

Directors' Report

Your Directors present their report on the consolidated entity consisting of St Barbara Mines Limited ("Company", "St Barbara" or "parent entity") and the entities it controlled ("consolidated entity") at the end of, or during, the financial year ended 30 June 2004 and the Audit Report thereon.

DIRECTORS

The names of Directors who held office during the financial year or up to the date of this report (unless otherwise stated) are:

S J Colin Wise (aged 58)

Non-Executive Chairman

LL.B, FAICD, FAusIMM

Appointed Director on 20 July 2004

Member of the Audit Committee

Member of the Remuneration Committee

Mr Wise is an experienced corporate lawyer and consultant with significant expertise in the mining and exploration industry and corporate sector. He spent 24 years with WMC Limited, 10 of which as General Counsel and subsequently, 4 years as Counsel to the New York law firm of Howard, Smith and Levin LLP. He has had extensive practical experience in Australia and internationally with a wide range of corporate, operational and legal matters. He is a Fellow of both the Australian Institute of Company Directors and of the Australasian Institute of Mining and Metallurgy. He is a non-executive director of Southern Health, the largest health service in Melbourne.

Eduard Eshuys (aged 59)

Managing Director and Chief Executive Officer

B.Sc, FAICD, FAusIMM

Appointed Director on 20 July 2004

Member of the Remuneration Committee

Mr Eshuys is a geologist with 36 years of experience in mineral exploration, development and operation of gold and nickel mines in Australia. He has a credible record in exploration having led the exploration teams that discovered several major gold deposits, including Plutonic, Bronzewing and Jundee. He brought Bronzewing and Jundee as well as the Cawse Nickel mine into production. Mr Eshuys was awarded the Geological Society of Australia's Joe Harms medal for distinction in exploration success and project development in 1996. He is a Fellow of both the Australian Institute of Company Directors and the Australian Institute of Mining and Metallurgy.

Henderson (Hank) G Tuten (aged 56)

Non-Executive Director

B.A. (Econ)

Appointed Director on 26 March 2002

Chairman of the Audit Committee

Mr Tuten is actively involved in a consolidated entity of private equity funds as a founding partner. These are the Resource Capital Funds, the e-Century Capital Fund and the CIP Fund. He spent over fifteen years with the N.M. Rothschild and Sons consolidated entity. During that period, he was the chief executive officer of Rothschild Australia Limited, Rothschild North America Inc. and Continuation Investments N.V., the private equity vehicle for Rothschild Continuation Holdings A.G. consolidated entity. Prior to that, he was a commercial banker with the Philadelphia National Bank. Mr Tuten serves on several boards in connection with his investment activities. He graduated from the University of Virginia with a B.A. in Economics.

Mark K Wheatley (aged 43)

Non-Executive Director

B.E.(Chem) Hons 1), MBA

Appointed Director on 28 November 2003

Chairman of the Remuneration Committee

Mr Wheatley has 25 years resource industry experience within Australia and overseas. In his 17 years with BHP until 1996, he was involved in engineering, research, business development and commercial roles within the steel, minerals and corporate business groups. He then joined BT and became a Senior Vice President within the Global Metals and Mining Group where he was involved in project finance and corporate advisory activities over the next 3 years. He moved to the gold industry in 1999 where, as General Manager Corporate Development with Goldfields/Aurion Gold Limited and a period as Acting Managing Director of Goldfields, he completed a number of mergers and acquisitions that underpinned the company's ten fold increase in market capitalisation before it was taken over by Placer Dome Inc. in 2002. Mr Wheatley is currently Executive Chairman of Southern Cross Resources Inc., a company which is listed on the Toronto Stock Exchange.

Stephen W Miller

Appointed Director on 12 March 1999

Removed on 20 July 2004

Kevin A Dundo

Appointed Director on 26 March 2002

Resigned on 18 July 2004

G Brian Speechly

Appointed Director on 9 July 1997

Resigned on 28 November 2003

James T McClements

Appointed alternate director for H G Tuten

Resigned on 10 July 2003