

1. Introduction

The purpose of this policy is to:

- (a) explain the type of conduct in relation to dealings in securities (including St Barbara Limited (SBM) securities, as defined in this Policy) that is prohibited under the Corporations Act, which is applicable to all Relevant Persons and Connected Persons (refer to the definitions in section 3 below) of the St Barbara group of companies (**St Barbara**); and
- (b) establish a best practice procedure relating to dealing in SBM securities and other securities that provides protection to both Relevant Persons and Connected Persons against the misuse of unpublished information which could materially affect the value of securities.

St Barbara aims to achieve the highest possible standards of corporate conduct and governance. Accordingly, the Board of Directors considers that compliance with this policy is essential to ensure that the highest standards of conduct are being met by all Relevant Persons. St Barbara also wishes to ensure that any incorrect perception by Relevant Persons is avoided as to when they or a Connected Person may or should not deal in St Barbara securities.

Any non-compliance with this policy, whether or not it also constitutes a breach of the Corporations Act, will be regarded as serious misconduct which may entitle St Barbara to terminate the employment of any employee or the contract of any contractor found to be in breach of this policy.

2. Dealing in securities

2.1 Summary of Prohibited conduct

The Corporations Act prohibits “insider trading”.

Under the Corporations Act, a person is prohibited from dealing in **securities** where:

- (a) the person possesses information which is not generally available to the public; and
- (b) that information may have a material effect on the price of securities of the relevant entity; and
- (c) the person knows or ought reasonably to know that the information is not generally available and if it were it might have a material effect on the price of securities.

In addition, a person with inside information must not **procure** another person to deal in securities nor communicate the information (directly or indirectly) to another person who the person believes may deal (or procure someone else to deal) in those securities.

The penalties involved for persons contravening these prohibitions are severe and can include compensation orders, significant penalties and imprisonment.

The key concepts and meanings of defined terms in relation to this Policy are detailed in Schedule 1.

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2.2 Relationship to the continuous disclosure regime

The Corporations Act and the ASX Listing Rules require St Barbara to immediately release to the ASX any information concerning St Barbara which may reasonably be expected to have a material effect on the price or value of St Barbara's securities, subject to limited exceptions.

As a result of the operation of the continuous disclosure regime, usually all material price sensitive information will be generally available. However, there are limited circumstances in which disclosure is not required. In these situations there may be people with "inside information" who would breach the insider trading prohibition if they dealt in securities at that time.

Specifically, the ASX Listing Rules do not require disclosure where:

- (a) a reasonable person would not expect the information to be disclosed; and
- (b) the information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- (c) one or more of the following applies:
 - i. it would be a breach of law to disclose the information;
 - ii. the information concerns an incomplete proposal or negotiation;
 - iii. the information comprises matters of supposition or is insufficiently definite to warrant disclosure (eg. the effect of an event on St Barbara has not yet been quantified);
 - iv. the information is generated for internal management purposes of the entity (eg. internal management accounts or an internal management report); or
 - v. the information is a trade secret.

If a person holds "inside information" in relation to St Barbara (being information which, but for a carve-out to the Listing Rules, would need to be disclosed to the market) and that person deals directly or through another person in SBM securities that person will be in breach of the insider trading provisions.

3. Persons to whom this policy applies

This policy applies to all employees of St Barbara or any related body corporate (as defined in the Corporations Act), who are referred to as **Relevant Persons**. Within that group, each director, executive and senior manager (defined as Level 4 and above) of St Barbara or any related body corporate is referred to as a **Designated Employee** and as such is subject to additional obligations and restrictions under this Policy.

This Policy also applies to people or entities that have certain family or business connections with a Relevant Person as well as specified contractors and consultants to St Barbara, who are referred to as **Connected Persons** (as defined in Schedule 1 of this Policy).

The Chairman, the Managing Director/CEO or the Company Secretary may give written notice at any time to any employee, contractor or consultant of St Barbara advising that person that he/she is by virtue of his/her position, role, activities or information available to them to be deemed for the purpose of this Policy a Designated Employee and therefore subject to the operation of this Policy in relation to a Designated Employee for a period of time stated in that notice.

4. The Policy

4.1 Blackout Periods

In order to avoid any inference of unfair or inappropriate behaviour on the part of the Company or any of its directors, executives, managers or employees, all Relevant Persons are prohibited from dealing in St Barbara securities in any Blackout Period (as defined in this Policy).

The Blackout Periods are:-

- (a) from the first day of January until the second day following the public release of the Company's half year results;
- (b) from the first day of July until the second day following the public release of the sooner to occur of the Company's preliminary or final full year results;
- (c) from the first day following the close of each Quarter for which the Company is required to provide a periodic Quarterly report to the ASX until the second day following the release of that report to the ASX;
- (d) The Board or the Managing Director/CEO as its delegate may determine that any of the Blackout Periods referred to above may be extended (but not shortened) or a new Blackout Period introduced from time to time and in so doing shall advise all Relevant Persons in writing to that effect.

If a Relevant Person is not sure whether he/she may deal in St Barbara securities during this time please consult with the appropriate person listed in paragraph (b) below.

4.2 During other periods

Outside any of the Blackout Periods, a Relevant Person can only deal in SBM securities if he/she is not in possession of inside information. It is their responsibility to determine whether they are in possession of any inside information and if unsure or in any doubt should seek the advice of the Company Secretary before any dealing is undertaken.

A Relevant Person who is not a Designated Employee and who is not in possession of inside information is not required to seek any specific or written approval to deal in SBM securities, provided any such dealing is outside any Blackout Period and is otherwise in accordance with the terms of this Policy.

Any Designated Employee must, by virtue of his/her position, request in writing in the form shown in Schedule 2 clearance for any proposed dealing in SBM securities as follows:

- (a) a **director** of St Barbara (including the Managing Director/Chief Executive Officer (**CEO**)) must inform and receive approval from the Chairman prior to undertaking any transaction;
- (b) the **Chairman** must obtain approval from the Chairman of the Audit Committee and the CEO, prior to undertaking any transaction;
- (c) **executives and senior management** must inform and receive approval from the Managing Director/CEO or the Company Secretary prior to undertaking any transaction.
- (d) **the Company Secretary** must inform and receive approval from the Managing Director/CEO

It is intended that any request will be answered within 48 hours. No dealing can be undertaken by a Designated Person unless and until they receive in writing the Company's authorisation to do so.

Securities Dealing Policy

4.3 Relevant Persons need to actively manage their own arrangements to conform

It is the responsibility of each Relevant Person to ensure that any arrangement entered into by him/her other than as referred to in clause (d) following, or instruction given by them which could result in the sale or purchase of SBM securities (such as a buy or sell order or a stop loss order) is expressly cancelled prior to the next blackout period or upon that relevant Person becoming possessed of inside information, so as to avoid any inadvertent trading in contravention of this Policy.

4.4 Exceptions to this Policy

The following dealings are excluded from the operation of this Policy:-

- (a) transfers of SBM securities already held by a relevant Person into a superannuation fund or other saving scheme in which that Relevant Person is a beneficiary;
- (b) an investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in SBM securities) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (c) where a Relevant Person is a trustee, trading in SBM securities by that trust, provided the Relevant Person is not a beneficiary of the trust and any decision to trade during a prohibited period is taken by the other trustees or by the investment managers independently of the Relevant Person;
- (d) undertakings to accept, or the acceptance of, a takeover offer;
- (e) trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the Board. This includes decisions relating to whether or not to take up the entitlements and the sale of the entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (f) subject to the Relevant person having complied with section 5.2 of this Policy, a disposal of SBM securities by a secured lender without the permission or authority of the Relevant Person at the time that is the result of that lender exercising its rights under a lending arrangement;
- (g) the exercise (but not the sale of SBM securities following exercise) of an option or vesting of a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of the security, falls during a prohibited period and the entity has been in an exceptionally long prohibited period or the entity has had a number of consecutive prohibited periods and the Relevant Person could not reasonably have been expected to exercise it at a time when free to do so; and
- (h) trading under a non-discretionary trading plan (but which does not include sales under stop/loss orders) for which prior written clearance has been provided in accordance with procedures set out in this Policy and where:-
 - i. the Relevant Person did not enter into the plan or amend the plan during a prohibited period;
 - ii. the trading plan does not permit the Relevant Person to exercise any influence or discretion over how, when, or whether to trade; and

- iii. this Policy does not allow for the cancellation of a trading plan during a prohibited period other than in exceptional circumstances.

4.5 Dealing by directors (and their associates)

Directors are required pursuant to ASX Listing rule 3.19A to disclose to the ASX by way of announcement any change in their holding of securities in the Company. Such notices are required to be lodged within five business days of the change in securities taking place.

4.6 Short term dealing – dealing within a twelve month period

Relevant Persons may not deal in St Barbara's securities on a short term trading basis. This means that SBM securities should not be acquired by any Relevant Person without an intention to hold them for at least a twelve month period. Exceptions to this general rule can only be granted in exceptional circumstances.

4.7 Exceptional circumstances

A Relevant Person, who is not in possession of inside information, may be given prior written clearance to sell or dispose, but not acquire, SBM securities during a Blackout Period or within a twelve month period as referred to in paragraph 4.6 above where the Relevant Person is in severe financial hardship or there are other exceptional circumstances such as where there is a court order or court enforceable undertakings in a bona fide proceeding or some other overriding legal or regulatory requirement to do so. The determination of whether severe financial hardship or other exceptional circumstances exist can only be made by the Managing Director/CEO, or, if the Relevant Person is the Managing Director/CEO, by the Board. All such determinations must be based on the circumstances of each case but as a general rule the proposed sale or disposal of SBM securities must be assessed as the only reasonable course of action available. By way of guidance a general tax liability or a tax liability relating to securities received under an employee incentive scheme or an obligation to sell under a collateralisation arrangement will not constitute exceptional circumstances.

4.8 Employee, Executive and Director Share Plans

While any person remains employed by St Barbara, any dealings in shares (following cessation of restrictions over the shares) acquired pursuant to the:

- (a) St Barbara Limited Employee Share Plan;
- (b) St Barbara Limited Performance Rights Plan; or
- (c) St Barbara Limited Non-Executive Director Share Plan,

must only occur in accordance with this Policy save that the restriction on short term dealing does not apply to SBM securities granted to a Relevant Person as part of his/her remuneration and which have vested in that Relevant Person in accordance with the terms of the relevant Plan.

5. Derivatives, hedging and collateralisation of SBM securities

5.1 Derivative products and hedging

The use of derivative products such as caps, collars, warrants, options and hedging in relation to SBM securities can circumvent the intent of this policy, mislead the public concerning the

Securities Dealing Policy

underlying holdings of SBM securities by Relevant Persons, and undermine public confidence in the Company's approach to dealings in securities by its directors, executives and employees.

As a consequence, the use by any Relevant Person of any derivative product or hedging in relation to SBM securities designed to limit the economic risk of that Relevant Person is prohibited. This prohibition does not extend to exchange traded options in SBM securities which are acquired, disposed of and reported, where necessary, as with other SBM securities in accordance with this Policy provided that the effect of those exchange traded options does not limit or reduce the economic risk of that Relevant Person.

5.2 Collateralisation and margin loans

Any Relevant Person who has used his/her SBM securities as collateral or has entered into a margin loan in relation to their SBM securities, or intends to do so, must provide a copy of this Policy to the lender.

In addition a Designated Employee is not permitted to use his/her SBM securities as collateral or to enter into a margin loan or similar arrangement in relation to them, without:

- (a) obtaining confirmation from the lender or holder of the collateral that the SBM securities will not be sold or disposed of by it in contravention of the Designated Employee's obligations under this Policy; and
- (b) seeking and obtaining, in writing, formal approval as follows:-
 - i. a **director** of St Barbara (including the Managing Director/Chief Executive Officer) must inform and receive approval from the Chairman;
 - ii. the **Chairman** must obtain approval from the Chairman of the Audit Committee and the Managing Director/CEO;
 - iii. **executives and senior management** must inform and receive approval from the Managing Director/CEO or the Company Secretary;
 - iv. the Company Secretary must inform and receive approval from the Managing Director/CEO

prior to entering into that collateralisation, margin loan or arrangement.

6. Register of dealings

The Company Secretary will maintain a register and copy of:

- (a) all requests for approval to deal in SBM securities submitted by any Relevant Person or Designated Employee;
- (b) all decisions relating to requests including the number of days within which any dealing should occur; and
- (c) details of all dealings in SBM securities made by any Relevant Person.

7. Securities in other companies

Whilst in general Relevant Persons are free to deal in securities in other entities, the prohibited conduct under the Corporations Act includes dealings in securities of St Barbara as well as of other entities with which St Barbara may be dealing (such as St Barbara's customers or joint venture participants or any party with whom St Barbara is holding confidential business discussions) where an employee possesses "inside information" in relation to that other entity. That is, if a Relevant Person is aware of information that is not generally available but which, if it

Securities Dealing Policy

were generally available, a reasonable person would expect it to have a material effect on the price or value of an entity or its securities, that Relevant Person should not deal in the securities of the entity that it affects.

The Chairman, the Managing Director/CEO or the Company Secretary may give written notice at any time to any employee of St Barbara advising that employee that he/she is by virtue of their position, role, activities or information available to them at St Barbara prohibited from dealing in the securities of another entity for a period of time stated in the notice.

This Policy and the Responsible Officer

If you are in any doubt regarding your proposed dealing in SBM securities or those of another entity or the impact of this Policy upon you generally, you should contact the Company Secretary.

The Company Secretary shall be responsible for assessing and monitoring compliance with this Policy and reporting to the Managing Director/CEO and the Board, as required, in relation to it.

The Company Secretary shall also be the Company officer responsible for the communication of this Policy to employees and the implementation of an awareness program among employees in relation to it.

Securities Dealing Policy

Schedule 1 – Defined terms and key concepts

This schedule provides further details on the defined terms and key concepts underlying the insider trading laws and this Policy.

1. SBM Securities

SBM securities means:

- ordinary shares;
- preference shares;
- options;
- rights;
- debentures; and
- convertible notes.

It also extends to things relating to securities issued by St Barbara (for example, warrants and other derivative products).

2. Dealing in Securities

Dealing in securities is a broad concept and includes, for the purposes of this Policy:-

- buying or selling, whether on market or off market;
- placing a buy or sell order, even if that order is not completed;
- entering into an agreement or undertaking to buy or sell at a future time;
- entering into an arrangement or acting to transfer the beneficial or underlying ownership of securities.

Under this policy you are not permitted to:

- buy or sell;
- enter into an agreement to subscribe for, buy or sell, securities;
- create a security interest in the securities,

where you possess information that is not generally available and which a reasonable person would expect to have a material effect on the price or value of those securities.

If you possess price sensitive information that is not generally available, you are also prohibited from:

- procuring any other person to deal in securities; or
- directly or indirectly communicating the information to another person who you believe is likely to deal in, or procure another to deal in, those securities.

Procuring means enticing, encouraging, persuading, causing or securing another person to do something. For the purposes of these provisions procuring includes inciting, inducing or encouraging an act or omission.

Securities Dealing Policy

For example you cannot ask or encourage family members to deal in securities when you possess price sensitive information and you should not communicate price sensitive information.

If you accidentally give somebody 'inside information' when you should not have, you must immediately tell that person that it is 'inside information' and warn them against dealing in St Barbara securities, getting others to deal in St Barbara securities, or communicating the information to others.

3. Information that is generally available

Information is "inside" if it is not generally available but which, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of a security.

Information is considered to be "generally available" if:

- (a) it consists of readily observable matter; or
- (b) it has been made known in a manner likely to bring it to the attention of investors in securities of corporations of that kind and a reasonable period for dissemination of that information has elapsed; or
- (c) it may be deduced, inferred or concluded from the above.

That is, information will be "generally available" if it has been released to the ASX or AIM, published in an Annual Report or prospectus or otherwise been made generally available to the investing public and a reasonable period of time has elapsed after the information has been disseminated in one of these ways.

4. Material effect of the price of securities

Information is considered by the Corporations Act to be likely to have a material effect on the price or value of securities of a company if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell those securities.

It is not possible to list all of the information that may be material, however, the following type of information would be likely to be considered to have a material effect on St Barbara's share price:

- information regarding a material increase or decrease in St Barbara's financial performance from previous results or forecasts;
- a proposed material business or asset acquisition or sale;
- material exploration results;
- the damage or destruction of a material operation of the company;
- proposed material legal proceedings to be initiated by or against St Barbara;
- regulatory action or investigations undertaken by a government authority;
- the launch of a material new business; or
- a proposal to undertake a new issue of shares or major change in financing.

Securities Dealing Policy

5. Information

For the purposes of the insider trading provisions of the Corporations Act, information is defined broadly and includes matters of supposition and other matters which are insufficiently definite to warrant being made known to the public. It also includes matters relating to the intentions of a person.

6. Connected Person

A “Connected Person” in relation to a Relevant Person means:-

- spouse or partner;
- child (including step child) under the age of 18;
- any other relative who has lived with the Relevant Person or in the same household for twelve months or more;
- a business partner of any of the above, or of the Relevant Person;
- a company or business entity in which the Relevant Person is a director, senior executive or more than a twenty percent shareholder;
- a trustee where the beneficiaries of the trust include any of the above.

Each Relevant Person should endeavour to ensure that Connected Persons in relation to him/her are aware of the obligations of the Relevant Person under this Policy and should endeavour to ensure that the Connected Person does not deal in SBM securities or in the securities of any other entity that the Relevant Person has been prohibited from dealing in under this Policy, other than in accordance with the terms of this Policy.

“Connected Person” for the purposes of interpreting this Policy includes a specified contractor or a consultant in possession of inside information.

Securities Dealing Policy

Form A: Request to Deal in St Barbara Securities

As required by clause 4.2 of the Securities Dealing Policy, I,
hereby request permission to deal in the following SBM Securities:

CLASS OF SBM SECURITIES ORDINARY SHARES

NUMBER OF SECURITIES

REGISTERED IN THE NAME OF (Insert full name. If not you, please state the person's connection to you.)
.....

NATURE OF INTEREST (Insert specific details, for example personally, joint holding or as trustee.)
.....

NATURE OF TRANSACTION (Insert specific details, for example sale of shares.)
.....

EXCEPTIONAL CIRCUMSTANCES (If applicable insert specific details about the reason for needing to deal in SBM Securities during a prohibited period.)
.....

To the best of my knowledge and belief, I do not possess any unpublished price-sensitive Information in relation to SBM Securities. If this changes before the deal is transacted, I undertake not to proceed.

I also undertake to notify you in writing, in accordance with Part B of this form, within 3 days after the transaction takes place.

Signed Date

Permission to deal in SBM Securities as indicated in this request has been granted on the basis that the transaction

is completed by 5:00pm Melbourne time on, being five (5) business days following this authorisation.

OR

has not been granted on the basis that:
.....
.....

Signed Date

This signed and completed form must be sent to the Company Secretary of St Barbara Limited:

By post:

The Company Secretary
St Barbara Ltd
Level14, 90 Collins Street
Melbourne VIC 3000

OR

By facsimile:

Fax + 61 3 8660 1999
Attention: The Company Secretary

