

# Notes to the Financial Statements

## for the year ended 30 June 2004

	Consolidated		Company	
	30 June 2004 \$'000	30 June 2003 \$'000	30 June 2004 \$'000	30 June 2003 \$'000
<b>24. REMUNERATION OF AUDITORS</b>				
During the year the auditor of the Company, and its related practices earned the following remuneration:				
PricewaterhouseCoopers				
Remuneration for audit or review of the financial reports of the Company or any entity in the consolidated entity	117,786	82,000	74,486	76,000
Remuneration for other services:				
- Taxation service and general advice	29,200	11,800	17,200	11,800
	146,986	93,800	91,686	87,800

## 25. CONTINGENT LIABILITIES

Details and estimated maximum amounts of contingent liabilities, for which no provisions are included in the accounts, are as follows:

### (a) Guarantees and Undertakings

- (i) The Company has given undertakings to two of its controlled entities that it intends to provide the necessary financial or other support to enable them to meet their obligations as and when they fall due
- (ii) Indemnity to the Company's bankers in respect of guarantees provided by the bankers to the Western Australian Department of Minerals and Energy – see Note 7
- (iii) Security guarantees given to the Western Australian Department of Minerals and Energy

	3,068	3,262	2,725	3,262
	-	30	-	30

### (b) Native Title

It is possible that Native Title, as defined in the Native Title Act 1993, may be established over land in which the consolidated entity has an interest. The Company is not currently engaged in any negotiations.

### (c) Litigation

#### (i) Westgold

In late September 2000, a demand was made against the Company by Westgold Resources NL ("Westgold") alleging loss and damages in the sum of \$6,229,921. A Writ of Summons was issued by Westgold against the Company in the Supreme Court of Western Australia in CIV 2427 of 2000 on 20 October 2000.

The alleged claim by Westgold arose from a series of share transactions in the Company shares which took place between May and August 1997 as follows:

- On 12 May 1997, Westgold purchased 10,350,000 St Barbara shares at \$0.72 per share from Mr Woss who was a director of the Company at the time ("Woss Shares"). This share purchase took the total shares owned in the Company by Westgold to 23,898,951 (approximately 13% of the Company equity at the time) at a total cost of \$18.4 million.
- On 9 July 1997, Westgold sold all of its shareholding in the Company (which included the Woss Shares) to Montleigh Investments Pty Ltd, a company associated with Mr Ross Atkins who was a director of the Company at the time. The total sale consideration was \$19.1 million. Approximately \$8.4 million of the sale consideration was due to be paid by 30 June 1998. During 1998, Montleigh Investments Pty Ltd defaulted on payment of the deferred consideration and Westgold recovered \$1.6 million of the deferred consideration.

In these proceedings Westgold has sought to recover the balance of the deferred consideration plus interest from the Company and Mr Woss.