the Hoover decline, the commencement of the Barden decline to access the first series of ore production stopes in the Deeps and completion of construction of mine infrastructure, including the refurbishment of the processing plant.

Cash flow from financing activities totalled \$68,253,000 (2007: \$90,290,000), which included net proceeds from the fully underwritten retail component of the renounceable accelerated pro-rata entitlement offer announced in June 2008 of \$53,466,000, and net proceeds from the draw down of the asset finance facility of \$19,690,000. Transaction costs associated with the equity raising and new debt totalled \$1,362,000 for the period. Cash flow from financing activities included an increase in restricted cash of \$2,841,000 (2007: \$3,761,000) during the period. Principal repayments of lease and insurance premium funding facilities during the period totalled \$2,061,000 (2007: \$1,407,000).

Auditor Independence

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 8.

Rounding of Amounts

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the rounding off of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

This report is made in accordance with a resolution of directors.



Eduard Eshuys
Managing Director & Chief Executive Officer

Melbourne
24 February 2009



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of St Barbara Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2008, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

A handwritten signature in black ink, appearing to be 'Michael Bray', written over a horizontal line.

Michael Bray
Partner

Melbourne

24 February 2009

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED INCOME STATEMENT
For the half-year ended 31 December 2008

	Note	Half-Year	
		31 Dec 2008 \$'000	31 Dec 2007 \$'000
Revenue from continuing operations	9	110,377	70,442
Mine operating costs		<u>(76,306)</u>	<u>(41,610)</u>
Gross profit		<u>34,071</u>	<u>28,832</u>
Other revenue	9	2,285	1,939
Other income		9	35
Exploration expensed		(9,828)	(13,329)
Corporate administration costs	11	(14,664)	(10,197)
Royalties		(4,325)	(2,967)
Depreciation and amortisation		(20,392)	(16,685)
Asset impairment write downs	11	(19,139)	-
Other expenditure		<u>(1,046)</u>	<u>(1,485)</u>
Operating loss		<u>(33,029)</u>	<u>(13,857)</u>
Finance costs	10	(3,280)	(1,881)
Net realised/unrealised gains on derivatives		1,514	6,891
Unrealised (loss)/gain on available for sale assets	11	<u>(6,425)</u>	<u>160</u>
Loss before income tax		<u>(41,220)</u>	<u>(8,687)</u>
Income tax benefit/(expense)		<u>-</u>	<u>(585)</u>
Loss after income tax		<u>(41,220)</u>	<u>(9,272)</u>
Earnings per share for loss attributable to the ordinary equity holders of the Company:			
Basic loss per share (cents per share)	19	(3.21)	(1.05)
Diluted loss per share (cents per share)	19	(3.21)	(1.05)

The above income statement should be read in conjunction with the accompanying notes.

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED BALANCE SHEET
As at 31 December 2008

	Note	31 Dec 2008 \$'000	30 Jun 2008 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	12	20,461	35,517
Trade and other receivables	13	29,899	32,285
Inventories		32,147	21,038
Derivative financial assets	14	10	203
Deferred mining costs		14,656	15,923
Total current assets		<u>97,173</u>	<u>104,966</u>
Non-current assets			
Available for sale financial assets		7,569	13,941
Property, plant and equipment		115,208	72,788
Deferred mining costs		10,997	16,139
Exploration and evaluation	16	12,838	25,778
Mine properties	15	208,850	161,187
Derivative financial assets	14	-	34,647
Total non-current assets		<u>355,462</u>	<u>324,480</u>
Total assets		<u>452,635</u>	<u>429,446</u>
LIABILITIES			
Current liabilities			
Trade and other payables		49,891	59,273
Interest bearing liabilities	17	5,734	2,367
Provisions		4,678	3,049
Total current liabilities		<u>60,303</u>	<u>64,689</u>
Non-current liabilities			
Interest bearing liabilities	17	113,182	98,570
Provisions		29,969	29,523
Total non-current liabilities		<u>143,151</u>	<u>128,093</u>
Total liabilities		<u>203,454</u>	<u>192,782</u>
Net assets		<u>249,181</u>	<u>236,664</u>
EQUITY			
Contributed equity	18	420,332	366,466
Reserves		2,389	2,518
Accumulated Losses		(173,540)	(132,320)
Total equity		<u>249,181</u>	<u>236,664</u>

The above balance sheet should be read in conjunction with the accompanying notes.

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF RECOGNISED INCOME & EXPENSE
For the half-year ended 31 December 2008

	Half-Year	
	31 Dec 2008 \$'000	31 Dec 2007 \$'000
Changes in fair value of available for sale financial assets, net of tax	-	520
Changes in fair value of cash flow hedges, net of tax	-	-
Income and expense recognised directly in equity	-	520
(Loss) for the period	<u>(41,220)</u>	<u>(9,272)</u>
Total recognised income and expense for the period	<u>(41,220)</u>	<u>(8,752)</u>
Attributable to equity holders of the company	<u>(41,220)</u>	<u>(8,752)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
For the half-year ended 31 December 2008

	Note	Half-Year	
		31 Dec 2008 \$'000	31 Dec 2007 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		115,388	71,053
Payments to suppliers and employees (inclusive of GST)		(115,074)	(58,415)
Interest received		1,925	2,492
Interest paid		(3,984)	(4,000)
Finance charges – hire purchase agreements		(479)	(42)
Borrowing costs paid		(102)	(165)
Net cash flow (used in)/from operating activities		(2,326)	10,923
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		60	-
Proceeds on sale of tenements		-	20
Payments for property, plant and equipment		(47,437)	(14,125)
Payments for investments in available for sale financial assets		-	(53)
Payments for development of mine properties		(27,449)	(22,425)
Payments for mines under construction		(28,682)	(26,298)
Payments for tenements		(388)	(50)
Payments for exploration		(13,387)	(16,291)
Proceeds from sale of derivative financial assets		36,300	-
Payments for derivative financial assets		-	(6,315)
Net cash flow used in investing activities		(80,983)	(85,537)
Cash flows from financing activities			
Proceeds from issues of shares		54,518	98,356
Payments for share issue transaction costs		(1,052)	(2,691)
Proceeds from equipment financing facility		20,000	-
Payments for equipment financing facility transaction costs		(310)	-
Proceeds from insurance premium funding/hire purchases		-	128
Payments for convertible notes transaction costs		-	(335)
Movement in unclaimed monies		(1)	(4)
Movement in restricted cash		(2,841)	(3,761)
Principal repayments - hire purchase agreements		(898)	(328)
- insurance premium funding		(1,163)	(1,079)
Net cash flow from financing activities		68,253	90,290
Net increase/(decrease) in cash and cash equivalents		(15,056)	15,676
Cash and cash equivalents at beginning of the period		35,517	87,369
Cash and cash equivalents at end of the period	12	20,461	103,045

The above statement of cash flows should be read in conjunction with the accompanying notes.

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2008

Note 1 – Basis of preparation of half-year consolidated report

St Barbara Limited (the “Company”) is a company domiciled in Australia. The consolidated interim financial report of the Company as at and for the six months ended 31 December 2008 comprises the Company and its subsidiaries (together referred to as the “consolidated entity”) and the consolidated entity’s interest in associates and jointly controlled entities.

This general purpose financial report for the interim reporting period ended 31 December 2008 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2008 and any public announcements made by St Barbara Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

This consolidated interim financial report was approved by the Board of Directors on 24 February 2009.

Note 2 – Significant accounting policies

The accounting policies applied by the consolidated entity in this consolidated interim financial report are the same as those applied by the consolidated entity in its consolidated financial report as at and for the year ended 30 June 2008.

Note 3 – Critical accounting estimates and judgements

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Except as described below, in preparing this consolidated interim financial report, the significant estimates and judgements made by management in applying the consolidated entity’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2008.

As at the 31 December 2008 interim reporting date an assessment was made of the recoverable amount of each Cash Generating Unit (CGU). These calculations require the use of estimates in relation to future net cash flows, discounted to present value. Present values are determined using a risk adjusted discount rate appropriate to the risks inherent in the assets. Given the nature of the consolidated entity’s mining activities, future changes in long term assumptions upon which these estimates are based may give rise to a material adjustment to the carrying value of a CGU, which could lead to recognition of impairment losses in the future.

Future cash flow estimates are based on expected production values, the short and long term forecasts of the Australian dollar gold price, ore reserves, operating costs, future capital expenditure and restoration and rehabilitation costs. Management is required to make these estimates and assumptions, which are subject to risk and uncertainty. As a result there is a possibility that changes in circumstances will alter these projections, which could impact on the recoverable amount of these assets.

During the period the Company changed its strategy in relation to mining of lower grade open pits. As a result of this decision and the desire to conserve capital, open pit opportunities at Southern Cross and Leonora operations have been excluded from medium term business plans giving rise to impairment write downs at the reporting date (refer note 11).

On 4 June 2007 the Company issued \$100,000,000 of convertible notes. Unless previously redeemed, converted, or purchased and cancelled, the notes mature on 4 June 2012 at 100% of their principal amount. Holders of the convertible notes are able to redeem all or some of the notes at the principal amount, together with any accrued interest, on 4 June 2010. As at the 30 June 2009 reporting date the non-current liability associated with these convertible notes is likely to be reclassified to a current liability based on this option held by convertible note holders. As at the 31 December 2008 reporting date the Company is confident of being able to manage the potential refinance risk associated with the note holders’ option, exercisable on 4 June 2010, in reporting at 30 June 2009. On 20 February 2009 the Company completed an institutional placement for net proceeds of \$75,000,000 (refer to note 6).

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2008

Note 4 – Financial risk management

The consolidated entity's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial report as at and for the year ended 30 June 2008.

Note 5 – Segment information

The consolidated entity operates predominantly in the minerals exploration and mining industry in Australia. The consolidated entity's operations are all in Australia.

Note 6 – Events subsequent to balance date

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial reporting date that, in their opinion, has significantly affected, or may significantly affect, in future periods the Company's operations, the results of those operations or the state of affairs, except for the following:

The Company completed an institutional placement on 20 February 2009, with 189,600,000 shares to be issued at a final price of \$0.41 per share. The net proceeds from the placement of \$75,000,000 will provide the Company with a strengthened balance sheet and funds that will enable it to:

- Partially buy back convertible notes currently on issue at an appropriate discount to par value; and/or
- Fund the potential redemption of all or some of the convertible notes; note holders have an early redemption right on 4 June 2010 and otherwise the convertible notes mature on 4 June 2012.

Note 7 – Contingent liabilities

The parent entity and Group have a contingent liability at 31 December 2008 in respect of the following legal claim:

Kingstream

On 2 July 2002, Kingstream Steel Limited (now Midwest Corporation Limited) ("Kingstream") commenced proceedings in the Supreme Court of Western Australia against the Company and its 100% owned subsidiary, Zygot Ltd ("Zygot") (together, "St Barbara"). In early 2005, Kingstream obtained the leave of the Court to substitute the trustees of Kingstream Steel's Creditors Trust as plaintiffs in these proceedings, namely Bryan Kevin Hughes and Vincent Anthony Smith. Mr Smith resigned as a trustee and Mr Hughes ("Hughes") has been the sole plaintiff since 30 January 2008.

Hughes's claim against St Barbara arises from the withdrawal by Zygot of three mining lease applications ("MLAs") in September 2001. Hughes alleges that these applications were part of the subject matter of an Option Deed between the St Barbara and Kingstream dated 26 March 1997 as supplemented by a Deed dated 20 January 1998 and a letter dated 29 January 1999 from St Barbara's lawyers to Kingstream. Kingstream exercised the option in February 1999.

Following amendments to the statement of claim in October 2008, Hughes now seeks damages from St Barbara relying upon causes of action based on rectification of the Supplemental Deed, allegations of breach of contract, breach of duty of care, estoppel and unilateral mistake. St Barbara is defending the proceedings.

Hughes has produced various reports by experts who purport to quantify the loss that is claimed. The reports disclose opinions about the value of the MLAs at the time of their withdrawal of between \$250,000 and \$4m. They also disclose a range of opinions about the claimed current value of the MLAs to Kingstream ranging from \$13.07m in November 2005 to \$980m in November 2008. St Barbara believes that if it was found to have breached the Supplemental Deed, any damages would be assessed by reference to the value of the MLAs as at the date of withdrawal. In the event that damages are awarded against the Company, the Court will also determine interest and costs to be paid.

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2008

The action has been listed for trial commencing on 1 June 2009. None of the current Directors of St Barbara were directors of the Company or Zygot at the time the relevant activities took place.

Note 8 – Dividends

No dividends were declared or paid during the period.

Note 9 – Revenue

	Consolidated	
	Period ended 31 Dec 2008 \$'000	Period ended 31 Dec 2007 \$'000
Sales revenue		
- Sale of gold	109,868	70,152
- Sale of silver	509	290
	110,377	70,442
Other revenue		
- Interest revenue	1,956	2,741
- Interest revenue capitalised ⁽¹⁾	-	(1,333)
- Sub-lease rental	185	155
- Royalty revenue	144	376
	2,285	1,939
	112,662	72,381

Note (1): Represents interest earned on deposits arising from the convertible notes issued in June 2007 to fund development of Gwalia. Production commenced at Gwalia in October 2008, and capitalisation of interest revenue ceased from this date.

	Consolidated	
	Period ended 31 Dec 2008 \$'000	Period ended 31 Dec 2007 \$'000
Note 10 – Finance costs		
Interest paid/payable	49	55
Interest on convertible notes	3,984	4,000
Borrowing costs	102	165
Finance lease	594	43
Unwinding of discount on rehabilitation provision	590	583
Interest expense capitalised ⁽¹⁾	(2,039)	(2,965)
	3,280	1,881
	3,280	1,881

Note (1): Represents the interest paid/payable on the convertible notes issued in June 2007 to fund the development of Gwalia. Production commenced at Gwalia in October 2008, and capitalisation of interest expense ceased from this date.

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2008

Note 11 – Exceptional Items

Exceptional items are those items where their nature or amount is considered material to the financial report. Such items included within the consolidated results for the period are detailed below.

	Consolidated	
	Period ended 31 Dec 2008 \$'000	Period ended 31 Dec 2007 \$'000
Net realised/unrealised gains on derivatives	1,514	6,892
<hr/>		
Included within Corporate costs		
Restructuring and redundancy expenses	(795)	-
Redundancy provision	(2,227)	-
	<hr/> (3,022) <hr/>	<hr/> - <hr/>
Asset impairment write downs		
Open pit deferred mining written off	(12,981)	-
Open pit mine development written off	(2,148)	-
Capitalised open pit exploration written off	(4,010)	-
	<hr/> (19,139) <hr/>	<hr/> - <hr/>
Included within Unrealised loss on available for sale assets		
Write down of listed investments to fair value	(6,372)	-
	<hr/> (6,372) <hr/>	<hr/> - <hr/>
Total exceptional items	<hr/> (27,019) <hr/>	<hr/> 6,892 <hr/>

Restructuring and redundancy expenses

During the period a review of corporate and exploration overhead costs resulted in an organisational restructure, which resulted in redundancies. These costs are one-off costs related to the restructure of the corporate functions and associated redundancy expenses.

Redundancy provision

Represents provisions raised during the period for positions identified as redundant as at 31 December 2008. These amounts are not included in the 'restructuring and redundancy expenses' disclosed above.

Open pit deferred mining written off

During the period the Company's strategy changed to focus on higher grade underground opportunities at Southern Cross. Deferred mining costs to be amortised over future open pit production was assessed as impaired as at the reporting date. At Leonora the Company made the decision during the period to suspend mining at Kailis, which is now not contemplated to be mined in the current business plan. In addition, the poor results from mining at the Trump open pit gave rise to an impairment write down at the reporting date.

Open pit mine development written off

Capitalised expenditure associated with mine development and infrastructure to support mining of open pits at Southern Cross and Leonora was written off as an impairment at the reporting date.

Capitalised exploration written off

Exploration expenditure capitalised in relation to open pit operations at Southern Cross and Leonora operations that are no longer part of the business plans were written off as part of the open pits impairment at the reporting date.

Write down of listed investments to fair value

Available for sale assets, comprising securities listed on the Australian Securities Exchange, are measured at fair value at each balance date. Due to the sustained decline in share price of the securities held by the Company, the securities have been deemed to be impaired, resulting in a fair value loss recognised in the income statement.

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2008

Note 12 – Cash and cash equivalents	Consolidated	
	31 Dec 2008	30 June 2008
	\$'000	\$'000
Cash at bank and on hand	256	7,517
Deposits at call	20,205	28,000
	20,461	35,517

Note 13 – Trade and other receivables	Consolidated	
	31 Dec 2008	30 June 2008
	\$'000	\$'000
Trade receivables	54	5,031
Other receivables	4,166	4,426
Restricted cash ⁽¹⁾	23,438	20,597
Prepayments	2,241	2,231
	29,899	32,285

Note (1): Restricted cash represents cash placed on deposit to secure bank guarantees in respect of obligations entered into for office rental obligations and environmental performance bonds issued in favour of the Western Australian Department of Industry and Resources. These deposits earned interest at an average interest rate of 6.68%.

Note 14 – Derivative financial assets	Consolidated	
	31 Dec 2008	30 June 2008
	\$'000	\$'000
<i>Current</i>		
Fair value of gold options premiums	-	139
Listed options at fair value market value	10	64
	10	203
<i>Non-current</i>		
Fair Value of gold options premiums	-	34,647
	-	34,647

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2008

	Consolidated	
	31 Dec 2008 \$'000	30 June 2008 \$'000
Note 15 – Mine properties		
Mine development		
At beginning of period	41,370	25,850
Direct expenditure	21,223	32,113
Transferred from exploration and evaluation	12,079	946
Transferred from mines under construction	150,881	-
New Rehabilitation Obligations	-	1,438
Adjustment to rehabilitation provision	-	(760)
Mine development written off	(2,148)	-
Amortisation for the year	(14,555)	(18,217)
Closing balance	208,850	41,370
Mines under construction		
At beginning of the period	119,817	44,515
Direct expenditure	28,682	68,721
Capitalised amortised convertible notes transaction costs	343	1,312
Net borrowing costs capitalised ⁽¹⁾	2,039	5,269
Transferred to mine properties	(150,881)	-
Closing balance	-	119,817
Total Mining Properties	208,850	161,187

Note (1): Borrowing costs capitalised are net of interest revenue capitalised (refer Note 9 and Note 10)

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2008

	Consolidated	
	31 Dec 2008 \$'000	30 June 2008 \$'000
Note 16 – Exploration and evaluation		
At beginning of the period	25,778	18,188
Acquired tenements	388	125
Expenditure capitalised for the period	2,761	8,431
Tenements written off	-	(20)
Capitalised exploration written off	(4,010)	-
Transferred to mine properties	(12,079)	(946)
Closing balance	12,838	25,778
	31 Dec 2008 \$'000	30 June 2008 \$'000
Note 17 – Interest bearing liabilities		
<i>Current</i>		
<i>Secured</i>		
Lease Liabilities	520	604
Equipment finance facility ⁽²⁾	4,613	-
<i>Unsecured</i>		
Insurance premium funding	601	1,763
	5,734	2,367
<i>Non-current</i>		
<i>Secured</i>		
Lease liabilities	633	891
Equipment finance facility ⁽²⁾	14,975	-
<i>Unsecured</i>		
Convertible notes ⁽¹⁾	99,600	100,000
Convertible notes transaction costs	(2,026)	(2,321)
	113,182	98,570

Note (1): *Convertible notes* On 4 June 2007 the Company issued \$100,000,000 of convertible notes at a coupon rate of 8% per annum, payable 6 monthly in arrears. Unless previously redeemed, converted, or purchased and cancelled, the notes will mature on 4 June 2012 at 100% of their principal amount. Holders of the convertible notes are able to redeem all or some of the notes at the principal amount, together with any accrued interest, on 4 June 2010. As at the 30 June 2009 this non-current liability is likely to be reclassified to a current liability based on this option held by convertible note holders.

Note (2): *Equipment finance facility* On 13 August 2008 the Company signed a \$20,000,000 loan facility agreement with GE Commercial Finance to fund the construction and purchase of certain infrastructure assets at Gwalia. The facility is secured against the equipment financed and is repayable over 48 months. The interest rate is the 90 day bank bill rate plus an interest margin of 2.8%. Under the terms of the GE facility, there are a number of undertakings related to the performance of the Company's operations, and non-compliance with these undertakings could constitute an event of default. As at the reporting date, the Company has complied with all undertakings under the facility agreement.

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2008

Note 18 – Contributed equity

	Parent entity		Parent entity	
	31 Dec	30 June	31 Dec	30 June
	2008	2008	2008	2008
	Shares	Shares	\$'000	\$'000
Ordinary shares fully paid	1,299,322,950	1,158,423,891	420,332	366,466

Date	Details	Notes	Number of shares	Issue price (cents/ share)	\$'000
1 July 2008	Opening balance		1,158,423,891		366,466
	Plus Entitlement Offer		140,312,045	0.40	54,518
	Transaction costs arising on entitlement offer				(1,052)
	Plus Convertible Notes converted to shares		597,014	0.67	400
31 Dec 2008	Closing balance		1,299,322,950		420,332

Note 19 – Earnings Per Share (“EPS”)

	Consolidated	
	Period ended 31 Dec 2008	Period ended 31 Dec 2007
Basic earnings/(loss) per share (cents per share)	(3.21)	(1.05)
Diluted earnings/(loss) per share (cents per share)	(3.21)	(1.05)
Weighted average number of ordinary shares outstanding during the period used in calculation of basic EPS	1,285,892,375	880,046,066
Weighted average number of ordinary shares outstanding during the period used in calculation of diluted EPS	1,285,892,375	880,046,066

ST BARBARA LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2008

DIRECTORS' DECLARATION

In the directors' opinion:

- a) the financial statements and notes set out on pages 9 to 20 are in accordance with the *Corporations Act 2001*, including:
 - i) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance, as represented by the result of its operations and its cash flows, for the half-year ended on that date; and

- b) there are reasonable grounds to believe that St Barbara Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



E Eshuys
Managing Director & Chief Executive Officer

Dated at Melbourne this 24th day of February 2009



Independent auditor's review report to the members of St Barbara Limited

Report on the financial report

We have reviewed the accompanying interim financial report of St Barbara Limited, which comprises the consolidated interim balance sheet as at 31 December 2008, income statement, statement of recognised income and expense and cash flow statement for the half-year ended on that date, a description of accounting policies and other explanatory notes 1 to 19 and the directors' declaration set out on pages 9 to 21 of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of St Barbara Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of St Barbara Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Michael Bray
Partner

Melbourne

24 February 2009