St Barbara LIMITED

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FY19 gold production and Atlantic Gold acquisition update

- **Q4 June 2019 consolidated gold production of 86,197 ounces**
- **FY19 consolidated gold production of 362,346 ounces**

St Barbara Limited (ASX:SBM) (the "Company") provides the following production update for the June 2019 quarter (Q4 FY19) and full year FY19.

FY19 consolidated gold production was 362,346 ounces, consistent with revised guidance of 360,000 ounces[1].

Gwalia produced 49,966 ounces of gold in the quarter and 220,169 ounces for the full year. In Q4, 161 kt of ore was milled at an average grade of 9.9 g/t Au.

Simberi produced a near-record 36,231 ounces of gold in the quarter and a record 142,177 ounces for the full year, the fifth consecutive annual production record. The record production was attributable to a combination of record recovery (87.4%) and higher grade ore mined in a 'supergene enriched'[2] zone adjacent to the sulphide/oxide boundary (including some ore mined from outside the pit shell) in the Sorowar South pit, with an average milled grade of 1.64 g/t Au for the year.

Total cash at bank and term deposits was A$890 million[3] at 30 June 2019 (31 March 2019: A$382 million), including $480 million net proceeds from the Entitlement Offer announced on 15 May 2019. A$779 million of the cash balance is earmarked for settlement of the Atlantic Gold acquisition later in July 2019. St Barbara retains a A$200 million three year revolving debt facility, which is undrawn.

Further commentary on operations will be provided in the Q4 June 2019 quarterly report scheduled to be released on 24 July 2019, including production costs, cash flow details, FY20 guidance for Gwalia and Simberi and an update on the anticipated conclusion of the Company's acquisition of Atlantic Gold.

Production Summary		Year FY18	Q1 Sep FY19	Q2 Dec FY19	Q3 Mar FY19	Q4 Jun FY19	Full Year FY19	Guidance FY19[1]
Production								
Gwalia	oz	268,428	62,685	53,257	54,261	49,966	220,169	220 koz
Simberi	oz	134,661	35,862	35,987	34,097	36,231	142,177	140 koz
Consolidated	oz	**403,089**	**98,547**	**89,244**	**88,358**	**86,197**	**362,346**	**360 koz**
Milled Grade								Reserve grade[4]
Gwalia	g/t	12.0	11.8	9.9	11.5	9.9	10.8	7.5
Simberi	g/t	1.35	1.48	1.64	1.83	1.68	1.64	1.3

1 Amended FY19 guidance released 17 June 2019 in 'Atlantic Gold acquisition and St Barbara operations update'.
2 'Supergene enrichment' is a geological process whereby mineralisation at the base or borders of an oxidised zone is upgraded or 'enriched' through chemical replacement of minerals.
3 Cash balance unaudited, excludes $2 million restricted cash.
4 Ore Reserve grade at 30 June 2018, refer Ore Reserve and Mineral Resources Statement (released 27 August 2018).

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Atlantic Gold acquisition update

St Barbara and Atlantic Gold Corporation (TSX-V:AGB) ("Atlantic") are proceeding with the customary closing conditions precedent under the Arrangement Agreement ("Agreement") announced on 15 May 2019. Pursuant to the Agreement and the related Canadian Plan of Arrangement ("Transaction"), St Barbara intends to acquire 100% of the outstanding common shares and options of Atlantic for A$779 million[5]. Further details of the Transaction, including its strategic and financial benefits, are set out in the corresponding announcement and presentation of 15 May 2019.

The notice of meeting ("Arrangement Circular") was issued to Atlantic shareholders on 20 June 2019, ahead of a special meeting of Atlantic securityholders ("Atlantic Meeting") on 15 July 2019 in Vancouver to consider and vote on the Transaction.

Key events from the transaction timetable are shown below:

	Event	Status	Date (2019) Vancouver time		Melbourne time	
✓	*Interim Court Order*	***completed***	*Mon*	*10 June*	*Tue*	*11 June*
✓	*Entitlement Offer*	***completed***	*Tue*	*11 June*	*Wed*	*12 June*
✓	*Atlantic Arrangement Circular*	***completed***	*Thu*	*20 June*	*Fri*	*21 June*
	Atlantic shareholder meeting and vote	scheduled	Mon	15 July	Tue	16 July
	Final Court Order	expected	Wed	17 July	Thu	18 July
	Completion	expected	Fri	19 July	Fri	19 July (5.00pm)

All dates and times are indicative only and subject to change

Whilst the Transaction is subject to customary closing conditions, including court approvals, a successful Atlantic shareholder vote, and no material adverse change to regulatory approvals, most of the required regulatory approvals have already been granted.

Disclaimers

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

Important information

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

5 Atlantic Gold purchase price est. C$722 million is hedged @ 0.9270 including costs ~A$779 million.

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This announcement includes certain forward looking statements, including statements regarding the completion of the acquisition, the impact of the acquisition and the future strategies and results of the combined St Barbara and Atlantic groups and the opportunities available to it, the integration process and the timing and amount of synergies, the timing and outcome of the Entitlement Offer and the use of proceeds, as well as statements regarding projected earnings, revenue, growth, commodity prices, outlook, plans and strategies. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “guidance” or other similar words and include statements regarding certain plans, strategies and objectives of management, trends and outlook. Indications of, and guidance on, future earnings and financial position and performance are also forward looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause St Barbara’s actual results, performance and achievements or industry results to differ materially from any future results, performance or achievements, or industry results, expressed or implied by these forward-looking statements.

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