Appendix 4D

31 December 2021

Appendix 4D

Half Year Report

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	✓		**31 December 2021**

Results for announcement to the market

		%		A$'000
Revenue from ordinary activities	down	9%	to	325,559
Profit from ordinary activities after tax from continuing operations attributable to members *(Prior corresponding period profit: $37,457,000)*	down	63%	to	13,910
Profit after tax from ordinary activities attributable to members - Underlying (before significant items) *(Prior year underlying profit: $39,937,000)*	down	62%	to	15,146
Net profit attributable to members of the parent entity *(Prior corresponding period profit: $37,457,000)*	down	63%	to	13,910
Fully franked dividends paid	down	50%	to	14,165

	31 Dec 21 $	30 Jun 21 $
Net Tangible Assets per security	1.58	1.57
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

Dividends

During the period a fully franked dividend of $14,165,000 was paid, with $12,525,000 of this amount paid in cash and $1,640,000 satisfied by the issue of shares under the Company's dividend reinvestment plan. This dividend paid represented the final dividend for the year ended 30 June 2021 declared with the release of the accounts on 26 August 2021.

No dividend was declared for the 31 December 2021 half year reporting period.

Dated: 23 February 2022

Craig Jetson
Managing Director and CEO

St Barbara

Interim Financial Report
For the half year ended
31 December 2021

Contents

Directors' Report

Directors

The Directors present their report on the "St Barbara Group", consisting of St Barbara Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2021.

The following persons were Directors of St Barbara Limited at any time during the period and up to the date of this report:

- T C Netscher
  Non-Executive Chairman
- C A Jetson
  Managing Director & CEO
- S G Dean
  Non-Executive Director
- K J Gleeson
  Non-Executive Director
- S E Loader
  Non-Executive Director
- D E J Moroney
  Non-Executive Director

Principal activities

During the period, the principal activities of the Group were mining and the sale of gold, mineral exploration and development. There were no significant changes in the nature of activities of the Group during the period.

Dividends

Dividends paid, or determined to be paid, by the Company to members during the period ended 31 December 2021 are set out in Note 4 to the financial statements.

Overview of group results

The consolidated result for the period is summarised as follows:

	Dec 21 $'000	Dec 20 $'000
EBITDA[3][6]	**101,171**	147,379
EBIT[2][6]	**21,497**	57,866
Profit before tax[4]	**18,927**	53,092
Statutory profit after tax[1]	**13,910**	37,457
Total net significant items after tax	**(1,236)**	(2,480)
EBITDA[6] (excluding significant items)	**102,933**	150,953
EBIT[6] (excluding significant items)	**23,259**	61,440
Profit before tax (excluding significant items)	**20,689**	56,666
Underlying net profit after tax[5]	**15,146**	39,937

Details of significant items included in the statutory profit for the period are reported in the table below. Descriptions of each item are provided in Note 3 to the Financial Report.

	Dec 21 $'000	Dec 20 $'000
Building Brilliance transformation	**(1,412)**	(5,784)
Call option fair value movements	**(350)**	2,210
Significant items before tax	**(1,762)**	(3,574)
Income tax	**526**	1,094
Significant items after tax	**(1,236)**	(2,480)

(1) Statutory profit is net profit after tax attributable to owners of the parent.
(2) EBIT is earnings before interest revenue, finance costs and income tax expense.
(3) EBITDA is EBIT before depreciation and amortisation.
(4) Profit before tax is earnings before income tax expense.
(5) Underlying net profit after income tax is net profit after income tax ("statutory profit") excluding significant items as described in Note 3 to the financial statements.
(6) EBIT, EBITDA and underlying net profit after tax are non-IFRS financial measures, which have not been subject to review or audit by the Group's external auditors. These measures are presented to enable understanding of the underlying performance of the Group by users.

During the period the Group's key achievements were:

- Statutory net profit after tax of $13,910,000 for the six months ended 31 December 2021 (2020 comparative period: $37,457,000 net profit after tax). Underlying result for the six months ended 31 December 2021 was a net profit after tax of $15,146,000 (2020 comparative period: $39,937,000).
- Announced the intention to acquire Bardoc Gold to gain access to the advanced Aphrodite and Zoroastrian underground deposits. The acquisition is subject to a scheme of arrangement and Bardoc shareholder approval which is expected to be completed before the 30 June reporting date.
- Successful construction and installation of the Simberi deep sea tailings placement (DSTP) pipe at the end of December 2021 allowing production to resume in January 2022.
- Strong production at Leonora and Atlantic Gold for the period of 132,524 ounces (2020 comparative period: 118,742 ounces).
- Cash contributions from operations of $41,583,000 (2020 comparative period: $99,635,000) after sustaining and growth capital, with the reduction compared with prior period largely due to the operating and capital expenditure at Simberi while the DSTP was being re-established and gold was unable to be produced.
- Payment of a fully franked dividend of 2 cents per share in September 2021 totalling $14,165,000, with $12,525,000 paid in cash and $1,640,000 issued in new shares as part of the dividend reinvestment plan.
- Extended the term of the syndicated debt facility from July 2022 to July 2025.

Underlying profit after tax of $15,146,000 (2020 comparative period: $39,937,000) was lower than the prior corresponding period due lower contributions from Simberi and Atlantic, partly offset by a higher contribution from Gwalia and the average gold price.

Cash on hand was $93,654,000 at 31 December 2021 (30 June 2021: $133,370,000). The reduction in cash in the period was associated with the Simberi pausing operations while the DSTP was re-established and associated capital expenditures ($86,328,000) and the purchase of Kin Mining ($25,401,000), partially offset by the drawdown on the Australian tranche of the syndicated facility ($50,000,000) undertaken as a prudent measure to maintain liquidity in a volatile operating environment due to potential COVID-19 interruptions.

Total interest-bearing liabilities increased to $158,011,000 as at 31 December 2021 (30 June 2021: $109,252,000), mainly as a result of the drawdown of the Australian tranche of the syndicated facility.

Impact of COVID-19

For the period to 31 December 2021, border closures relating to COVID-19 has resulted in reduced access to required skilled labour, and was the primary impact at all three operations.

On 18 February 2022 the Company announced that a COVID-19 Omnicron outbreak had occurred at Simberi, significantly impacting the local community and workforce.

All of St Barbara's operations have business continuity plans and contingencies in place to minimise COVID-19 related disruptions, including access to labour, equipment and supplies. These plans have enabled the operations to continue producing, including Simberi, and if there are any material impacts the market will be kept informed in accordance with continuous disclosure obligations.

As restrictions were put in place at the Group's various operations around the world, measures have been implemented in line with relevant local government advice, including screening site workers for COVID-19 prior to attending site, cancelling all non-essential travel, working from home where practicable, enforcing self-isolation policies when appropriate, and encouraging good hygiene practices and physical distancing across all workplaces.

Overview of operating results

The table below provides a summary of the profit before tax generated from St Barbara Group operations.

	Leonora		Simberi		Atlantic Gold		Group	
$'000	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020
Revenue	**247,590**	128,493	**429**	129,776	**77,254**	99,797	**325,273**	358,066
Mine operating costs	**(121,402)**	(70,029)	**(25,414)**	(70,728)	**(33,002)**	(31,283)	**(179,818)**	(172,040)
Gross profit	**126,188**	58,464	**(24,985)**	59,048	**44,252**	68,514	**145,455**	186,026
Royalties	**(10,756)**	(7,590)	**(10)**	(3,195)	**(1,543)**	(1,993)	**(12,309)**	(12,778)
EBITDA	**115,432**	50,874	**(24,995)**	55,853	**42,709**	66,521	**133,146**	173,248
Depreciation and amortisation	**(38,922)**	(33,491)	**(6,229)**	(9,147)	**(32,351)**	(45,649)	**(77,502)**	(88,287)
Profit from operations(1)	**76,510**	17,383	**(31,224)**	46,706	**10,358**	20,872	**55,644**	84,961

(1) Excludes impairment, corporate costs, exploration expenses, interest and tax and is non-IFRS financial information, which has not been subject to review or audit by the Group's external auditors.

The table below provides a summary of the cash contribution from St Barbara cash generating units.

	Leonora		Simberi		Atlantic Gold		Group	
$'000	**2021**	2020	**2021**	2020	**2021**	2020	**2021**	2020
Operating cash contribution	**123,142**	50,506	**(53,942)**	55,898	**42,708**	61,208	**111,908**	167,612
Capital - sustaining	**(23,479)**	(36,971)	**(8,252)**	(4,286)	**(5,779)**	(10,526)	**(37,510)**	(51,783)
Cash Contribution (1)	**99,663**	13,535	**(62,194)**	51,612	**36,929**	50,682	**74,398**	115,829
Other growth capital	**(4,152)**	(10,754)	**(24,134)**	(1,932)	**(4,529)**	(3,508)	**(32,815)**	(16,194)
Cash contribution after growth capital	**95,511**	2,781	**(86,328)**	49,680	**32,400**	47,174	**41,583**	99,635

(1) Cash contribution is non-IFRS financial information, which has not been subject to review or audit by the Group's external auditors. This measure is provided to enable an understanding of the cash generating performance of the operations. This amount excludes corporate royalties paid and growth capital.

Operating profit before tax

Net profit before tax of $18,927,000 (2020 comparative period: $53,092,000) for the period was impacted by a lower contribution from Simberi and Atlantic, partly offset by a higher contribution from Gwalia and the average gold price.

Total production for the Group in the period was 132,524 ounces of gold (2020 comparative period: 162,660 ounces), and gold sales amounted to 134,464 ounces (2020: 165,921 ounces) at an average gold price of A$2,417 per ounce (2020: A$2,145 per ounce). The lower production result in the period was largely attributed to Simberi not producing any gold during the period while the DSTP was being re-established. Lower production from Atlantic was offset by higher production from Leonora.

Consolidated AISC for the Group was $1,539 per ounce in the period (2020 comparative period: $1,605 per ounce), reflecting the impact of lower unit cash costs due mainly to higher production and lower mine development costs at Leonora, together with decreased sustaining capital expenditure at Leonora and Atlantic operations.

The decrease in the depreciation and amortisation for the Group compared to the prior comparative period reflects the lower production at Atlantic.

Operating cash contribution

During the period the Group produced net cash contribution from operations after growth capital of $41,583,000 (2020 comparative period: $99,635,000). Lower operating cash contribution of $111,908,000 (2020 comparative period: $167,612,000) was due to lower production at Atlantic, and the cessation of production at Simberi while the DSTP was being re-established.

The lower sustaining capital at Gwalia was associated with decreased mine development due to a fall of ground event, where the mining fleet was redirected to ore haulage. Capital expenditure at Simberi in the period was mainly due to construction and commissioning of the DSTP, waste movement, and mining fleet improvements. While at Atlantic operations, expenditure was incurred on the Moose River corridor projects and the next lift of the tailings storage facility.

Analysis of Leonora operations

Total gold sales revenue from the Gwalia mine in the period amounted to $247,307,000 (2020 comparative period: $128,302,000), which was generated from gold sales of 101,072 ounces (2020 comparative period: 64,336 ounces) at an average achieved gold price of A$2,447 per ounce (2020 comparative period: A$1,994 per ounce).

A summary of production performance for the period ended 31 December 2021 is provided in the table below.

Details of production performance

	Gwalia	
Six months to 31 December	**2021**	2020
Underground ore mined (kt)	**372**	242
Grade (g/t)	**7.7**	8.2
Ore milled (kt)	**523**	274
Grade (g/t)	**6.2**	7.6
Recovery (%)	**97**	97
Gold production (oz)	**100,394**	64,823
Gold sales (oz)	**101,072**	64,336
Cash cost[(1)] (A$/oz)	**1,096**	1,220
All-In Sustaining Cost (AISC)[(2)] (A$/oz)	**1,568**	1,933

(1) Cash operating costs are mine operating costs including government royalties, and after by-product credits. This is a non-IFRS financial measure which has not been subject to review or audit by the Group's external auditors. It is presented to provide meaningful information to assist management, investors and analysts in understanding the results of the operations. Cash operating costs are calculated according to common mining industry practice using The Gold Institute (USA) Production Cost Standard (1999 revision).

(2) AISC is a non IFRS financial measure which has not been subject to review or audit by the Group's external auditors. It is presented to provide a meaningful measure by which to access the total sustaining cash cost of production. It is calculated in accordance with the World Gold Council's Guidance Note on Non-GAAP Metrics – All-In Sustaining Costs and All-In Costs (June 2013).

Gwalia reported significantly higher mined volume of ore in the period, with gold production of 100,394 ounces (2020 comparative period: 64,823 ounces). Gold production included purchased ore of 8,158 ounces in the period (2020 comparative period: no ounces). Underground ore mined in the period was 372,000 tonnes (2020 comparative period: 242,000 tonnes). A fall of ground in the second quarter resulted in a change to the mine plan away from mine development activity, therefore ore mined was higher for the first half due to a reallocation of the truck fleet from mine development to ore haulage. Additionally, higher tonnes of purchased ore and stockpiled ore was processed during the period.

Due to lower grades mined from the Gwalia underground mine compared with the prior corresponding period, ore mined and milled grades were lower at 7.7 and 6.2 grams per tonne respectively (2020 comparative period: 8.2 grams per tonne and 7.6 grams per tonne respectively). Milled grades were impacted by the lower grades from ore purchased. The Gwalia mill continued to perform well in the period at an average recovery of 97 percent (2020 comparative period: 97 percent).

Leonora unit cash costs for the period were $1,096 per ounce (2020 comparative period: $1,220 per ounce), with the lower unit costs predominantly due to higher production driven by increased mining tonnes and purchased ore tonnes. The unit AISC for Leonora was $1,568 per ounce for the period, which was lower than the $1,933 per ounce reported in the prior corresponding period. The lower AISC for the period reflected the impact of higher production ounces and decreased sustaining capital expenditure. Total operating cash expenditure at Leonora in the period was $110,031,000 (2020 comparative period: $79,084,000).

In the period, Leonora generated net cash flows, after sustaining capital expenditure, of $99,663,000 (2020 comparative period: $13,535,000). The result for the period was impacted by the materially higher production and gold sales. In the current period, Gwalia incurred sustaining capital expenditure of $23,479,000 (2020 comparative period: $36,971,000). The lower level of sustaining capital was mainly attributable to decreased mine development expenditure as a result of the fall of ground.

Growth capital in the period was significantly lower than the prior corresponding period which included the mine cooling investment. Growth capital in the current period of $4,152,000 (2020 comparative period: $10,078,000) predominantly due to buttressing work on the tailings storage facility.

Analysis of Simberi operations

Due to the mill not operating during the period while the DSTP was being re-established, total gold sales revenue from Simberi in the period was $426,000 (2020 comparative period: $127,813,000), generated from gold sales of 179 ounces (2020 comparative period: 49,502 ounces) at an average achieved gold price of A$2,380 per ounce (2020: A$2,582 per ounce).

A summary of production performance at Simberi for the period ended 31 December 2021 is set out in the table below.

Details of production performance

Six months to 31 December	Simberi	
	2021	2020
Open pit ore mined (kt)	**205**	1,343
Grade (g/t)	**1.31**	1.32
Ore milled (kt)	**-**	1,499
Grade (g/t)	**-**	1.30
Recovery (%)	**-**	70
Gold production (oz)	**-**	43,918
Gold sales (oz)	**179**	49,502
Cash cost(1) (A$/oz)	**-**	1,640
All-In Sustaining Cost (AISC)(2) (A$/oz)	**-**	1,863

(1) Cash operating costs are mine operating costs including government royalties, and after by-product credits. This is a non-IFRS financial measure which has not been subject to review or audit by the Group's external auditors. It is presented to provide meaningful information to assist management, investors and analysts in understanding the results of the operations. Cash operating costs are calculated according to common mining industry practice using The Gold Institute (USA) Production Cost Standard (1999 revision).

(2) AISC is a non-IFRS financial measure which has not been subject to review or audit by the Group's external auditors. It is presented to provide a meaningful measure by which to assess the total sustaining cash cost of operation. It is calculated in accordance with the World Gold Council's Guidance Note on Non-GAAP Metrics – All-In Sustaining Costs and All-In Costs (June 2013).

Simberi did not produce ounces in the half (2020 comparative period: 43,918 ounces) due to re-laying the DSTP pipe.

Total material moved in the period was 2,183,000 tonnes (2020 comparative period: 4,971,000 tonnes), which included total ore mined of 205,000 tonnes at an average grade of 1.31 grams per tonne (2020 comparative period: 1,343,000 tonnes at 1.32 grams per tonne). Material movement in the period was impacted by mine closure due to an employee fatality in May 2021. Mining activities restarted in August after the Mineral Resource Authority granted approval and progressively ramped back up over the period to 31 December 2021.

No ore was milled over the half as the mill remained shut down as work continued on replacing the DSTP. The shut down period was used to complete maintenance and upgrades to the processing plant and mobile fleet.

Total mine operating costs at Simberi during the period was $25,414,000 (2020 comparative period: $70,728,000) reflecting ongoing maintenance activities on the processing plant and site administrative expenditure. Mining costs of $28,457,000 during the period were capitalised as ore stockpiles and deferred waste stripping.

In the period Simberi generated net cash outflows, after sustaining capital expenditure, of $62,194,000 (2020 comparative period: net cash inflows of $51,612,000). The net cash outflow was due to not producing gold while the DSTP was being re-established. Growth capital expenditure in the period was $24,134,000 (2020 comparative period: $1,932,000). Higher growth capital expenditure was due to works on the DSTP pipeline, processing plant improvements, and mining fleet improvements.

Analysis of Atlantic Gold operations

Total gold sales revenue from Atlantic Gold in the period was $77,196,000 (2020 comparative period: $99,725,000), generated from gold sales of 33,213 ounces (2020 comparative period: 52,083 ounces) at an average achieved gold price of A$2,324 per ounce (2020: A$1,913 per ounce).

A summary of production performance at Atlantic Gold for the period ended 31 December 2021 is set out in the table below.

Details of production performance

	Atlantic	
Six months to 31 December	**2021**	2020
Open pit ore mined (kt)	**917**	1,931
Grade (g/t)	**0.70**	0.93
Ore milled (kt)	**1,463**	1,411
Grade (g/t)	**0.75**	1.27
Recovery (%)	**91**	94
Gold production (oz)	**32,130**	53,919
Gold sales (oz)	**33,213**	52,083
Cash cost[1] (A$/oz)	**1,213**	703
All-In Sustaining Cost (AISC)[2] (A$/oz)	**1,447**	1,002

(1) Cash operating costs are mine operating costs including government royalties, and after by-product credits. This is a non-IFRS financial measure which has not been subject to review or audit by the Group's external auditors. It is presented to provide meaningful information to assist management, investors and analysts in understanding the results of the operations. Cash operating costs are calculated according to common mining industry practice using The Gold Institute (USA) Production Cost Standard (1999 revision).

(2) AISC is a non-IFRS financial measure which has not been subject to review or audit by the Group's external auditors. It is presented to provide a meaningful measure by which to assess the total sustaining cash cost of operation. It is calculated in accordance with the World Gold Council's Guidance Note on Non-GAAP Metrics – All-In Sustaining Costs and All-In Costs (June 2013).

Atlantic Gold production for the period of 32,130 ounces (2020 comparative period: 53,919 ounces). The decrease in production was due to lower grade material being sourced from the stockpile to supplement lower mined ore material after two significant rain events and waste rock storage permitting delays restricted access to mining higher grade sources in the mine.

Total material moved in the period was 4,181,000 tonnes (2020 comparative period: 4,155,000 tonnes), which included total ore mined of 917,000 tonnes at an average grade of 0.70 grams per tonne (2020 comparative period: 1,931,000 tonnes at 0.93 grams per tonne).

Ore milled was 1,463,000 tonnes in the period at a grade of 0.75 grams per tonne and recovery of 91 percent (2020 comparative period: 1,411,000 tonnes at a grade of 1.27 grams per tonne and 94 percent recovery).

Atlantic Gold unit cash costs for the period were $1,213 per ounce (2020 comparative period: $703 per ounce), reflecting the lower ounce production. The unit AISC per ounce was $1,447 per ounce for the period (2020 comparative period: $1,002 per ounce) with the decrease in sustaining capital partially offset the decrease in production. Total operating cash expenditure during the period was $38,974,000 (2020: $37,905,000)

In the period Atlantic Gold generated net cash flows of $36,929,000 (2020 comparative period: net cash flows of $50,682,000), after sustaining capital expenditure of $5,779,000 (2020 comparative period: $10,526,000). The lower net cash flows is due to the lower production compared with the prior period.

Discussion and analysis of the condensed consolidated statement of profit or loss

Revenue

Total revenue was lower than the prior comparative period at $325,273,000 (2020 comparative period: $358,066,000) mainly due to lower gold sales from Atlantic and Simberi, partially offset by higher Leonora gold sales and a higher average gold price of A$2,417 per ounce (2020 comparative period: A$2,145 per ounce).

Mine operating costs

Mine operating costs were $179,818,000 in the period (2020 comparative period: $172,040,000). Higher costs of $121,402,000 at Leonora (2020 comparative period: $70,029,000), due to higher operating costs mainly attributable to increased activities to support higher production at Leonora. The higher operating cost at Leonora was offset by lower mining operating costs at Simberi of $25,414,000 (2020 comparative period: $70,728,000), due to reduced activity while the DSTP was being replaced, and after the capitalisation $28,457,000 of mining costs to ore stockpiles and waste stripping.

Other revenue and income

Interest revenue was $784,000 (2020 comparative period: $401,000), representing interest earned on cash and deposits held to maturity during the period. Other income of $286,000 (2020 comparative period: $969,000) related to royalty income.

Exploration

Total exploration expenditure during the period amounted to $18,460,000 (2020 comparative period: $20,416,000). Exploration expenditure expensed in the profit or loss statement in the period amounted to $9,607,000 (2020 comparative period: $15,310,000).

Exploration activities during the period focused on investigating prospective near mine targets at Simberi, near mine and regional exploration in Leonora and Australia, and resource drilling near mine areas at Atlantic Gold and in the surrounding Nova Scotia region.

Corporate costs and expenses associated with acquisition.

Corporate costs for the period of $16,541,000 (2020 comparative period: $14,427,000) comprised mainly expenses relating to the corporate office and compliance costs.

Royalties

Royalty expenses for the period were $12,309,000 (2020 comparative period: $12,778,000). Royalties paid in Western Australia are 2.5% of gold revenues, plus a corporate royalty of 1.5% of gold revenues. Royalties paid in Papua New Guinea are 2.5% of gold revenues earned from the Simberi mine. Royalties paid in Canada (Nova Scotia) are 1% of gold revenues plus a 1% corporate royalty on gold revenues. Royalties are calculated on gold sales at the relevant spot gold prices.

Depreciation and amortisation

Depreciation and amortisation of fixed assets, mine properties and mineral rights for the period amounted to $79,674,000 (2020 comparative period: $89,513,000). The lower depreciation and amortisation is largely driven by lower production from Atlantic operations.

Other expenses

Other expenditure of $4,408,000 (2020 comparative period: $6,926,000) included costs related to business development and business improvement.

Net finance costs

Finance costs in the period decreased to $3,354,000 (2020 comparative period: $5,175,000) and comprised interest paid of $1,948,000 (2020 comparative period: $2,507,000). Borrowing costs associated with the syndicated facility were $1,406,000 (2020 comparative period: $2,503,000).

Net foreign currency loss

A net foreign exchange loss of $1,199,000 was recognised for the period (2020 comparative period: gain of $8,260,000), which related mainly to foreign exchange movements on US dollar and Canadian dollar cash balances and US dollar denominated intercompany loans.

Income tax

An income tax expense of $5,017,000 was recognised for the period (2020 comparative period: $15,635,000), which comprised an income tax expense of $15,676,000 in Australia, an income tax credit of $11,100,000 for the PNG operations and an income tax expense of $441,000 associated with the Canadian operations. The lower income tax expense was mainly due to the reduced profitability in Simberi and Atlantic.

Discussion and analysis of the condensed consolidated statement of cash flow

Operating activities

Cash flows from operating activities for the period were lower at $18,759,000 (2020 comparative period: $93,538,000). The lower cash flows from operating activities in the period was driven by the lower production at Atlantic, and costs incurred at Simberi while the DSTP was being re-established.

Receipts from customers in the period were $313,492,000 (2020 comparative period: $350,135,000), reflecting the impact of lower gold sales but partially offset by a higher average realised gold price.

Payments to suppliers and employees were $259,410,000 (2020 comparative period: $220,156,000), with the higher expenditure due to increased activities to support the higher production at Leonora.

Payments for exploration expensed in the period amounted to $9,607,000 (2020 comparative period: $15,310,000), which related to exploration activities in the Leonora province including Old South Gwalia, and near mine activities in Simberi and Nova Scotia.

Net interest paid was $1,893,000 (2020 comparative period: $2,509,000) and borrowing costs of $1,406,000 (2020 comparative period: $2,503,000), related to the syndicated facility.

Income tax payments totalled $22,861,000 (2020 comparative period: $16,520,000), which include "Pay As You Go" (PAYG) income tax instalments and payment of a tax liability relating to the prior financial year.

Investing activities

Net cash flows used in investing activities in the period amounted to $96,799,000 (2020 comparative period: $137,399,000). Investing activities in the period included the acquisition of Kin Mining for $25,401,000 offset by the sale of Duketon shares for $4,000,000.

Expenditure for development of mine properties amounted to $15,690,000 in the period (2020 comparative period: $49,267,000).

Exploration and evaluation expenditure capitalised during the period totalled $8,853,000 (2020 comparative period: $5,106,000), and included the advancement of the Simberi sulphide feasibility studies, and resource development drilling at Atlantic operations.

Investing expenditure during the period was in the following major areas:

- Underground mine development and infrastructure at Gwalia: $15,690,000 (2020 comparative period: $33,073,000) with the reduction attributable to lower development metres associated with the fall of ground in the second quarter, as well as lower contractor costs.
- Purchase of property, plant and equipment at:
    - Gwalia: $7,794,000 (2020 comparative period: $3,898,000);
    - Simberi: $28,126,000 (2020 comparative period: $4,286,000), which includes expenditure on the DSTP of $19,861,000; and
    - Atlantic Gold: $5,779,000 (2020 comparative period: $10,526,000).
- Gwalia ventilation and cooling extension: $3,800,000 (2020 comparative period: $10,078,000).

Financing activities

Net cash flows related to financing activities in the period were a net inflow of $34,440,000 (2020 comparative period: net outflow of $238,197,000).

The main movements in financing cash flows in the period included:

- Dividend of 2 cents per share totalling $12,525,000 in cash payments (2020 comparative period: $22,354,000) representing the final dividend in respect of the prior financial year.
- Lease payments on finance lease facilities totalling $3,035,000 (2020 comparative period: $6,665,000).
- Drawdown on the Australian tranche of the syndicated facility $50,000,000 (2020 comparative period: repayment of $200,000,000) which was undertaken as a prudent measure to maintain liquidity in a highly volatile operating environment, potentially exacerbated by COVID-19 interruptions.

Discussion and analysis of the condensed consolidated statement of balance sheet

Net assets and total equity

The Group's net assets increased during the period by $7,032,000 to $1,120,699,000 mainly due to increases in inventories and property, plant and equipment, offset by a reduction in the cash balance.

Total current assets decreased by $1,510,000 during the period to $261,776,000 as at 31 December 2021 (30 June 2021: $263,286,000) due mainly to the reduction in cash balance, offset by increase in inventories balance driven largely by an increase in the ore stockpiles balance.

Total non-current assets increased during the period to $1,405,168,000 at 31 December 2021 (30 June 2021: $1,372,475,000) mainly as a result of mine development and property plant and equipment.

Current liabilities decreased to $113,736,000 (30 June 2021: $208,505,000) as a result of the reduction in trade payables, and interest bearing borrowings which was reclassified from current to non current in the current period.

Derivative financial liabilities totalling $14,625,000 (30 June 2021: $14,088,000) represents the fair value of gold call options as at 31 December 2021.

A current provision for tax payable of $12,887,000 was recognised at 31 December 2021 (30 June 2021: $10,893,000), representing tax payable in Australia and Canada.

Non-current liabilities increased to $432,509,000 (30 June 2021: 313,589,000), due to the drawdown of $50,000,000 under the Australian tranche of the syndicated facility. Additionally, $84,216,000 classified as 'current' at 30 June 2021 relating to the syndicated facility was reclassified as 'non-current'. Non-current interest bearing borrowings include amounts drawn under the syndicate facility of $137,645,000.

Net deferred tax liability of $195,289,000 (30 June 2021: $219,419,000), with the reduction largely relating to the tax effect of depreciation and amortisation expensed in the period.

Debt management and liquidity

The available cash balance at 31 December 2021 was $93,654,000 (30 June 2021: $133,370,000).

Total interest bearing liabilities increased to $158,011,000 as at 31 December 2021 (30 June 2020: $109,252,000), comprising $9,703,000 in right-of-use asset lease liabilities arising from AASB 16 Leases, $11,938,000 in finance lease liabilities, and the syndicated facility balance of $136,370,000 (representing A$50,000,000 drawn down of the A$200,000,000 tranche, and C$80,000,000 drawn down of the C$100,000,000 tranche) net of capitalised borrowing costs.

The AUD/USD exchange rate as at 31 December 2021 was 0.7262 (30 June 2021: 0.7501).

The AUD/CAD exchange rate as at 31 December 2021 was 0.9175 (30 June 2021: 0.9296).

Auditor's independence

A copy of the Auditor's Independence Declaration required under section 307C of the Corporations Act 2001 is set out on page 11 and forms part of this Directors' Report.

Events occurring after the end of the financial period

Except as noted below, the Directors are not aware of any matter or circumstance that has arisen since the end of the reporting period 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.

- On 18 February 2022, the Company advised that Simberi guidance was withdrawn for the 30 June 2022 financial year due to a COVID-19 Omnicron outbreak which significantly impacted the local community and workforce. While Simberi remains in production, ramp-up of mining operations is not achieving target rates, and uncertainty remains as to when full workforce participation can resume.

Rounding of amounts

St Barbara Limited is a Company of the kind referred to in ASIC Corporations (Rounding in the Financial/Directors' Report) Instrument 2016/191 issued by the Australian Securities and Investment Commission (ASIC). As a result, amounts in this Directors' Report and the accompanying Financial Report have been rounded to the nearest thousand dollars, except where otherwise indicated.

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

For and on behalf of the Board

Dated at Melbourne this 23rd day of February 2022.

Craig Jetson

Managing Director and CEO

Auditor's Independence Declaration

As lead auditor for the review of St Barbara Limited for the half-year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of St Barbara Limited and the entities it controlled during the period.

Amanda Campbell
Partner
PricewaterhouseCoopers

Melbourne
23 February 2022

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Interim Financial Report

Contents

About this report

St Barbara Limited (the "Company") is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange. The consolidated financial statements of the Company as at and for the six months ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the "Group"). The Group is a for-profit entity primarily involved in mining and sale of gold, mineral exploration and development.

This general purpose financial report for the half year reporting period ended 31 December 2021 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This consolidated half year financial report does not include all the notes of the type normally included in the annual financial report. Accordingly, this report is to be read in conjunction with the audited annual financial report for the year ended 30 June 2021.

The consolidated financial report has been presented in Australian dollars and all values are rounded to the nearest thousand dollars ($000) as specified in the ASIC Corporations Instrument 2016/191 unless otherwise stated.

The comparative amounts for Profit or Loss items are for the six months ended 31 December 2020, and for Balance Sheet items balances are as at 30 June 2021.

The Board of Directors approved the consolidated half year financial report on 23 February 2022.

The AUD:USD exchange rate as at 31 December 2021 was 0.7262 (30 June 2021: 0.7501).

Condensed consolidated statement of profit or loss and other comprehensive income

for the half year ended 31 December 2021

		CONSOLIDATED	
	Notes	**2021 $'000**	2020 $'000
Operations			
Revenue	1	**325,273**	358,066
Mine operating costs	1	**(179,818)**	(172,040)
Gross profit		**145,455**	186,026
Interest revenue		**784**	401
Other income		**286**	969
Exploration expensed		**(9,607)**	(15,310)
Corporate costs		**(16,541)**	(14,427)
Royalties		**(12,309)**	(12,778)
Depreciation and amortisation		**(79,674)**	(89,513)
Share based payments expense		**(156)**	(645)
Other expenses		**(4,408)**	(6,926)
Operating profit		**23,830**	47,797
Finance costs	5	**(3,354)**	(5,175)
Net foreign exchange gain/(loss)		**(1,199)**	8,260
Gold instrument fair value adjustment	3	**(350)**	2,210
Profit before income tax		**18,927**	53,092
Income tax expense	2	**(5,017)**	(15,635)
Net profit after tax		**13,910**	37,457
Profit attributable to equity holders of the Company		**13,910**	37,457
Other comprehensive income(1)			
Items that will not be reclassified subsequently to profit or loss:			
Changes in fair value of financial assets		**(9,601)**	(5,563)
Income tax on other comprehensive income		**2,870**	1,371
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences - foreign operations		**12,078**	(16,446)
Other comprehensive profit net of tax		**5,347**	(20,638)
Total comprehensive income attributable to equity holders of the Company		**19,257**	16,819
Earnings per share:			
Basic earnings per share (cents per share)		**1.96**	5.32
Diluted earnings per share (cents per share)		**1.95**	5.29

(1) The condensed consolidated other comprehensive income comprises items of income and expense that are recognised directly in reserves or equity. These items are not recognised in the condensed consolidated statement of profit or loss in accordance with the requirements of the relevant accounting standards. Comprehensive income attributable to equity holders of the company comprises the result for the period adjusted for the other comprehensive income.

The above condensed consolidated statement of profit or loss and condensed consolidated other comprehensive income should be read in conjunction with the notes to the financial statements.

Condensed consolidated balance sheet

as at 31 December 2021

	Notes	CONSOLIDATED 31 Dec 2021 $'000	30 June 2021 $'000
Assets			
Current assets			
Cash and cash equivalents		**93,654**	133,370
Trade and other receivables		**47,132**	40,301
Inventories		**102,363**	86,628
Deferred mining costs		**18,627**	2,987
Total current assets		**261,776**	263,286
Non-current assets			
Inventories		**40,605**	40,077
Property, plant and equipment		**355,759**	344,314
Financial assets	7	**53,975**	42,163
Trade and other receivables		**-**	4,250
Deferred mining costs		**11,737**	3,173
Mine properties		**200,206**	206,189
Exploration and evaluation		**164,146**	153,943
Mineral rights		**558,112**	569,230
Deferred tax assets	2	**20,628**	9,136
Total non-current assets		**1,405,168**	1,372,475
Total assets		**1,666,944**	1,635,761
Liabilities			
Current liabilities			
Trade and other payables		**55,577**	69,583
Interest bearing borrowings	5	**9,541**	93,543
Rehabilitation provision		**8,064**	8,160
Other provisions		**13,042**	13,931
Derivative financial liabilities		**14,625**	8,750
Current tax liability	2	**12,887**	14,538
Total current liabilities		**113,736**	208,505
Non-current liabilities			
Interest bearing borrowings	5	**148,470**	15,709
Rehabilitation provision		**62,955**	61,701
Deferred tax liabilities	2	**215,917**	228,555
Derivative financial liabilities		**-**	5,338
Other provisions		**5,167**	2,286
Total non-current liabilities		**432,509**	313,589
Total liabilities		**546,245**	522,094
Net assets		**1,120,699**	1,113,667
Equity			
Contributed equity	6	**1,436,800**	1,434,573
Reserves		**(46,562)**	(50,137)
Accumulated losses		**(269,539)**	(270,769)
Total equity		**1,120,699**	1,113,667

The above condensed consolidated balance sheet should be read in conjunction with the notes to the financial statements.

Condensed consolidated statement of changes in equity

for the half year ended 31 December 2021

		CONSOLIDATED				
	Notes	**Contributed Equity $'000**	**Foreign Currency Translation Reserve $'000**	**Other Reserves $'000**	**Accumulated Losses $'000**	**Total $'000**
Balance at 1 July 2020		1,422,290	(53,018)	17,927	(38,222)	1,348,977
Transactions with owners of the Company recognised directly in equity:						
Share-based payments expense		-	-	645	-	645
Performance rights issued/(expired)		1,284	-	(1,094)	-	190
Dividends paid		-	-	-	(22,354)	(22,354)
Dividends reinvested		5,788	-	-	(5,788)	-
Total comprehensive income for the period						
Profit attributable to equity holders of the Company		-	-	-	37,457	37,457
Other comprehensive gain for the period		-	(16,446)	(4,192)	-	(20,638)
Balance at 31 December 2020		1,429,362	(69,464)	13,286	(28,907)	1,344,277
Balance at 1 July 2021		**1,434,573**	**(59,827)**	**9,690**	**(270,769)**	**1,113,667**
Transactions with owners of the Company recognised directly in equity:						
Share-based payments expense		**-**	**-**	**(156)**	**-**	**(156)**
Performance rights issued/(expired)		**587**	**-**	**(1,616)**	**1,485**	**456**
Dividends paid		**-**	**-**	**-**	**(12,525)**	**(12,525)**
Dividends reinvested		**1,640**	**-**	**-**	**(1,640)**	**-**
Total comprehensive income for the period						
Profit attributable to equity holders of the Company		**-**	**-**	**-**	**13,910**	**13,910**
Other comprehensive gain for the period		**-**	**12,078**	**(6,731)**	**-**	**5,347**
Balance at 31 December 2021		**1,436,800**	**(47,749)**	**1,187**	**(269,539)**	**1,120,699**

The above condensed consolidated statement of changes in equity should be read in conjunction with the notes to the financial statements.

Condensed consolidated statement of cash flows

for the half year ended 31 December 2021

	Notes	CONSOLIDATED 2021 $'000	2020 $'000
Cash flows from operating activities:			
Receipts from customers (inclusive of GST)		**313,492**	350,135
Payments to suppliers and employees (inclusive of GST)		**(259,410)**	(220,156)
Payments for exploration and evaluation		**(9,607)**	(15,310)
Interest received		**444**	401
Interest paid		**(1,893)**	(2,509)
Borrowing costs paid	5	**(1,406)**	(2,503)
Income tax paid	2	**(22,861)**	(16,520)
Net cash inflow from operating activities		**18,759**	93,538
Cash flows from investing activities:			
Payments for property, plant and equipment		**(50,855)**	(19,466)
Payments for development of mining properties		**(15,690)**	(49,267)
Payments for exploration and evaluation		**(8,853)**	(5,106)
Investment in financial assets		**(25,401)**	(3,235)
Divestment of financial assets		**4,000**	-
MRRI acquisition		**-**	(60,383)
Cash acquired		**-**	58
Net cash used in investing activities		**(96,799)**	(137,399)
Cash flows from financing activities:			
Dividend payment	4	**(12,525)**	(22,354)
Principal repayments - finance leases		**(3,035)**	(6,665)
Repayment of syndicated facility – Australian tranche		**-**	(200,000)
Syndicate facility drawn		**50,000**	-
Loan to third party		**-**	(9,178)
Net cash used in financing activities		**34,440**	(238,197)
Net decrease in cash and cash equivalents		**(43,600)**	(282,058)
Cash and cash equivalents at the beginning of the period		**133,370**	405,541
Net movement in foreign exchange rates		**3,884**	(4,789)
Cash and cash equivalents at the end of the period		**93,654**	118,694

Cash flows are included in the condensed consolidated statement of cash flows on a gross basis. The GST component of cash flows arising from investing or financing activities, which are recoverable from, or payable to, the taxation authority are classified as part of receipts from customers and payments to suppliers and employees.

The above condensed consolidated statement cash flows should be read in conjunction with the notes to the financial statements.

A. Key results

1 Segment information

	Leonora		Simberi		Atlantic Gold		Total segments	
	2021 $'000	2020 $'000	**2021 $'000**	2020 $'000	**2021 $'000**	2020 $'000	**2021 $'000**	2020 $'000
Gold revenue	**247,307**	128,302	**426**	127,813	**77,196**	99,725	**324,929**	355,840
Silver revenue	**283**	191	**3**	1,963	**58**	72	**344**	2,226
Total revenue	**247,590**	128,493	**429**	129,776	**77,254**	99,797	**325,273**	358,066
Mine operating costs	**(121,402)**	(70,029)	**(25,414)**	(70,728)	**(33,002)**	(31,283)	**(179,818)**	(172,040)
Gross profit	**126,188**	58,464	**(24,985)**	59,048	**44,252**	68,514	**145,455**	186,026
Royalties [(1)]	**(10,756)**	(7,590)	**(10)**	(3,195)	**(1,543)**	(1,993)	**(12,309)**	(12,778)
Depreciation and amortisation	**(38,922)**	(33,491)	**(6,229)**	(9,147)	**(32,351)**	(45,649)	**(77,502)**	(88,287)
Segment profit before income tax	**76,510**	17,383	**(31,224)**	46,706	**10,358**	20,872	**55,644**	84,961
Capital expenditure								
Sustaining	**23,479**	36,971	**8,252**	4,286	**5,779**	10,526	**37,510**	51,783
Growth[(2)]	**4,152**	10,754	**24,134**	1,932	**4,529**	3,508	**32,815**	16,194
Total capital expenditure	**27,631**	47,725	**32,386**	6,218	**10,308**	14,034	**70,325**	67,977
	31 Dec 2021 $'000	30 Jun 2021 $'000	**31 Dec 2021 $'000**	30 Jun 2021 $'000	**31 Dec 2021 $'000**	30 Jun 2021 $'000	**31 Dec 2021 $'000**	30 Jun 2021 $'000
Segment assets	**415,988**	430,099	**170,353**	102,850	**918,801**	925,413	**1,505,142**	1,458,362
Segment non-current assets	**394,737**	401,070	**86,763**	50,028	**852,553**	863,782	**1,334,053**	1,314,880
Segment liabilities	**38,426**	53,608	**39,296**	50,284	**349,546**	355,745	**427,268**	459,637

(1) Royalties include state government royalties and corporate royalties.
(2) Growth capital at Gwalia represents mainly additional ventilation and cooling capital. At Simberi growth capital represents expenditure associated with the Deep Sea Tailings Placement and the sulphides project. At Atlantic Gold growth capital represents expenditure associated with capitalised exploration and studies near mine.

Reconciliation of reportable segment revenues, profit or loss, assets, and other material items:

Operations	Consolidated **2021 $'000**	2020 $'000
Total profit for reportable segments	**55,644**	84,961
Other income and revenue	**1,070**	1,370
Exploration expensed	**(9,607)**	(15,310)
Unallocated depreciation and amortisation	**(2,172)**	(1,226)
Finance costs	**(3,354)**	(5,175)
Corporate costs	**(16,541)**	(14,427)
Net foreign exchange gain/(loss)	**(1,199)**	8,260
Gold instrument fair value adjustment	**(350)**	2,210
Share based payments expense	**(156)**	(645)
Other expenses	**(4,408)**	(6,926)
Consolidated profit before income tax	**18,927**	53,092

Assets	Consolidated **31 Dec 2021 $'000**	30 Jun 2021 $'000
Total assets for reportable segments	**1,505,142**	1,458,362
Cash and cash equivalents	**53,510**	84,792
Trade and other receivables (current)	**37,177**	35,015
Trade and other receivables (non-current)	**-**	4,250
Financial and other assets	**53,975**	42,163
Property, plant & equipment	**17,140**	11,179
Consolidated total assets	**1,666,944**	1,635,761

The Group has three operational business units: Leonora operations, Simberi operations and Atlantic Gold operations. The operational business units are managed separately due to their separate geographic regions. The measurement of segment results is in line with the basis of information presented to the Group's Executive Leadership Team for internal management reporting purposes. The performance of each segment is measured based on production, revenue, costs, EBITDA ('Segment Result') capital expenditures and cash flow generation.

Performance of each reportable segment is measured based on segment profit before income tax (excluding corporate expenses), as this is deemed to be the most relevant in assessing performance after taking into account factors such as cost per ounce of production.

2 Tax

Income tax expense

	Consolidated	
	2021 $'000	2020 $'000
Current tax expense	**16,002**	(1,635)
Under/(over) provision in respect of the prior year	**(692)**	(32)
Deferred income tax	**(10,293)**	17,302
Total income tax expense	**5,017**	15,635

Numerical reconciliation of income tax expense to prima facie tax payable

	2021 $'000	2020 $'000
Profit before income tax	**18,927**	53,092
Tax at the Australian tax rate of 30%	**5,678**	15,928
Tax effect of amounts not deductible/(taxable) in calculating taxable income:		
Difference in overseas tax rates	**(39)**	139
Equity settled share based payments	**(32)**	(140)
Capital gains	**(44)**	(80)
Non-deductible entertainment expenses	**2**	-
Permanent differences arising from foreign exchange within the tax consolidation group	**(69)**	(1,383)
Sundry items	**(479)**	1,171
Income tax expense	**5,017**	**15,635**

Current tax liability

As at 31 December 2021 the Company recognised a current tax liability of $12,887,000 (June 2021: $4,143,000), representing tax payable in Australia and Canada. There was no tax liability relating to PNG as at 31 December 2021.

Deferred tax balances

	Consolidated	
	31 Dec 2021 $'000	30 Jun 2021 $'000
Deferred tax assets		
Tax losses	**40,466**	8,664
Provisions and accruals	**89,734**	86,657
Property, plant and equipment	**50,424**	41,763
Derivative financial liabilities	**14,625**	14,088
Other	**7,705**	5,887
Total	**202,954**	157,059
Tax effect	**60,404**	46,651
Deferred tax liabilities		
Accrued income	**261**	270
Mine properties - Exploration	**139,179**	148,877
Mine properties – development	**566,834**	584,080
Consumables	**66,792**	56,155
Capitalised convertible notes costs	**-**	948
Unrealised foreign exchange gains	**18,508**	22,157
Plant, plant and equipment	**81,960**	84,170
Investments at fair value	**3,618**	12,890
Other liabilities	**-**	2,546
Total	**877,152**	912,093
Tax effect	**255,693**	266,070
Net deferred tax balance	**(195,289)**	(219,419)
Comprising of:		
Australia – net deferred tax liabilities	**(13,754)**	(22,913)
PNG – net deferred tax assets	**20,628**	9,136
Canada – net deferred tax liabilities	**(202,163)**	(205,642)
Net deferred tax balance	**(195,289)**	(219,419)

Accounting judgements and estimates

At each reporting date, the Group performs a review of the probable future taxable profit in each jurisdiction. The assessments are based on the latest life of mine plans relevant to each jurisdiction and the application of appropriate economic assumptions, such as gold price and operating costs. Any resulting recognition of deferred tax assets is categorised by type (e.g. tax losses or temporary differences) and recognised based on which would be utilised first according to that particular jurisdiction's legislation.

At 31 December 2021, all tax losses were recognised.

3 Significant items

Significant 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	
	2021 **$'000**	2020 $'000
Building Brilliance transformation(1)	**(1,412)**	(5,784)
Call option fair value movements(2)	**(350)**	2,210
Total significant items – pre tax	**(1,762)**	(3,574)
Tax Effect		
Tax effect of above significant items	**526**	1,094
Total significant items – post tax	**(1,236)**	(2,480)

(1) Building Brilliance transformation

Building Brilliance transformation program was established in the prior financial period to create sustainable value through improving operational performance and reduce costs. The costs incurred to manage the Building Brilliance program of works are included within other expenses.

(2) Call option fair value movements

The gold call options were entered into as part of the Atlantic Gold hedge restructure and do not qualify for hedge accounting. This is on the basis that the sold call options do not protect against downside risk. Therefore, movements in the fair value of the call options are recognised in profit and loss. Gold instrument fair value adjustments in the period was a loss of $350,000.

4 Dividends

	Consolidated	
	2021 **$'000**	2020 $'000
Ordinary shares:		
Final dividend for the year ended 30 June 2021 of 2 cents per share fully franked – paid (Jun 2020: 4 cents per share)	**14,165**	28,142
Total dividends provided for or paid	**14,165**	28,142
Dividends paid in cash or satisfied by the issue of shares under the dividend reinvestment plan during the period were as follows:		
Paid in cash	**12,525**	22,354
DRP – satisfied by issue of shares	**1,640**	5,788
Total dividends provided for or paid	**14,165**	28,142
No Dividend was declared for 31 December 2021 (Dec 2020: 4 cents per share)	**-**	28,214

Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan (DRP) continues to be available to eligible shareholders, whereby holders of ordinary shares may elect to have all or parts of their dividend entitlements satisfied by the issue of new ordinary shares instead of receiving cash.

DRP shares in relation to the 2021 final dividend were issued at a 1.0% discount to the 5 day volume weighted average price.

Interim Dividend

No dividend was declared for 31 December 2021 half year reporting period.

5 Interest bearing liabilities and finance costs

Interest bearing liabilities

	Consolidated	
	31 Dec 2021 $'000	30 Jun 2021 $'000
Current		
Secured		
Right-of-use asset lease liabilities	**4,166**	3,952
Finance leases	**5,375**	5,375
Syndicated facility	**-**	85,388
Capitalised borrowing costs	**-**	(1,172)
Total current	**9,541**	93,543
Non-current		
Secured		
Right-of-use asset lease liabilities	**5,537**	6,568
Finance leases	**6,563**	9,141
Syndicated facility	**137,645**	-
Capitalised borrowing costs	**(1,275)**	-
Total non-current	**148,470**	15,709
Total interest bearing liabilities	**158,011**	109,252

Profit before income tax includes the following specific expenses:

	Consolidated	
	2021 $'000	2020 $'000
Finance Costs		
Interest paid/payable	**1,729**	2,045
Bank fees and borrowing costs	**1,406**	2,503
Finance lease interest	**219**	462
Provisions: unwinding of discount	**-**	165
	3,354	5,175

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not incremental costs relating to the actual draw down of the facility, are recognised as prepayments and amortised on a straight line basis over the term of the facility.

Syndicated facility

In July 2019, the Group executed a three year $200,000,000 syndicated revolving corporate debt facility. The acquisition of Atlantic Gold included a syndicated facility with a balance of CAD$100,000,000. The facility was restructured in December 2019 to combine the A$200,000,000 facility with the C$100,000,000 debt facility. As at the 31 December 2021 reporting date the Australian tranche has been drawn down by A$50,000,000, and the Canadian tranche was drawn down by C$80,000,000. The syndicated facility is secured by the Group's Australian and Canadian assets and has a maturity date of July 2025.

B. Other disclosures

6 Contributed equity

Details	Number of shares	$'000
Opening balance 1 July 2021	708,023,789	1,434,573
Vested performance rights	369,504	587
Dividend reinvestment plan	1,133,756	1,640
Closing balance 31 December 2021	709,527,049	1,436,800

7 Financial assets and fair value of financial assets

At the 31 December 2021 reporting date, the Group's financial assets of $53,975,000 (30 June 2021: $42,163,000) represented investments in shares of entities listed on the Australian Securities Exchange, which are valued using Level 1 inputs.

These financial assets relate to the Company's investment in the following Australian Securities Exchange listed companies:

- Peel Mining Limited (PEX)
- Catalyst Metals Limited (CYL)
- Kin Mining NL (KIN)

The Group recognised Level 1, 2 and 3 financial assets on a recurring fair value basis as at 31 December 2021 as follows:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted marked price used for financial assets held by the group is the close price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

8 Events occurring after the half – year balance sheet date

Except as noted below, the Directors are not aware of any matter or circumstance that has arisen since the end of the reporting period 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.

- On 18 February 2022, the Company advised that Simberi guidance was withdrawn for the 30 June 2022 financial year due to a COVID-19 Omnicron outbreak which significantly impacted the local community and workforce. While Simberi remains in production, ramp-up of mining operations is not achieving target rates, and uncertainty remains as to when full workforce participation can resume.

9 Contingencies

As a result of the Australian Taxation Office's (ATO) program of routine and regular tax reviews and audits, the Group anticipates that ATO reviews and audits may occur in the future. The ultimate outcome of any future reviews and audits cannot be determined with an acceptable degree of reliability at this time. Nevertheless, the Group believes it is making adequate provision for its tax liabilities, including amounts shown as deferred tax liabilities, and takes reasonable steps to address potentially contentious issues with the ATO.

10 Basis of preparation

Significant accounting policies

The accounting policies applied by the Group in this consolidated half year financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2021. These accounting policies are consistent with Australian Accounting Standards.

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current half-year report. Accounting policies are applied consistently by each entity in the Group.

Critical accounting judgement and estimates

The preparation of the half year 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.

In preparing this consolidated half year financial report, the significant estimates and judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the most recent annual financial report.

Directors' declaration

In the Directors' opinion:

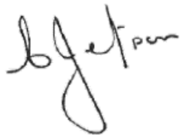
(a) the financial statements and notes set out on pages 12 to 21 are in accordance with the *Corporations Act 2001,* including:

   i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*; and

   ii) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the six month period ended on that date; and

(b) there are reasonable grounds to believe that the Company 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.



Craig Jetson

Managing Director and CEO

Melbourne
23 February 2022

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

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of St Barbara Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the condensed consolidated balance sheet as at 31 December 2021, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and the condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of St Barbara Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date;

2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year 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 2021 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year 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.

PricewaterhouseCoopers

PricewaterhouseCoopers

Amanda Campbell
Partner

Melbourne
23 February 2022

Corporate Directory

BOARD OF DIRECTORS

T C Netscher	Non-Executive Chairman
C A Jetson	Managing Director & CEO
S G Dean	Non-Executive Director
K J Gleeson	Non-Executive Director
S E Loader	Non-Executive Director
D E J Moroney	Non-Executive Director

COMPANY SECRETARY
S Standish

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STOCK EXCHANGE LISTING
Shares in St Barbara Limited are quoted on the Australian Securities Exchange
Ticker Symbol: SBM

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Telephone (international): +61 3 9415 4356
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AUDITOR
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