

- **Strong Australian gold production and operating cash flows**
- **Gold Ridge performing to plan**    ● **Simberi underperformance being addressed**
- **Encouraging exploration drilling results from Pacific Operations**

## Executive Summary

### Operations

- > Gold production was 96,739 ounces for the September quarter (June 13 qtr: 107,363 ounces). This represents 23% of the FY14<sup>1</sup> production guidance mid-point and is consistent with the production guidance profile published in July 2013.
- > Consolidated cash operating costs<sup>2</sup> for the quarter were A\$1,102 per ounce (June 13 qtr: A\$958 / oz), with the increase on last quarter mainly due to lower production in the Pacific Operations. This was anticipated for Gold Ridge, but not for Simberi.
- > The Australian Operations continued their strong performance, producing 70,479 ounces of gold for the quarter (June 13 qtr: 77,200 ounces), including Gwalia 53,230 ounces (June 13 qtr: 64,307 ounces) and King of the Hills 17,249 ounces (June 13 qtr: 12,893 ounces).
- > At the Pacific Operations, Gold Ridge continued to improve its underlying production performance with 1.4 million (M) tonnes total material movement for the quarter (June 13 qtr: 1.2M tonnes). Gold Ridge is now 3 months into a 12 month turnaround plan. Lower gold production and consequently higher cash operating costs per ounce were in line with plan, reflecting as expected, a high proportion of waste to ore being mined in the quarter.
- > Simberi gold production of 11,741 ounces (June 13 qtr: 12,927 ounces) did not meet performance targets for the quarter. Factors impacting the shortfall were a combination of lack of access to drill and blast ore, equipment availability and reliability issues. Higher sulphide-content ore from open pit material mined reduced gold recovery and lifted processing costs per ounce.

Drill and blast permits have now been received and equipment reliability issues are being addressed.

Recommendations of an expert mining productivity group, engaged to review Simberi, are being implemented. These include a significant reduction in the Simberi cost base, initiatives to lift operating performance and completion of the commissioning of the oxide expansion. A consequence is the Simberi workforce will be reduced by approximately 135 personnel.

- > A pre-commissioning integrity audit of the new Simberi mill has determined that some rectification work is required before the mill can be commissioned, which is now expected to occur in the December 2013 quarter.

### Exploration

- > Drilling results from both Pacific Operations continue to be highly encouraging with intersections (down hole intercepts) including:

#### Pigicow, Simberi, PNG

- > SHD281                      14m @ 5.9 g/t Au from surface

#### Bekou, Simberi, PNG

- > SHD285                      65m @ 0.8 g/t Au from 9m

#### Gold Ridge, Solomon Islands

- > DGD009                      14m @ 1.7 g/t Au from 84m  
                                      38m @ 2.1 g/t Au from 156m  
                                      12m @ 1.2 g/t Au from 202m
- > DGD011                      15m @ 1.4 g/t Au from 14m  
                                      61m @ 3.8 g/t Au from 156m  
                                      59m @ 1.1 g/t Au from 326m

- > The first phase of a drilling program seeking to establish extensions to the King of the Hills deposit has been completed with significant intersections returned including:

- > KUD00695                      3m @ 117.4 g/t Au from 72m
- > KUD00699                      7m @ 12.0 g/t Au from 111m
- > KUD00711                      7m @ 19.2 g/t Au from 34m

- > Drilling programs at Simberi, Gold Ridge and King of the Hills are on-going.

### Health & Safety

- > The Company-wide Total Recordable Injury Frequency Rate (TRIFR), calculated as a rolling 12 month average continued to improve from 6.0 for the twelve months ended 30 June 2013 to 4.7 for the twelve months ended 30 September 2013.

<sup>1</sup> Financial year is 1 July to 30 June.

<sup>2</sup> Non-IFRS measure, details page 12.

## Finance

- > The closing cash position as at 30 September 2013 was A\$106 million.

## Corporate

- > Ms Ines Scotland was appointed to the Board effective 30 September 2013.

## Outlook

- > Forecast Simberi gold production for FY14 is estimated to reduce by approximately 20,000 ounces of gold, with cash operating costs anticipated to be proportionately higher for the year. Simberi FY14 capital expenditure guidance of A\$20-A\$25 million is anticipated to increase to A\$28-A\$33 million. Revised FY14 guidance for Simberi will be available once the new oxide plant has been commissioned. This is currently expected to occur during the December 2013 quarter.
- > FY14 guidance for the Australian Operations and Gold Ridge is maintained.
- > The Pacific Operations, whilst taking longer and costing more to reach steady state, remain valuable long term assets. At current spot gold prices, a net investment will continue to be made into the Pacific Operations during FY14. A higher steady state production level with lower unit costs is expected by the end of FY14.

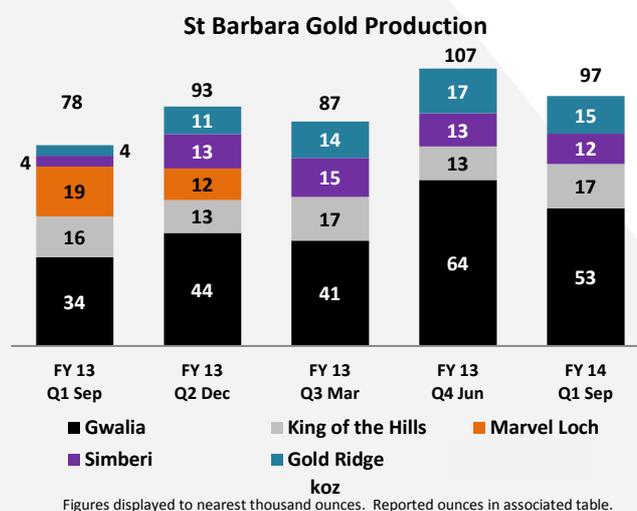


**Tim Lehany**  
Managing Director and CEO  
30 October 2013

## St Barbara Gold Production

Production Summary Consolidated		Mar Qtr FY13	Jun Qtr FY13	Sep Qtr FY14
<b>Production</b>				
Gwalia	oz	40,772	64,307	53,230
King of the Hills	oz	16,940	12,893	17,249
Gold Ridge	oz	13,984	17,236	14,519
Simberi	oz	15,122	12,927	11,741
<b>Consolidated</b>	<b>oz</b>	<b>86,818</b>	<b>107,363</b>	<b>96,739</b>
<b>Mined Grade</b>				
Gwalia	g/t	8.2	9.0	7.7
King of the Hills	g/t	4.1	4.4	4.4
Gold Ridge	g/t	1.5	1.7	1.6
Simberi	g/t	1.0	1.0	1.0
<b>Total Cash Operating Costs<sup>[1]</sup></b>				
Gwalia	\$/oz	814	661	754
King of the Hills	\$/oz	892	901	902
Gold Ridge	\$/oz	1,393	1,627	1,991
Simberi	\$/oz	1,080	1,598	1,874
<b>Consolidated</b>	<b>\$/oz</b>	<b>969</b>	<b>958</b>	<b>1,102</b>

[1] Non-IFRS measure, refer page 12.



All-In Sustaining Cost <sup>[1]</sup> September Quarter FY14 Consolidated		Gwalia	King of the Hills	Simberi	Gold Ridge	Group
Total Cash Operating Costs	\$/oz	754	902	1,874	1,991	1,102
less operating development <sup>[2]</sup>	\$/oz	(149)	(210)	-	-	(120)
<b>Adjusted Cash Operating Costs</b>	<b>\$/oz</b>	<b>605</b>	<b>692</b>	<b>1,874</b>	<b>1,991</b>	<b>982</b>
Corporate & administration	\$/oz	68	68	68	68	68
Corporate royalty	\$/oz	22	22	-	16	18
Rehabilitation <sup>[3]</sup>	\$/oz	3	16	41	60	18
Mine & operating development <sup>[2]</sup>	\$/oz	233	342	24	27	196
Sustaining capital expenditure	\$/oz	15	23	6	164	38
<b>All-In Sustaining Cost<sup>[4]</sup></b>	<b>\$/oz</b>	<b>946</b>	<b>1,163</b>	<b>2,013</b>	<b>2,326</b>	<b>1,320</b>

[1] Non-IFRS measure (refer page 12), based on gold production in the quarter.

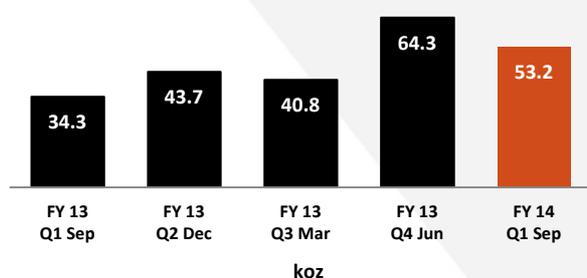
[2] Amortisation of operating development is adjusted from "Total Cash Operating Costs" in order to avoid a double count with cash expended on operating development in the period contained within the "Mine & Operating Development" line item.

[3] Rehabilitation is calculated as the amortisation of the rehabilitation provision on a straight-line basis over the estimated life of mine.

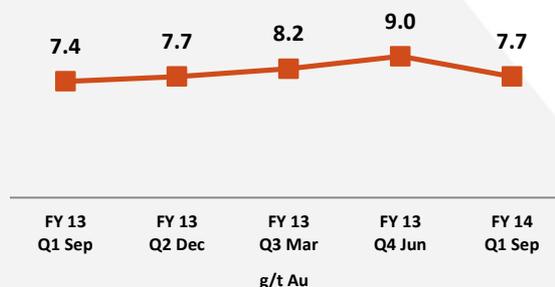
[4] The strong cash generating potential of the Gwalia mine is demonstrated by the low All-in Sustaining Cost of A\$946 per ounce. The relatively high costs for Gold Ridge and Simberi are discussed in their respective sections on pages 6 and 7 of this report.

## Gwalia, Leonora, WA

### Gwalia Gold Production



### Gwalia Mined Grade



### Operations

- > Gold production of 53,230 ounces reflected another solid quarter of production from Gwalia.
- > The grade of ore mined in the June quarter of 9.0 g/t Au included the benefit of higher grade Main Lode stopes. The grade of ore mined in the September quarter of 7.7 g/t Au did not include Main Lode material and reflected the expected grade of the stopes mined and minor ore dilution.
- > The lower grade was the main contributor to higher cash operating costs per ounce.
- > For the remaining three quarters of FY14, the mined grade is expected to be in excess of 8.0 g/t Au.
- > Mining volumes in Q2 December 2013 are anticipated to be closer to the life of mine quarterly average of approximately 180,000 tonnes of ore.
- > Processing costs and recoveries were in line with plan.
- > FY14 guidance is maintained.

Production Summary		Mar Qtr	Jun Qtr	Sep Qtr
Gwalia		FY13	FY13	FY14
Underground ore mined	kt	159	224	224
Grade	g/t	8.2	9.0	7.7
Low grade ore & stockpiles milled	kt	12	26	16
Grade	g/t	1.6	2.5	2.2
Ore milled	kt	171	247	231
Grade <sup>[1]</sup>	g/t	7.7	8.4	7.5
Recovery	%	96	96	96
<b>Gold production</b>	<b>oz</b>	<b>40,772</b>	<b>64,307</b>	<b>53,230</b>
<b>Cash Operating Costs<sup>[2]</sup></b>	<b>\$ per ounce</b>			
Mining		493	462	495
Processing		132	103	116
Site services		81	47	54
Stripping and ore inventory adjustments		73	17	58
		<b>779</b>	<b>629</b>	<b>723</b>
By-product credits		(5)	(5)	(5)
Third party refining & transport		1	1	1
Royalties		39	36	35
<b>Total cash operating costs</b>		<b>814</b>	<b>661</b>	<b>754</b>
Depreciation and amortisation		237	218	223
<b>Total operating costs</b>		<b>1,051</b>	<b>879</b>	<b>977</b>

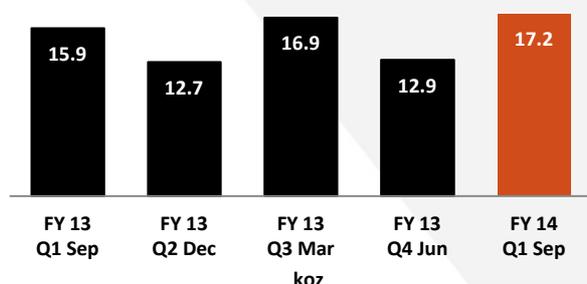
[1] Includes Gwalia mineralised waste.

[2] Non-IFRS measure, refer page 12.

[3] All-in sustaining cost shown on page 3.

## King of the Hills, Leonora, WA

### King of the Hills Gold Production



### Operations

- > Mining operations continued to perform well with 17,249 ounces of gold produced for the quarter (June: 12,893 ounces).
- > Mining sources are from the higher grade, shallower dipping Western flank of the deposit and are mined using the *cut and fill* and *room and pillar* mining methods.
- > Trials to separate the mining of ore and waste on the same mining face within areas of the mine using the room and pillar mining method have shown some success, and continue to be optimised to increase the effective mined grade and lower overall unit costs.
- > Cash operating costs of \$884 per ounce for the quarter were in line with expectations.
- > The treatment of ore from the Gwalia mine is given priority over ore mined at King of the Hills due to its higher grade and resulted in an estimated 6,000 ounces of King of the Hills ore contained in quarter end stockpiles.
- > The first phase of a drilling program, from surface and underground, seeking to extend the King of the Hills deposit further to the north, has been completed with significant drill intercepts from several zones including the Kaiser and Imperial lodes (Figures 3.1 and 3.2). The drilling program will be completed in time to allow for potential mineral resource and ore reserve estimate updates as at 30 June 2014.
- > Drilling results (down hole intercepts, refer Table 3 for details) include:
  - > KUD00695 3.0m @ 117.4 g/t Au from 72m
  - > KUD00696 2.0m @ 24.5 g/t Au from 27m
  - > KUD00697 7.8m @ 8.2 g/t Au from 125m
  - > KUD00698 4.3m @ 12.0 g/t Au from 113m
  - > KUD00699 7.0m @ 12.0 g/t Au from 111m
  - > KUD00711 7.0m @ 19.2 g/t Au from 34m

- > The drilling program will extend 200m north of current workings, over a zone 100m wide, with the results to date indicating potential resource extensions over 150m north on the Western Flank.
- > The increase in depreciation and amortisation rates per ounce reflect the current remaining life of mine based on ore reserves. Confirmation of lode extensions at depth may extend mine life and subsequently reduce depreciation and amortisation rates.
- > Guidance is maintained for FY14.

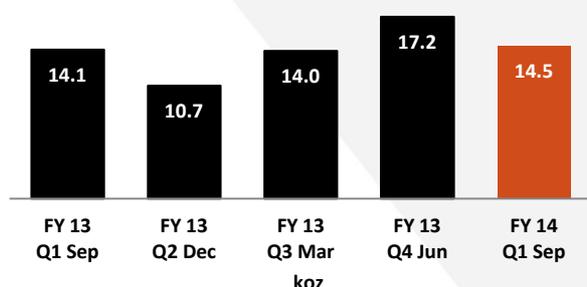
Production Summary		Mar Qtr	Jun Qtr	Sep Qtr
King of the Hills		FY13	FY13	FY14
Underground	ore kt	130	127	135
mined				
Grade	g/t	4.1	4.4	4.4
Ore milled	kt	132	98	117
Grade	g/t	4.2	4.3	4.8
Recovery	%	95	95	95
<b>Gold production</b>	<b>oz</b>	<b>16,940</b>	<b>12,893</b>	<b>17,249</b>
<b>Cash Operating Costs<sup>[1]</sup></b>		<b>\$ per ounce</b>		
Mining		642	942	720
Processing		247	207	183
Site services		61	73	50
Stripping and ore inventory adjustments		(67)	(340)	(69)
		<b>883</b>	<b>882</b>	<b>884</b>
By-product credits		(32)	(18)	(20)
Third party refining & transport		1	1	1
Royalties		40	36	37
<b>Total cash operating costs</b>		<b>892</b>	<b>901</b>	<b>902</b>
Depreciation and amortisation		350	350	449
<b>Total operating costs</b>		<b>1,242</b>	<b>1,251</b>	<b>1,351</b>

[1] Non-IFRS measure, refer page 12.

[2] All-in sustaining cost shown on page 3

## Gold Ridge, Solomon Islands

### Gold Ridge Gold Production



### Operations

- > Mining performance has lifted materially at Gold Ridge, with enhanced mine planning, grade control, and execution in accordance with mining plans.
- > A total of 1.4 million tonnes of ore and waste were mined for the quarter, a 17% increase on the 1.2 million tonnes ore and waste mined in the June 2013 quarter.
- > Maintenance practices have also improved with greater fleet and fixed plant reliability evident. These are the building blocks of a reliable lower cost operation.
- > The September quarter was always expected to be a low gold production quarter at Gold Ridge, given the mining schedule, the recovery characteristics of the blocks of ore available for processing, waste removal to access ore from the Kupers deposit and the commencement of waste stripping to prepare the Dawson open pit for mining for the second half of FY14.
- > These factors led to the high cash operating costs for the quarter, but are in line with plan.
- > Planned improvements to the processing circuit during Q2 December 2013 include the installation of a new 'grizzly' in the crushing circuit, and a new screen in the gravity circuit to increase the recovery of free gold currently going through to tailings.
- > Consistent with guidance we expect to see gold production lift significantly in the December quarter. We also expect to see gold recovery lift with better quality ore and improvements to the processing circuit.
- > Test work on Gold Ridge ore, aimed at further improving gold recovery, is progressing in line with schedule and results are expected by December 2013. Whilst initial results are encouraging, more work is required to determine the economics of the proposed solution.

Production Summary		Mar Qtr	Jun Qtr	Sep Qtr
Gold Ridge		FY13	FY13	FY14
Ore mined	kt	470	501	431
Grade	g/t	1.5	1.7	1.6
Ore milled	kt	452	471	476
Grade	g/t	1.6	1.7	1.6
Recovery	%	61	67	60
<b>Gold production</b>	<b>oz</b>	<b>13,984</b>	<b>17,236</b>	<b>14,519</b>
<b>Cash Operating Costs<sup>[1]</sup></b>		\$ per ounce		
Mining		282	379	596
Processing		766	657	948
Site services		411	391	410
Stripping and ore inventory adjustments		(88)	154	(8)
		<b>1,371</b>	<b>1,581</b>	<b>1,946</b>
By-product credits		(16)	(9)	(9)
Third party refining & transport		2	8	7
Royalties		36	47	47
<b>Total cash operating costs</b>		<b>1,393</b>	<b>1,627</b>	<b>1,991</b>
Depreciation and amortisation		381	381	244
<b>Total operating costs</b>		<b>1,774</b>	<b>2,008</b>	<b>2,235</b>

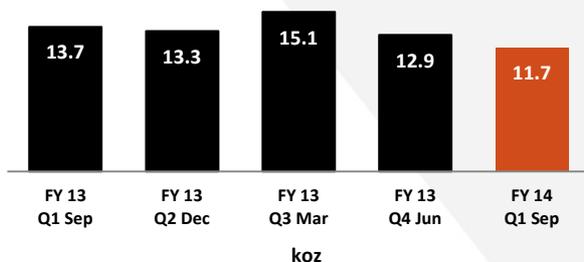
[1] Non-IFRS measure, refer page 12.

[2] All-in sustaining cost shown on page 3.

- > Depreciation and amortisation reduced from \$381/oz in the June 2013 quarter to \$244/oz in this quarter following the reduction in carrying value of Gold Ridge assets at 30 June 2013.
- > Guidance is maintained for FY14.

## Simberi, Papua New Guinea

### Simberi Gold Production



### Operations

#### Quarterly Performance

- > Production for the quarter of 11,741 ounces of gold was significantly below plan.
- > Both mining and processing rates continued to be impacted by poor equipment reliability and availability.
- > Mines department approval to commence drilling and blasting in open pit mining operations was received during the quarter and will enable more efficient and cost effective mining practices going forward.
- > Recovery for the quarter was impacted by some sulphide ores mined in the quarter. A study to identify the optimal treatment of the substantial sulphide ore reserves at Simberi has commenced.
- > All these factors contributed to higher cash operating costs of A\$1,874 per ounce (June 13 qtr: A\$1,598 /oz).
- > Depreciation and amortisation reduced from \$319/oz in the June 13 quarter to \$205/oz in this quarter following the reduction in carrying value of Simberi assets at 30 June 2013.

#### Oxide plant expansion

- > A recently conducted pre-commissioning integrity audit of the new oxide processing circuit has determined that civil and mechanical construction work is to standard, but some of the high voltage electrical installation is sub-standard and requires rectification before the mill can be commissioned.
- > Further work is also required to complete the tailings thickener and detoxification unit.
- > The original project design and construct contractor has been replaced.

- > The mill is now expected to be turning by mid-November 2013, and will commence operating at an initial throughput rate of 2.0 Mtpa. Operational performance will be consolidated at this level on a reduced cost base prior to commencing a ramp up to the new nameplate capacity of 3.5 Mtpa.

#### Productivity and cost review

- > Virtual Consulting International, engaged in August 2013 to review operational productivity at Simberi, is working with Management to implement a number of productivity recommendations, including an immediate and significant reduction in Simberi's cost base.
- > This includes a reduction in the Simberi workforce of approximately 135 employees to 535 to run the operation at 2.0 Mtpa. The workforce previously estimated at 835 to run a 3.5 Mtpa operation is now estimated at 600.
- > Arrangements are being made in the December 2013 quarter to replace some key components of the ageing mining fleet, as well as purchasing replacement and additional mining vehicles.

#### Outlook

- > Forecast gold production for FY14 is estimated to reduce by approximately 20,000 ounces of gold, with unit cash operating costs anticipated to be proportionately higher for the year.
- > FY14 capital expenditure guidance of A\$20-A\$25 million is anticipated to increase to A\$28-A\$33 million.
- > Detailed FY14 guidance will be updated following commissioning of the new oxide plant expansion. This is currently expected to occur during the December 2013 quarter.

## Simberi, Papua New Guinea

<b>Production Summary</b>		<b>Mar Qtr</b>	<b>Jun Qtr</b>	<b>Sep Qtr</b>
<b>Simberi</b>		<b>FY13</b>	<b>FY13</b>	<b>FY14</b>
Ore mined	kt	621	561	513
Grade	g/t	1.0	1.0	1.0
Ore milled	kt	485	414	459
Grade	g/t	1.1	1.1	0.9
Recovery	%	89	87	83
<b>Gold production</b>	<b>oz</b>	<b>15,122</b>	<b>12,927</b>	<b>11,741</b>
<b>Cash Operating Costs<sup>[1]</sup></b>		<b>\$ per ounce</b>		
Mining		339	460	562
Processing		499	641	731
Site services		355	581	706
Stripping and ore inventory adjustments		(154)	(130)	(168)
		<b>1,039</b>	<b>1,552</b>	<b>1,831</b>
By-product credits		(2)	(3)	(5)
Third party refining & transport		11	11	15
Royalties		32	38	33
<b>Total cash operating costs</b>		<b>1,080</b>	<b>1,598</b>	<b>1,874</b>
Depreciation and amortisation		319	319	205
<b>Total operating costs</b>		<b>1,399</b>	<b>1,917</b>	<b>2,079</b>

[1] Non-IFRS measure, refer page 12.

[2] All-in sustaining cost shown on page 3.

## Discovery and Growth

- > In the September quarter drilling continued at Simberi and Gold Ridge in the South West Pacific on a number of highly prospective near-mine targets, as well as in the Leonora region of Western Australia.

### Simberi, Tatau & Tabar Islands, Papua New Guinea (EL 609)

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(Figure 1.0)

- > On Simberi Island, the exploration program is focussed on identifying additional oxide resources as potential oxide ore feed sources and to extend mine life. Higher grade gold oxide targets include the Botlu-Pigicow-Bekou area, located 2.5km South West of the current Sorowar oxide open pit (refer to Figure 1.1).
- > An overall framework has been established for determining the structural distribution of higher grade gold oxide mineralisation on Simberi, and to prioritise targets for further work. The program of trench sampling and drilling continued on near-mine gold prospects to define oxide targets at Botlu, Pigicow, Bekou, and Samat prospects. Diamond drilling also continued on Tatau Island at Mt Tiro and surrounding areas.
- > Several significant intercepts include (all down-hole intercepts refer Table 1 for details):

#### Botlu, Simberi:

- > SDH271: 11m @ 1.4 g/t Au from 19m, and  
12m @ 3.2 g/t Au from 95m
- > SDH275: 9m @ 2.5 g/t Au from 38m, including  
4m @ 4.2 g/t Au from 43m
- > Trench results returned intercepts of 24m @ 1.7 g/t Au, including 14m @ 2.2 g/t Au

#### Pigicow, Simberi:

- > SDH277: 12m @ 1.7 g/t Au from 10m, including  
5m @ 3.0 g/t Au, and  
10m @ 5.4 g/t Au from 28m, including  
4m @ 10.1 g/t Au  
9m @ 2.8 g/t Au from 44m, including  
3m @ 5.6 g/t Au
- > SDH280: 5m @ 1.2 g/t Au from surface
- > SDH281: 14m @ 5.9 g/t Au from surface

#### Bekou, Simberi:

- > SDH284: 10m @ 0.9 g/t Au from 9m
- > SDH285: 65m @ 0.8 g/t Au from 9m
- > Elsewhere within Exploration Licence (EL) 609, exploration continued on epithermal gold vein prospects located on Tatau Island, south of Simberi Island (Figure 1.0)

#### Mt Tiro, Tatau: Several significant intercepts include:

- > TTD041: 14m @ 0.9 g/t Au from 156m, including  
3m @ 1.4 g/t Au
- > TTD042: 4m @ 3.0 g/t Au from 156m
- > TTD043: 6m @ 3.5 g/t Au from surface, and  
7m @ 2.2 g/t Au from 36m
- > The aim of the drilling on Tatau is to define a broad WNW trending mineralised structure, with potential for a shallower gold oxide resource. Drilling is continuing along strike on this zone, and on other nearby prospects into the December 2013 quarter, with the specific aim of defining near-surface gold oxide mineralisation related to the structure. The wider exploration program on Tatau continued aimed at locating higher grade epithermal gold deposits, which included drilling of a number of deeper holes testing geophysical targets for which results are awaited.

### Gold Ridge, Guadalcanal Island, Solomon Islands

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(Figure 2.0)

- > At Gold Ridge, exploration has continued to focus on drilling to determine the limits of gold mineralisation in the Charivunga zone, which is thought to be related to a major NNE trending set of structures controlling higher grade gold mineralisation, central to the Gold Ridge open pit mines (refer Figure 2.1).
- > Drilling results continue to indicate that Charivunga is potentially a large mineralised system of earlier low grade gold mineralisation over-printed by a series of later high grade veins and faults, as indicated by the encouraging intercepts below, including (all down-hole intercepts refer Table 2 for details):
- > DGD009: 14m @ 1.7g/t Au from 84m, and  
38m @ 2.1g/t Au from 156m
- > DGD010: 3m @ 8.1g/t Au from 163m, including  
2m @ 11.8g/t Au

- > DGD011: 15m @ 1.4g/t Au from 14m, and  
20m @ 2.0g/t Au from 128m, including  
4m @ 3.8g/t Au  
61m @ 3.8g/t Au from 156m, including  
18m @ 9.7g/t Au, and  
59m @ 1.1g/t Au from 326m
- > DGD012: 2m @ 2.5g/t Au from 196m
- > DGD019 16m @ 1.7 g/t Au from 13m, including  
4m @ 3.9 g/t Au
- > Elsewhere at Gold Ridge, near-mine geochemical surveys have been resumed and negotiations are nearing completion with landowners to finalise surface access agreements and permit exploration to be extended from the Mining Lease into the surrounding SPL 194. These negotiations are conducted under a Letter of Intent, which has been renewed by the Government to September 2014.

## Australia

### Leonora Region, WA

- > During the September quarter a number of targets were tested with drilling and soil sampling;
- > **Leonora tenements** (Figure 3.0): Near-mine drilling around the Gwalia Mine continued at **Raeside** and at **Sullivans Creek** prospects, with only low grade results intercepted this quarter. Drilling will continue on near-mine targets into the Tarmoola area in the December 2013 quarter.

### Other Areas

- > In the **Gawler province**, South Australia, a first-phase program of geophysical ground gravity survey was completed over the **Billa Kalina** prospect, located east of Coober Pedy, with results expected to be available during the December quarter.
- > Further work on the **Nyngan** tenements, located within the East Lachlan province, NSW, has been deferred.

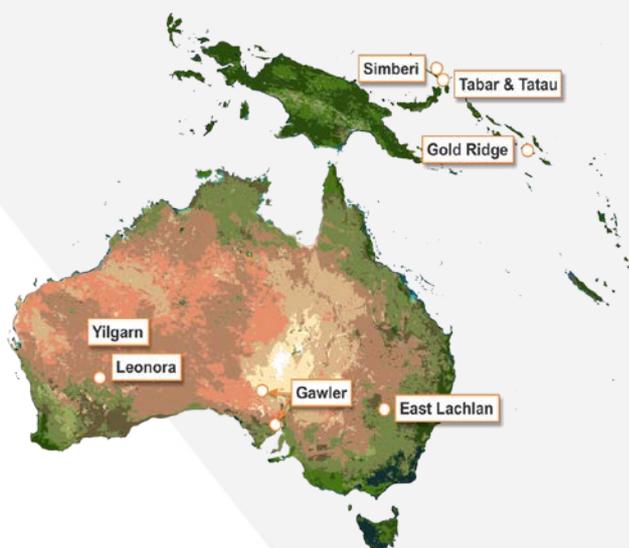
### Expenditure (unaudited)

- > All expenditure on mineral exploration for the September 2013 quarter was expensed:

Australia	A\$2.5 million
South West Pacific	A\$4.8 million

### December 2013 Quarter

- > Exploration in the December 2013 quarter will be largely focused on:
  - > Continuing to drill near-mine gold oxide targets on Simberi Island and Tatau Island;
  - > Drilling the Charivunga zone and other near-mine targets at Gold Ridge;
  - > Commencing drilling programs on targets near Gwalia and King of the Hills Mines; and
  - > Commencing drilling on targets in the Gawler Block, South Australia.
- > The map below shows current and planned target areas for the December 2013 quarter.



## Health & Safety

- > The Company-wide Total Recordable Injury Frequency Rate (TRIFR), calculated as a rolling 12 month average continued to improve from 6.0 for the twelve months ended 30 June 2013 to 4.7 for the twelve months ended 30 September 2013.

## Financials (unaudited)

- > 96,811 ounces of gold were sold in the September quarter, at an average realised gold price of A\$1,459 per ounce (June quarter A\$1,566 per ounce).
- > Cash at bank at 30 September 2013 was A\$106 million, plus \$A3 million gold in receivables. Cash movements for the September 2013 quarter are summarised in the following table:

Cash balance	\$M
Cash balance 30 June 2013	129
Net interest and finance costs	(3)
Gold loan repayments	(11)
Leonora – operating cash flow <sup>[1]</sup>	35
Pacific Ops – operating cash flow <sup>[1]</sup>	(14)
– project capex	(10)
Corporate costs	(7)
Corporate royalties	(2)
Working capital movement	(12)
Exploration	(8)
KoTH hedge proceeds	9
<b>Closing cash balance 30 September 2013</b>	<b>106</b>

- > The negative working capital movement in the quarter is primarily due to payments of project capex accrued at 30 June 2013.
- > Total interest bearing liabilities at 30 September 2013 of A\$331 million included the Senior Secured Notes of US\$250 million and the Red Kite gold loan of A\$47 million.
- > All In Sustaining Costs have been calculated, as set out on page 3 of this report.

## Corporate

- > Ms Ines Scotland was appointed a Non-Executive Director commencing as of 30 September 2013, and has joined the Health, Safety, Environment and Community (“HSEC”) and Remuneration Committees of the Board. Mr Wise has stepped down as a member of the HSEC Committee.
- > The 2013 Annual Report and Notice of Annual General Meeting was released on 18 October 2013 and is available on the Company’s website at [www.stbarbara.com.au](http://www.stbarbara.com.au)
- > The 2013 Annual General Meeting of shareholders will be held at 11:00am Melbourne time on Tuesday 26 November 2013 at the State Library of Victoria.

## Capital at 30 September 2013

### Issued shares

Opening balance 30 June 2013	488,074,077
Share movement	-
Closing balance 30 September 2013	<b>488,074,077</b>

### Unlisted performance rights

Opening balance 30 June 2013	3,011,343
Issued	-
Lapsed	-
Closing balance 30 September 2013	<b>3,011,343</b>

## ASX & ADR

The Company’s shares are listed on ASX (SBM) and through American Depositary Receipts (ADR) traded in the USA.

## Senior Secured Notes

Issue	US\$250 million
Closing bid at 30 September 2013	US\$ 0.885
Coupon	8.875% p.a.
Redemption date	15 April 2018
S&P rating	B
Moody’s rating	B2

[1] Net of sustaining capex.

## Scheduled Future Reporting

<u>Date</u>	<u>Report</u>
26 Nov 2013	Annual General Meeting, Melbourne (details in ASX announcement 18 Oct 2013)
22 Jan 2013	December 2013 Quarterly Report

## 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. 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 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).

## Competent Persons Statement

### Exploration Results

- > The information in this report that relates to Exploration Results is based on information compiled by Mr Phillip Uttley, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Uttley is a full-time employee of St Barbara Ltd 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 Uttley 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 2013' released to the Australian Securities Exchange (ASX) on 22 August 2013 and available to view at [www.stbarbara.com.au](http://www.stbarbara.com.au) and for which Competent Person's consents were obtained. The Competent Person's consents 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 22 August 2013 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.
- > Full details are contained in the ASX release dated 22 August 2013 'Ore Reserves and Mineral Resources Statements 30 June 2013' available at [www.stbarbara.com.au](http://www.stbarbara.com.au).

## Corporate Directory

### St Barbara Limited

ABN 36 009 165 066

### Board of Directors

Colin Wise .....	Non-Executive Chairman
Tim Lehany .....	Managing Director & CEO
Doug Bailey .....	Non-Executive Director
Betsy Donaghey .....	Non-Executive Director
Phil Lockyer .....	Non-Executive Director
Robert Rae .....	Non-Executive Director
Ines Scotland .....	Non-Executive Director

### Executive Team

Tim Lehany .....	Managing Director & CEO
Garth Campbell-Cowan .....	Chief Financial Officer
Alistair Croll .....	Chief Operating Officer
Ross Kennedy .....	EGM Corporate Services
Katie-Jeyn Romeyn .....	EGM Human Resources
Phil Uttley .....	EGM Discovery & Growth

### Registered Office

Level 10, 432 St Kilda Road

Melbourne Victoria 3004 Australia

Telephone +61 3 8660 1900

Facsimile +61 3 8660 1999

Email [melbourne@stbarbara.com.au](mailto:melbourne@stbarbara.com.au)

Website [www.stbarbara.com.au](http://www.stbarbara.com.au)

Substantial Shareholders	% of Holdings <sup>1</sup>
M&G Investment Management Ltd <sup>2</sup>	19.1%
Baker Steel Capital Managers	6.8%
Franklin Resources Inc	6.7%
Van Eck Associates Corporation	5.6%

1. % as notified by the substantial shareholders to 30 September 2013.
2. M&G Group's interest includes shares also disclosed by Vanguard Precious Metals & Mining Fund.

## 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](http://www-au.computershare.com/investor)

### Investor Relations Contacts

Ross Kennedy +61 3 8660 1903

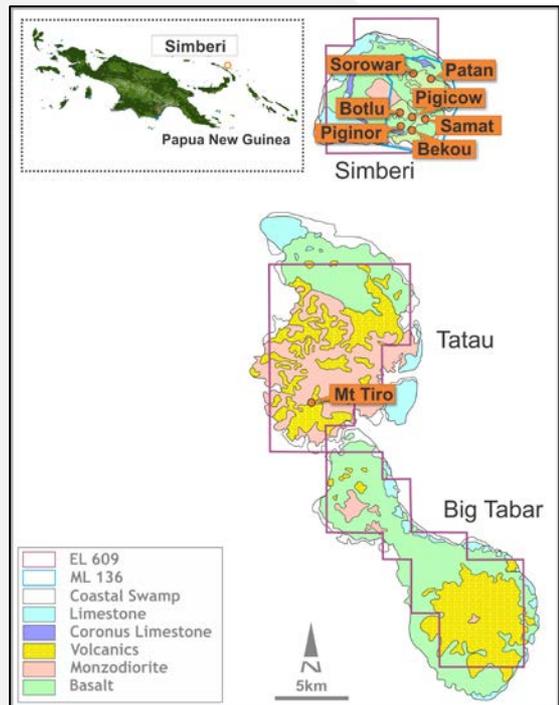
Rowan Cole +61 3 8660 1914

Australian Securities Exchange (ASX) Listing code "SBM"

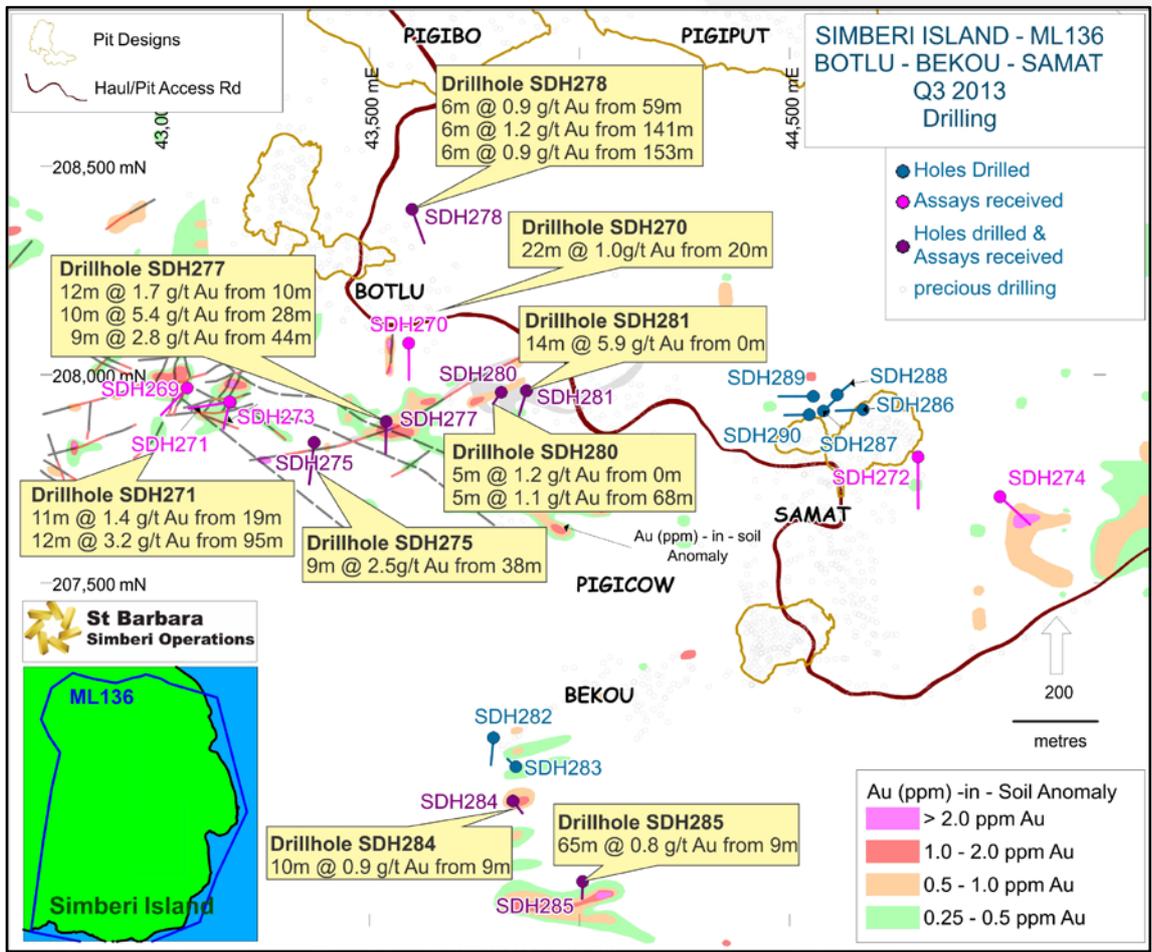
American Depositary Receipts (ADR) – through The Bank of New York Mellon, [www.adrbnymellon.com](http://www.adrbnymellon.com)

Financial figures are in Australian dollars.

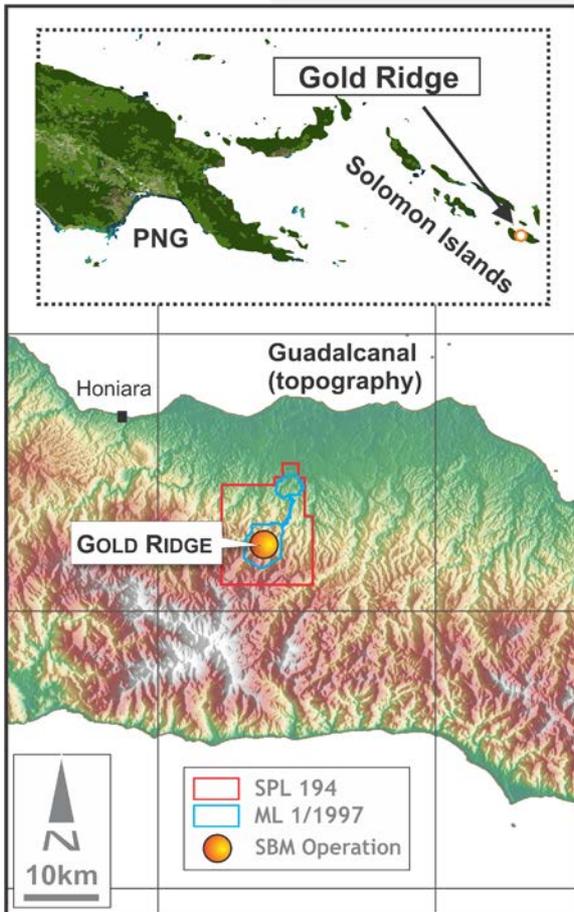
**Figure 1.0 Tabar Islands (inc. Simberi) location map Papua New Guinea**



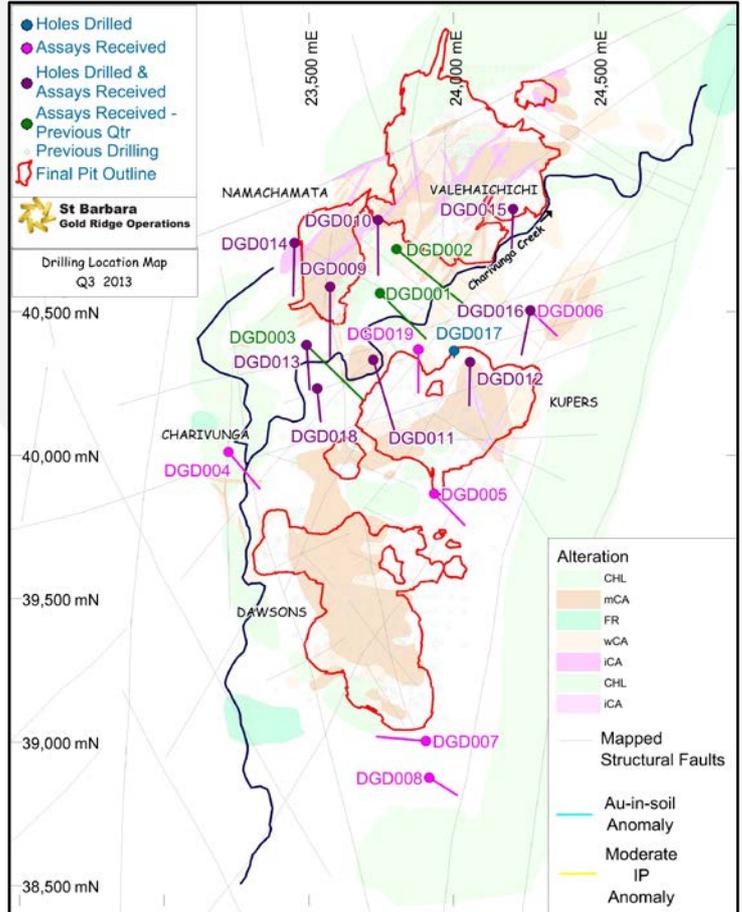
**Figure 1.1 Simberi Drill Hole location map, Papua New Guinea**



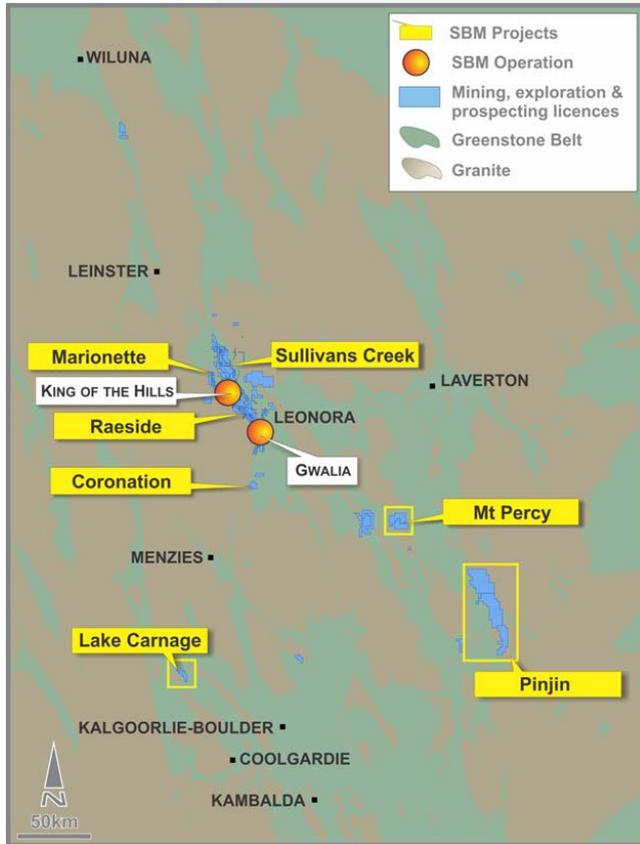
**Figure 2.0 Gold Ridge location map  
Solomon Islands**



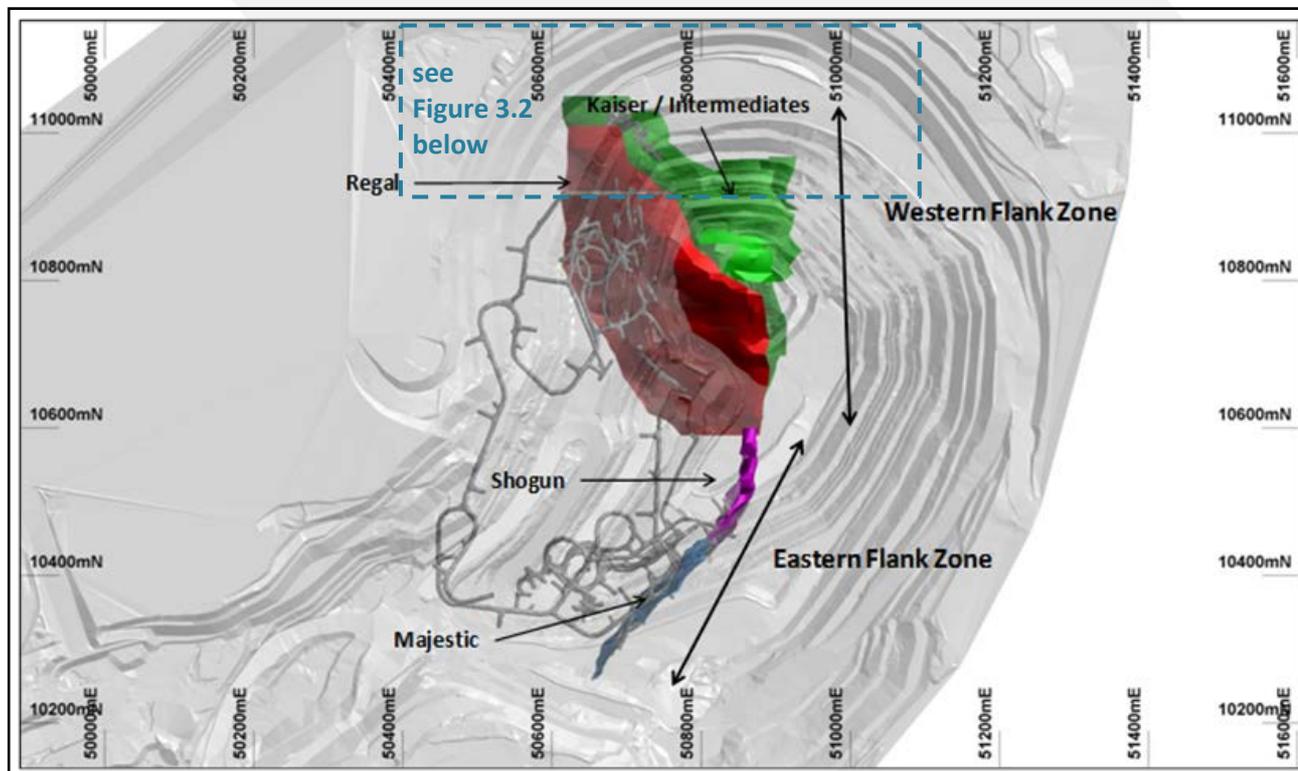
**Figure 2.1 Gold Ridge Drill Hole location map  
Solomon Islands**



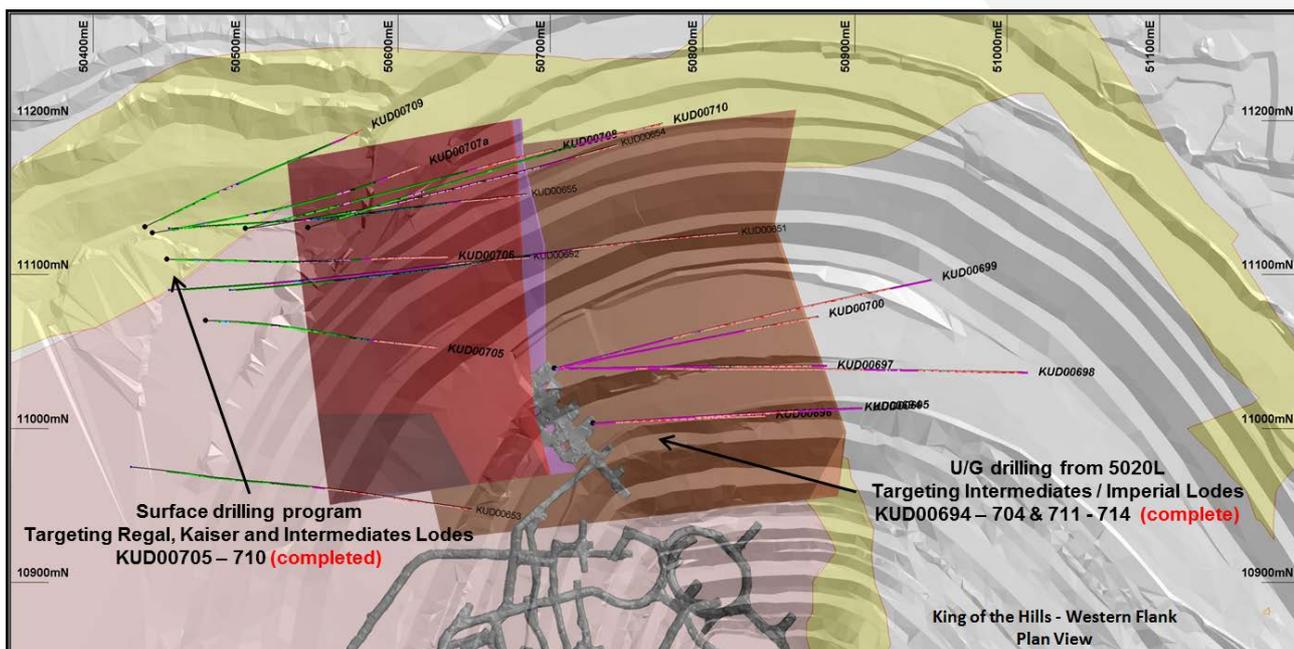
**Figure 3.0 Leonora Region  
Western Australia**



**Figure 3.1 King of the Hills – lode geometry (plan view)  
Western Australia**



**Figure 3.2 King of the Hills – drill hole paths (plan view)  
Western Australia**



**Table 1: Significant Intercepts - Simberi, Tabar & Tatau Islands, Papua New Guinea**

Hole No	North	East	RL	Dip/ Azimuth	Total Depth	Vertical Depth mbs	Lode	Down-hole Mineralised Intersection		
								From m	Length m	Gold grade g/t Au
<b>Simberi Island, Papua New Guinea</b>										
<b>SDH269 (Botlu)</b>	207968	43067	119.8	-61 / 224	180.0			No significant assays		
<b>SDH270 (Pigicow)</b>	208075	43594	205.9	-66 / 180	210.1			20	22	1.0
<i>including</i>								30	3	1.8
								140	7	3.4
<i>including</i>								145	1	11.4
<b>SDH271 (Botlu)</b>	207934	43170	140.6	-59 / 261	198.0			19	11	1.4
<i>including</i>								21	4	2.3
								94	22	1.9
<i>including</i>								95	12	3.2
<i>including</i>								102	4	5.7
<i>including</i>								102	2	9.2
<i>including</i>								102	1	12.8
<b>SDH272 (Samat)</b>	207803	44805	105.9	-54 / 180	255.5			4	12	0.5
<b>SDH273 (Botlu)</b>	207935	43168	140.6	-61 / 193	136.1			No significant assays		
<b>SDH274 (Samat)</b>	207707	45000	59.1	-56 / 133	198.0			No significant assays		
<b>SDH275 (Botlu)</b>	207838	43369	109.0	-61 / 187	207.0			15	9	0.5
								38	9	2.5
<i>including</i>								39	8	2.7
<i>including</i>								43	4	4.2
<i>including</i>								45	2	5.5
<b>SDH277 (Pigicow)</b>	207888	43540	152.8	-61 / 181	156.0			10	12	1.7
<i>including</i>								14	5	3.0
<i>including</i>								18	1	5.3
								28	10	5.4
<i>including</i>								29	1	6.2
<i>and</i>								34	4	10.1
<i>including</i>								34	2	16.0
								44	9	2.8

Hole No	North	East	RL	Dip/ Azimuth	Total Depth	Vertical Depth mbs	Lode	Down-hole Mineralised Intersection		
								From m	Length M	Gold grade g/t Au
<b>Simberi Island, Papua New Guinea cont'd</b>										
<b>SDH277 cont'd</b>										
<i>including</i>								44	3	5.6
<i>including</i>								45	2	6.7
<b>SDH278 (Botlu)</b>	208396	43602	188.4	-61 / 160	176.6			59	6	0.9
								141	6	1.2
								153	6	0.9
<b>SDH280 (Pigicow)</b>	207958	43814	151.0	-66 / 215	80.6			0	5	1.2
								68	5	1.1
<b>SDH281 (Pigicow)</b>	207961	43874	180.7	-55 / 197	106.4			0	14	5.9
<i>including</i>								0	13	6.1
<i>including</i>								2	11	6.8
<i>including</i>								12	1	11.1
								37	11	1.1
<b>SDH284 (Bekou)</b>	206978	43842	37.4	-57 / 143	67.1			9	10	0.9
<b>SDH285 (Bekou)</b>	206785	44008	35.7	-56 / 183	74.0			9	65	0.8
<i>including</i>								9	13	1.1
<i>including</i>								9	4	1.5
<i>and</i>								15	4	1.6
<i>and</i>								31	15	1.0
<i>including</i>								38	7	1.5
<i>including</i>								62	12	0.9
<b>Tatau Island, Papua New Guinea</b>										
<b>TTD036 (Mt Tiro)</b>	188182	37104	302	-56 / 173	30.2			No significant assays		
<b>TTD037 (Mt Tiro)</b>	188127	37109	302	-56 / 147	38.8			No significant assays		
<b>TTD038 (Mt Tiro)</b>	188069	37239	291	-56 / 149	30.4			No significant assays		
<b>TTD039 (Mt Tiro)</b>	188016	37344	292	-57 / 150	34.2			No significant assays		
<b>TTD040 (Mt Tiro)</b>	188128	36998	317	-57 / 148	39.1			No significant assays		
<b>TTD041 (Mt Tiro)</b>	188337	37107	314	-61 / 048	239.8			156	14	0.9
<i>including</i>								158	3	1.4
<b>TTD042 (Mt Tiro)</b>	188445	37103	303	-60 / 132	248.8			0	4	1.1

Hole No	North	East	RL	Dip/ Azimuth	Total Depth	Vertica l Depth  mbs	Lode	Down-hole Mineralised Intersection		
								From m	Length M	Gold grade g/t Au
<b>Tatau Island, Papua New Guinea cont'd</b>										
<b>TTD042 cont'd</b>								156	7	1.9
<i>including</i>								156	4	3.0
<i>including</i>								159	1	7.3
<b>TTD043 (Mt Tiro)</b>	187952	37292	285	-60 / 146	250.3			0	6	3.5
<i>including</i>								0	4	4.9
<i>including</i>								3	1	5.8
								36	7	2.2
<i>including</i>								41	2	6.3
<i>including</i>								41	1	8.5
								165	2	5.9
<i>including</i>								165	1	11.3

**NOTE:**

Down hole intercepts are determined using a cut-off of 0.5 g/t Au with up to 5m of internal dilution. No high grade cut is applied. The reported intercepts are all down hole lengths.

**Table 2: Significant Intercepts - Gold Ridge, Solomon Islands**

Hole No	North	East	RL	Dip/ Azimuth	Total Depth	Vertical Depth mbs	Lode	Down-hole Mineralised Intersection		
								From m	Length m	Gold grade g/t Au
<b>Gold Ridge, Solomon Islands</b>										
DGD004	40011	23223	456.5	-60 / 140	335.5			No significant assays		
DGD005	39866	23933	517.6	-60 / 136	302.5			No significant assays		
DGD006	40505	24265	401.2	-60 / 134	254.5			No significant assays		
DGD007	39004	23905	596.7	-61 / 275	314.5			No significant assays		
DGD008	38876	23916	575.8	-60 / 122	228.9			No significant assays		
DGD009	40588	23573	423.9	-60 / 180	503.1			21	6	0.9
								84	14	1.7
	including							91	4	2.6
	including							93	1	7.0
								156	38	2.1
	including							174	6	1.7
	and							193	1	47.6
								202	12	1.2
	including							207	4	2.0
DGD010	40820	23739	392.4	-60 / 180	377.5			163	3	8.1
	including							163	2	11.8
	including							163	1	20.9
								172	1	6.7
								373	1	5.8
DGD011	40332	23723	380.3	-59 / 164	494.7			10	1	7.3
								14	15	1.4
	including							15	2	2.8
								48	1	66.8
								73	2	3.6
	including							73	1	6.7
								108	1	14.5
								128	20	2.0
	including							132	4	3.8

Hole No	North	East	RL	Dip/ Azimuth	Total Depth	Vertical Depth mbs	Lode	Down-hole Mineralised Intersection		
								From m	Length m	Gold grade g/t Au
<b>Gold Ridge, Solomon Islands</b>										
<b>DGD0011 (cont'd)</b>								156	61	3.8
<i>including</i>								156	1	14.9
<i>and</i>								166	18	9.7
<i>including</i>								169	1	7.6
<i>and</i>								173	2	19.1
<i>including</i>								174	1	29.8
<i>and</i>								182	1	91.0
<i>and</i>								200	1	6.4
								245	5	1.3
								326	59	1.1
<i>including</i>								351	2	3.0
<i>and</i>								361	2	2.7
								416	22	0.7
								433	5	1.3
								480	3	1.8
<b>DGD012</b>	40325	24057	461.1	-60 / 181	302.5			196	2	2.5
<b>DGD013</b>	40384	23493	434.3	-60 / 176	314.5			29	2	2.5
<b>DGD014</b>	40740	23450	482.7	-60 / 181	362.5			148	2	4.0
<i>including</i>								149	1	6.9
								315	7	3.7
<i>including</i>								315	2	4.0
<i>and</i>								321	1	15.0
<b>DGD015</b>	40858	24206	317.2	-59/182	263.5			52	11	1.4
<b>DGD016</b>	40507	24271	401.5	-60/191	317.5			No significant assays		
<b>DGD018</b>	23529	40233	446.4	-60/174	299.7			62	2	2.5
								231	1	9.4
<b>DGD019</b>	23854	40341	386.0	-60/173	48.6			13	16	1.7
<i>including</i>								22	7	2.8
<i>including</i>								25	4	3.9
								34	9	0.9

NOTE:

Down hole intercepts are determined using a cut-off of 0.5 g/t Au with up to 5m of internal dilution. No high grade cut is applied. The reported intercepts are all down hole lengths.

**Table 3: Significant Intercepts - King of the Hills, Western Australia**

Hole No	North	East	RL	Dip/ Azimuth	Total Depth	Vertical Depth mbs	Lode	Down-hole Mineralised Intersection		
								From m	Length m	Gold grade g/t Au
<b>King of the Hills, Leonora</b>										
KUD00694	11010	50839	4981.0	-20 / 087	182.5	319		116.1	3.7	4.9
KUD00695	11008	50793	4987.0	-28 / 087	200.5	313		72	3.0	117.4
KUD00695	11012	50868	4947.3	-28 / 087	200.5	353		156.8	3.0	9.9
KUD00696	11005	50750	5002.7	-39 / 087	146.0	297		27.0	2.0	24.5
KUD00696	11006	50768	4988.0	-39 / 087	146.0	312		49.7	2.9	5.1
KUD00696	11007	50807	4955.6	-39 / 088	146.0	344		101.0	2.3	7.5
KUD00697	11041	50821	4969.1	-24 / 090	195.8	331		125.3	7.8	8.2
KUD00698	11039	50800	4958.4	-32 / 090	371.3	342		112.9	4.3	12.0
KUD00698	11038	50931	4873.8	-34 / 091	371.3	426		269.9	3.1	4.7
KUD00699	11057	50772	4975.9	-32 / 076	296.3	324		83.5	1.8	14.4
KUD00699	11063	50797	4960.8	-30 / 077	296.3	339		110.6	7.0	12.0
KUD00699	11077	50856	4925.3	-30 / 077	296.3	375		181.9	5.1	4.7
KUD00700	11064	50828	4963.8	-25 / 079	194.3	336		138.9	1.9	19.6
KUD00703	11039	50790	4934.1	-45 / 090	138.5	366	IMP	122.0	2.1	13.9
KUD00704	11042	50710	5011.4	-50 / 066	141.4	289		10.8	2.4	4.9
KUD00705	11055	50569	5062.6	-71 / 109	415.1	237		255.6	3.5	22.8
KUD00705	11052	50598	4978.8	-70 / 111	415.1	321	KSR	345.2	1.8	4.4
KUD00706	11112	50617	4920.6	-68 / 089	456.9	379		414	3.9	5.6
KUD00707A	11158	50577	5019.2	-66 / 071	410.3	281		312.6	1.8	6.1
KUD00707A	11164	50594	4978.6	-66 / 070	410.3	321	KSR	355.6	4.8	9.1
KUD00709	11176	50535	5054.0	-67 / 067	389.3	246		269.3	4.7	6.8
KUD00710	11190	50762	4917.6	-60 / 076	471.9	282	IMP	445.2	2.5	4.0
KUD00711	10983	50674	5018.7	-28 / 302	77.4	281	KDM	5.7	4.2	8.8
KUD00711	10997	50652	5005.3	-27 / 303	77.4	295	KSR	33.8	7.0	19.2

**NOTE:**

Down hole intercepts are determined using a cut-off of 1 g/t Au with up to 2m of internal dilution. No high grade cut is applied. The reported intercepts are all down hole lengths. Lode nomenclature is IMP (Imperial), KSR (Kaiser) and KDM (Kingdom).