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6 March 2014

The Manager
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Pegasus Deposit Drilling Results

Northern Star Resources Limited (ASX: NST), as Managers of the East Kundana Joint Venture, have today released the attached announcement in relation to the Pegasus Deposit.

The Company's interest in the East Kundana Joint Venture is 12.25%

Yours faithfully
Rand Mining Ltd

A handwritten signature in blue ink, appearing to read 'Anton Billis', is written over a faint circular stamp or watermark.

Anton Billis

HIGH-GRADE RESULTS POINT TO SIGNIFICANT RESOURCE UPGRADE AT KUNDANA'S RICH PEGASUS DEPOSIT

Plus maiden Pegasus reserve set for June Quarter

KEY POINTS

- ▶ **Drilling has returned high-grade intersections up to 500m north of the current 355,000-ounce^{1*} resource at Pegasus, a rich deposit awaiting development at the Kundana gold mine in WA**
- ▶ **Deepest intersection to date of 3.2m at 49.9gpt has extended the high-grade zone at depth by 100m, to 550m below surface**
- ▶ **The Pegasus deposit remains open at depth and along strike**
- ▶ **Visible gold intersected in numerous holes**
- ▶ **Significant intersections along strike and outside of the current Pegasus resource include:**

▪ 3.2m @ 49.9gpt gold	(true width 2.2m)	5,824mRL
▪ 9.0m @ 11.7gpt gold	(true width 6.5m)	5,901mRL
▪ 1.9m @ 10.8gpt gold	(true width 1.3m)	5,888mRL
▪ 8.7m @ 7.8gpt gold	(true width 4.8m)	5,836mRL
▪ 6.0m @ 5.2gpt gold	(true width 3.3m)	5,882mRL
▪ 7.1m @ 5.1gpt gold	(true width 5.1m)	5,923mRL
- ▶ **Infill drilling of the current resource has returned encouraging results showing that a large portion is likely to convert to reserve. Maiden Pegasus reserve set for June Quarter**
- ▶ **Significant infill intersections include:**

▪ 4.0m @ 32.5gpt gold	(true width 2.8m)	5,968mRL
▪ 5.7m @ 27.9gpt gold	(true width 4.0m)	6,008mRL
▪ 2.2m @ 6.9gpt gold	(true width 1.5m)	6,006mRL
- ▶ **Recent intersections also confirm the existence of a new mineralised structure at Pegasus named the PODE Vein. This mineralisation is outside of the main K2 vein that hosts the Pegasus Resource. Intersections at PODE to date include:**

▪ 3.0m @ 26.7gpt gold	(true width 2.9m)	6,243mRL
▪ 13.7m @ 16.4gpt gold	(true width 13.3m)	6,215mRL
▪ 13.2m @ 11.0gpt gold	(true width 12.8m)	6,226mRL
▪ 7.0m @ 8.6gpt gold	(true width 6.8m)	6,211mRL
▪ 5.0m @ 8.5gpt gold	(true width 4.9m)	6,239mRL
- ▶ **Drilling continues with further assays pending for Pegasus K2 and PODE veins**

Northern Star Resources Limited (ASX: NST) is pleased to announce that some outstanding drilling results from its recently-acquired Kundana Gold Mine in WA point to a significant resource upgrade at the project's rich Pegasus discovery.

^{*} NST owns 51% of the East Kundana Joint Venture

ASX ANNOUNCEMENT
6 MARCH 2014

Australian Securities
Exchange Code: NST

Board of Directors

Mr Chris Rowe
Non-Executive Chairman

Mr Bill Beament
Managing Director

Mr Peter O'Connor
Non-Executive Director

Mr John Fitzgerald
Non-Executive Director

Ms Liza Carpena
Company Secretary

Issued Capital

Shares 526

Options 4.5M

Current Share Price \$1.20

Market Capitalisation
\$631.5 million

Cash/Bullion and Investments
31 Dec 13 - \$54.3 million

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The results from Pegasus, which is yet to be developed, have extended the known strike length of the current 355,000oz¹ resource by 500m and the known vertical depth of the high-grade zone by 100m to 550m (refer to Figure 1).

The latest drilling has also identified a new vein called the 'Pode vein' at Pegasus, providing further scope for an increase in resources (refer to Figures 2 and 3).

As well as being very high-grade (1.13 million tonnes at 9.8gpt Au), the Pegasus resource is considered an extremely attractive economic proposition because the mineralisation runs from very close to the surface and can be accessed from the existing Rubicon underground mine just 250m away.

A number of the new drilling intersections contained visible gold while the hit at depth was 3.2m at 49.9gpt.

Northern Star acquired Pegasus as part of its purchase of the 51% East Kundana Joint Venture at the Kundana Gold Mine from Barrick Gold effective 1 March 2014.

Northern Star Managing Director Bill Beament said the results showed Pegasus was growing into a substantial gold deposit.

"The combination of its grade, its shallow nature, its location immediately next to the existing underground mines and the potential for substantial growth in the resource shows Pegasus is set to make a large contribution to Northern Star's production and cashflow."

Fresh infill drilling at Pegasus has also returned strong results which confirm the continuity of the resource model. These results will be included in a maiden reserve estimation expected in the June Quarter 2014.

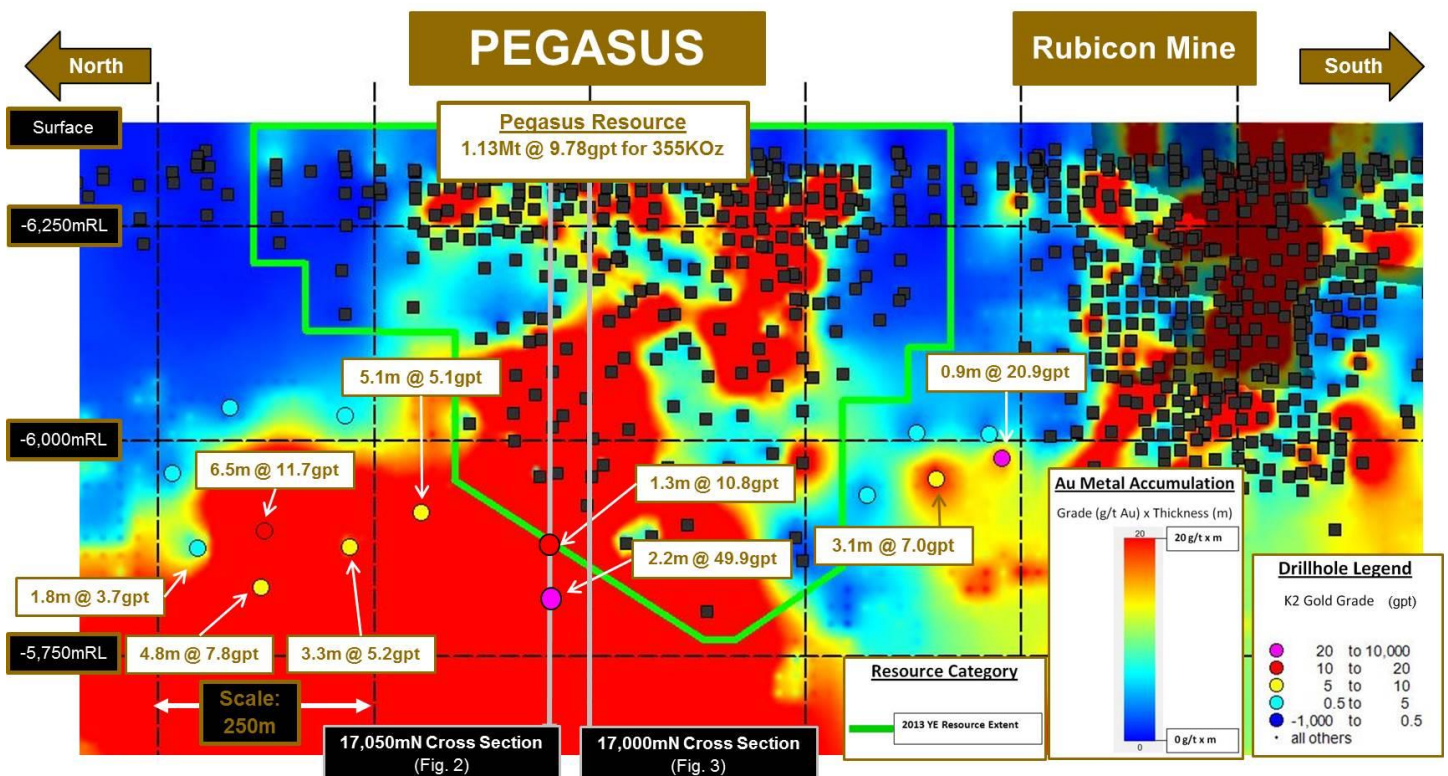


Figure 1 - Long section view (looking East) of significant drill results for Pegasus K2 vein, all intersections are true widths.

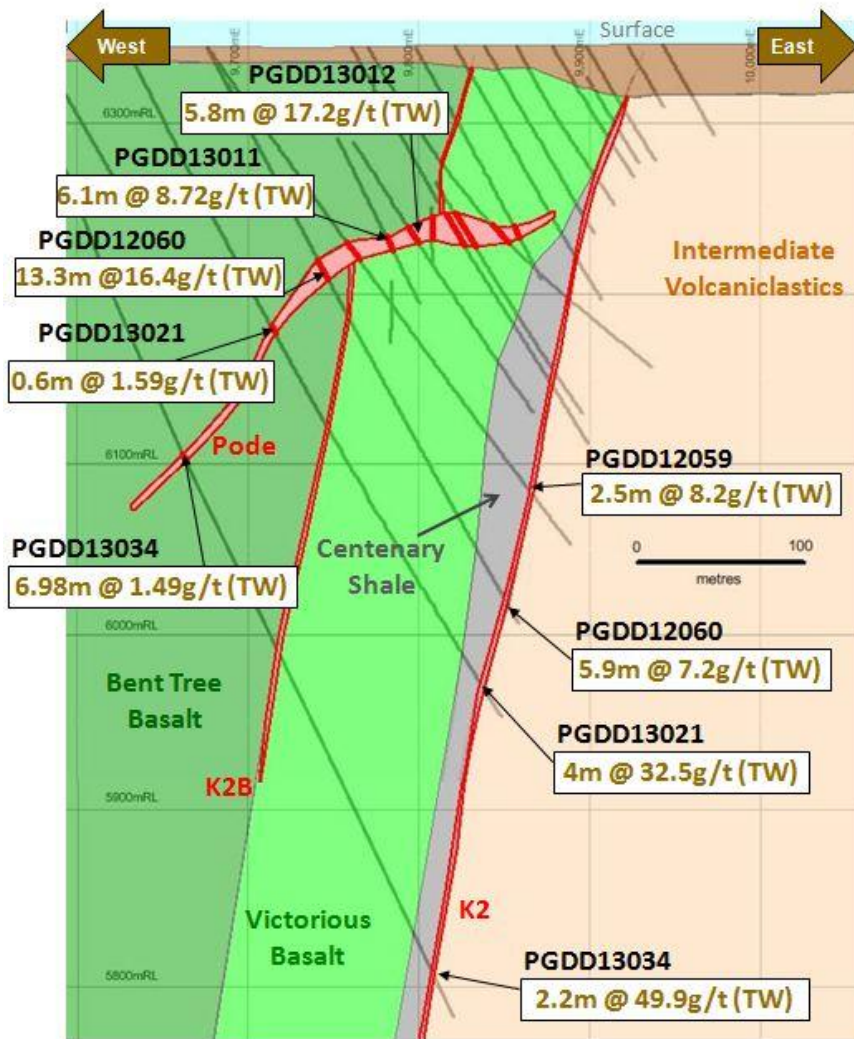


Figure 2 – Cross section view 17050mN (looking North) of significant drill results for the K2 and the new Poda veins

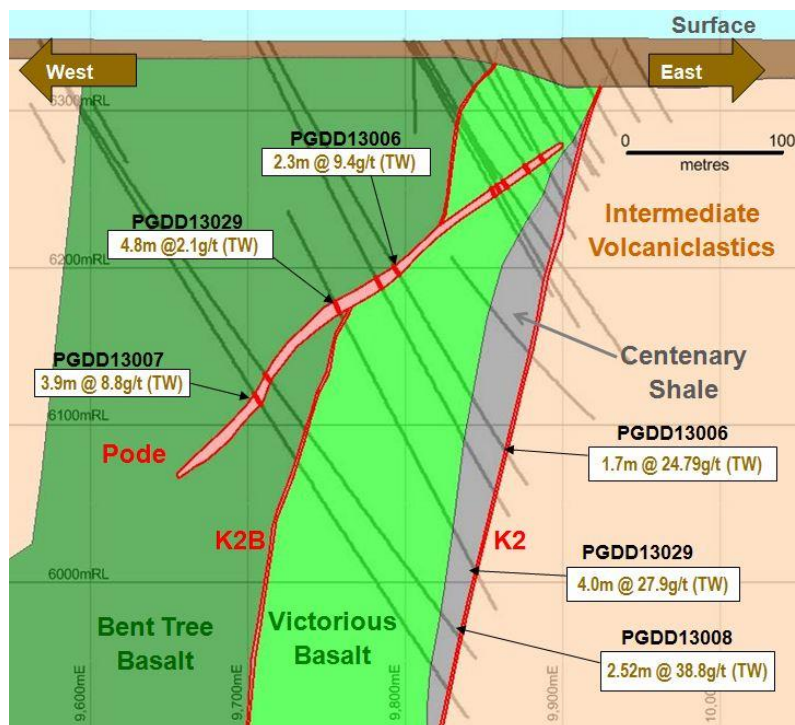


Figure 3 - Cross section view 17,000mN (looking North) of significant drill results for the K2 and the new Poda veins

Drilling continues with further assays pending for the Pegasus K2 and Poda veins.

Assay results from surface diamond drilling completed on Pegasus are listed in the attached tables.

Yours faithfully



BILL BEAMENT
Managing Director
Northern Star Resources Limited

Competent Persons Statements

The information in this announcement that relates to mineral resource estimations, exploration results, data quality, geological interpretations and potential for eventual economic extraction, is based on information compiled by Alan Pedersen (Member AusIMM) and reviewed by Bernd Sostak, (Member AusIMM), and both are full-time employees of Northern Star Resources Limited. Mr Sostak has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" for the Pegasus Deposit. Mr Sostak consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Northern Star Resources Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Northern Star Resources Limited, its directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it.

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GOLD MINERAL RESOURCES ¹													
As at December 31, 2013	MEASURED (M)			INDICATED (I)			(M) + (I)	INFERRED (Inf)			TOTAL (Ml & Inf)		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
Based on attributable ounces	(000's)	(gpt)	(000's)	(000's)	(gpt)	(000's)	(000's)	(000's)	(gpt)	(000's)	(000's)	(gpt)	(000's)
Pegasus(EKJV-51%)													
Pegasus				351	9.0	101	101	225	11.0	80	576	9.8	181
TOTAL	-	-	-	351	9.0	101	101	225	11.0	80	576	9.8	181

¹Table 1 - Pegasus Resource as at 31 December 2013

(table reflects Northern Star's 51% interest in the Total Mineral Resource of 355,000oz Au)

PEGASUS EXTENSION DRILLING (Outside of 31 December 2013 Resource)

Drill Hole #	Easting (Mine Grid)	Northing (Mine Grid)	Drill hole collar RL (Mine Grid)	Dip (degrees)	Azimuth (degrees, Mine Grid)	End of hole depth (m)	Downhole From (m)	Downhole To (m)	Downhole Intersection (m)	Au (gpt) uncut	Est True Thickness (m)
EKD037B	9587	16725	6342	-64	63	505	463.75	465.16	1.41	3.1	1.0
PGDD12062	9569	17205	6344	-61	62	549	485.04	492.10	7.06	5.1	5.1
PGDD12063	9652	17298	6345	-60	62	411	358.00	360.00	2.00	4.1	1.5
PGDD12098	9652	17298	6344	-73	65	564	481.00	487.00	6.00	5.2	3.3
PGDD12119	9618	16619	6343	-62	62	492	436.16	440.65	4.49	7.0	3.1
PGDD12120	9621	16527	6343	-60	59	450	419.75	421.00	1.25	20.9	0.9
PGDD12125	9532	17422	6344	-61	62	567	511.00	520.00	9.00	11.7	6.5
PGDD12126	9718	17421	6346	-70	61	369	321.25	322.13	0.88	3.7	0.5
PGDD12127	9603	17486	6346	-70	88	573	543.40	552.10	8.70	7.8	4.8
PGDD12128	9635	17489	6345	-66	62	474	415.70	417.10	1.40	2.4	1.0
PGDD12129	9603	17488	6347	-70	65	552	499.00	502.00	3.00	3.7	1.8
PGDD13026	9560	17039	6345	62	-63	555	385.00	385.60	0.60	2.3	0.9
PGDD13027	9637	16647	6343	58	-60	480	386.68	387.10	0.42	3.4	0.3
PGDD13033	9643	16559	6344	58	-60	416	519.76	521.61	1.85	10.8	1.3
PGDD13034	9560	17040	6344	55	-66	609	544.55	547.70	3.15	49.9	2.2

Table 2 – Complete table of Pegasus drill results outside of the 31 December 2013 Resource estimation (released 23/1/2014)

PEGASUS RESOURCE DEFINITION (Inside 31 December 2013 Inferred Resource)

Drill Hole #	Easting (Mine Grid)	Northing (Mine Grid)	Drill hole collar RL (Mine Grid)	Dip (degrees)	Azimuth (degrees, Mine Grid)	End of hole depth (m)	Downhole From (m)	Downhole To (m)	Downhole Intersection (m)	Au (gpt) uncut	Est True Thickness (m)
PGDD13021	9630	17049	6344	-61	59	450	427.00	431.00	4.00	32.5	2.8
PGDD13028	9646	17089	6344	-60	57	435	392.82	395.00	2.18	6.9	1.5
PGDD13029	9670	16968	6344	-62	46	408	376.00	381.74	5.74	27.9	4.0
PGDD13030	9646	16921	6344	-62	60	456	415.26	416.40	1.14	9.9	0.8
PGDD13031	9606	16892	6343	-57	68	489	432.35	433.60	1.25	3.3	0.9
PGDD13032	9636	16725	6343	-60	66	446	420.00	421.00	1.00	2.3	0.7

Table 3 – Complete table of Pegasus resource definition drill results completed inside the 31 December 2013 Resource estimation (released 23/1/2014)

PEGASUS DRILLING - PODE LODE DRILL RESULTS COMPLETED TO DATE

Drill Hole #	Easting (Mine Grid)	Northing (Mine Grid)	Drill hole collar RL (Mine Grid)	Dip (degrees)	Azimuth (degrees, Mine Grid)	End of hole depth (m)	Downhole From (m)	Downhole To (m)	Downhole Intersection (m)	Au (gpt) uncut	Est True Thickness (m)
EKD034	9664	17124	6344	-60	84	402	191	192	1	5.97	0.97
EKD035	9600	16872	6343	-66	87	564	265	266	1	3.29	0.97
EKD038A	9559	16955	6344	-60	88	548.3	290	299.8	9.8	2.05	9.51
PGCD12047	9609	16893	6343	-63	88	521	256.45	257.3	0.85	1.2	0.82
PGCD12047	9609	16893	6343	-63	88	521	259	259.4	0.4	2	0.39
PGCD12048	9622	16965	6344	-66	99	528	255.74	256.45	0.71	2.09	0.69
PGDD12009	9618	16965	6343	-54	92	426	246.15	250	3.85	3.02	3.73
PGDD12059	9677	17053	6344	-54	91	360.2	137.7	150.93	13.23	11	12.83
PGDD12060	9677	17053	6344	-62	91	383.1	137.75	151.42	13.67	16.4	13.26
PGDD12061	9578	17064	6344	-60	88	543	228	234	6	1.94	5.82
PGDD12062	9569	17204	6344	-60	90	549	246.1	250	3.9	1.6	3.78

PEGASUS DRILLING - PODE LODGE DRILL RESULTS COMPLETED TO DATE

Drill Hole #	Easting (Mine Grid)	Northing (Mine Grid)	Drill hole collar RL (Mine Grid)	Dip (degrees)	Azimuth (degrees, Mine Grid)	End of hole depth (m)	Downhole From (m)	Downhole To (m)	Downhole Intersection (m)	Au (gpt) uncut	Est True Thickness (m)
PGDD12063	9652	17298	6345	-60	92	411	186	187	1	1.573	0.97
PGDD12063	9652	17298	6345	-60	92	411	191	198	7	2.3	6.79
PGDD12097	9799	17030	6345	-55	91	216	118.7	119.26	0.56	21.17	0.54
PGDD12098	9652	17298	6344	-73	94	564	201	203	2	3.96	1.94
PGDD12112	9763	17077	6344	-60	90	243	107.73	109	1.27	12.3	1.23
PGDD12113	9728	17076	6344	-59	88	286.5	124.5	125.1	0.6	26.3	0.58
PGDD12115	9729	17036	6343	-59	91	286.8	136	140	4	2.01	3.88
PGDD12121	9805	16987	6344	-60	3	321	115	120	5	8.45	4.85
PGDD12121	9805	16987	6344	-60	3	321	121.5	126.5	5	2.2	4.85
PGDD12122	9783	17133	6344	-62	180	231	126.8	128.8	2	5.73	1.94
PGDD12125	9532	17422	6344	-59	100	567	277.8	283	5.2	19	5.04
PGDD12126	9718	17421	6346	-70	89	369	170.6	171.29	0.69	32	0.67
PGDD12127	9603	17486	6346	-69	120	573	232	235	3	2	2.91
PGDD12128	9635	17489	6345	-65	89	474	208	209	1	1.9	0.97
PGDD12129	9603	17488	6347	-68	98	551.5	220	221.8	1.8	1.33	1.75
PGDD12129	9603	17488	6347	-68	98	551.5	224.55	229.05	4.5	2.05	4.37
PGDD13006	9713	17001	6344	-59	94	327	172.63	175	2.37	9.4	2.30
PGDD13007	9568	17019	6344	-60	87	509.8	259	263	4	8.76	3.88
PGDD13011	9728	17035	6344	-64	78	168.02	126.22	128	1.78	8.72	6.10
PGDD13012	9727	17035	6344	-57	79	282	126	132	6	17.2	5.82
PGDD13013	9677	17053	6343	-60	74	366	159.4	161	1.6	14.4	1.55
PGDD13018	9694	17069	6343	-60	90	375	144	147	3	11.8	2.91
PGDD13019	9699	17090	6344	-60	90	368.8	162	162.8	0.8	2.66	0.56
PGDD13019	9699	17090	6344	-60	90	368.8	151	158	7	8.64	6.79
PGDD13020	9679	17090	6343	-60	90	189.1	167	170	3	4.94	2.91
PGDD13021	9630	17049	6344	-61	88	450	182.25	182.8	0.55	2.3	0.53
PGDD13021	9630	17049	6344	-61	88	450	183.4	184.05	0.65	1.59	0.63
PGDD13028	9646	17089	6344	-60	86	435	188.7	192	3.3	3	3.20
PGDD13029	9670	16968	6344	-62	75	408	190.89	195.8	4.91	2.1	4.76
PGDD13030	9646	16921	6344	-62	89	456	248.9	254.14	5.24	1.99	5.08
PGDD13030	9646	16921	6344	-62	89	456	259.65	262	2.35	2.68	2.28
PGDD13031	9606	16892	6343	-57	97	489	269.1	272	2.9	1.22	2.81
PGDD13031	9606	16892	6343	-57	97	489	275.7	277.25	1.55	1.3	1.50
PGDD13033	9560	17039	6345	-63	91	555	236.41	251.18	14.77	1.3	14.33
PGDD13034	9560	17040	6344	-66	84	609	245.2	252.4	7.2	1.49	6.98
PGRC12053	9771	17053	6344	-53	88	252	135	137	2	1.49	1.94
PGRC12054	9802	17125	6344	-58	88	204	96	101	5	1.36	4.85
PGRC12055	9764	17128	6344	-63	89	276	110	111	1	9.98	0.97
PGRC12064	9761	17052	6344	-60	85	270	106	109	3	26.7	2.91
PGRC12064	9761	17052	6344	-60	85	270	112	132	20	1.5	19.40
PGRC12099	9742	16969	6343	-54	83	300	146	147	1	4.31	0.97
PGRC12100	9737	16968	6343	-64	88	312	167	168	1	4.98	0.97
PGRC039	9805	17013	6344	-59	90	210	106.3	107.3	1	1.56	0.97
PGRC042	9816	17092	6345	-59	89	180	99.9	101.55	1.65	1.99	1.60

Table 4 – Complete drill results from the interpreted Podge Lode

JORC Code, 2012 Edition – Table 1 Pegasus

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Sampling was completed using a combination of Reverse circulation (RC) and Diamond Drilling (DD). RC drilling was used to drill pre-collars for many of the Resource definition holes with diamond tails. Diamond drilling constitutes the rest of the drilling. Diamond core was transferred to core trays for logging and sampling. Half core samples were nominated by the geologist from both NQ2 and HQ diamond core, with a minimum sample width of either 20cm (HQ) or 30cm (NQ2). RC samples were split using a rig-mounted cone splitter on 1m intervals to obtain a sample for assay. 4m Composite spear samples were collected for most of each hole, with 1m samples submitted for areas of known mineralisation or anomalism. Samples were taken to Genalysis Kalgoorlie for preparation by drying, crushing to <3mm, and pulverising the entire sample to <75µm. 300g Pulps splits were then dispatched to Genalysis Perth for 50g Fire assay charge and AAS analysis.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc). 	<ul style="list-style-type: none"> Both RC and Diamond Drilling techniques were used at Pegasus. Diamond drillholes completed pre-2011 were predominantly NQ2 (50.5mm). All resource definition holes completed post 2011 were drilled using HQ (63.5mm) diameter core Core was orientated using the Reflex ACT Core orientation system. RC Drilling was completed using a 5.75" drill bit, downsized to 5.25" at depth. 7 RC pre-collars were drilled followed by diamond tails. Pre-collar depth was to 180m or less if approaching known mineralisation.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> RC drilling contractors adjust their drilling approach to specific conditions to maximise sample recovery. Moisture content and sample recovery is recorded for each RC sample. No recovery issues were identified during 2013 RC drilling. Recovery was poor at the very beginning of each hole, as is normal for this type of drilling in the overburden. For diamond drilling the contractors adjust their rate of drilling and method if recovery issues arise. All recovery is recorded by the drillers on core blocks. This is checked and compared to the measurements of the core by the geological team. Any issues are communicated back to the drilling contractor. Recovery was excellent for diamond core and no relationship between grade and recovery was observed. For RC drilling, pre-collars were ended before known zones of mineralisation and recovery was very good through any anomalous zones.

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All diamond core is logged for Regolith, Lithology, veining, alteration, mineralisation and structure. Structural measurements of specific features are also taken through oriented zones. All logging is quantitative where possible and qualitative elsewhere. A photograph is taken of every core tray. RC sample chips are logged in 1m intervals. For the entire length of each hole. Regolith, Lithology, alteration, veining and mineralisation are all recorded.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> All Diamond core is cut and half the core is taken for sampling. The remaining half is stored for later use. All RC samples are split using a rig-mounted cone splitter to collect a 1m sample 3-4kg in size. These samples were submitted to the lab from any zones approaching known mineralisation and from any areas identified as having anomalous gold. Outside of mineralised zones spear samples were taken over a 4m interval for composite sampling. Field duplicates were taken for RC samples at a rate of 1 in 20 Sample preparation was conducted at Genalysis Kalgoorlie, commencing with sorting, checking and drying at less than 110°C to prevent sulphide breakdown. Samples are jaw crushed to a nominal -6mm particle size. If the sample is greater than 3kg a Boyd crusher with rotary splitter is used to reduce the sample size to less than 3kg (typically 1.5kg) at a nominal <3mm particle size. The entire crushed sample (if less than 3kg) or sub-sample is then pulverised to 90% passing 75µm, using a Labtechnics LM5 bowl pulveriser. 300g Pulp subsamples are then taken with an aluminium scoop and stored in labelled pulp packets. Grind checks are performed at both the crushing stage(3mm) and pulverising stage (75µm), requiring 90% of material to pass through the relevant size.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> A 50g Fire assay charge is used with a lead flux, dissolved in the furnace. The prill is totally digested by HCl and HNO3 acids before Atomic absorption spectroscopy (AAS) determination for gold analysis. No geophysical tools were used to determine any element concentrations Certified reference materials (CRMs) are inserted into the sample sequence randomly at a rate of 1 per 20 samples to ensure correct calibration. Any values outside of 3 standard deviations are re-assayed with a new CRM. Blanks are inserted into the sample sequence at a rate of 1 per 20 samples, This is random, except where high grade mineralisation is expected. Here, a Blank is inserted after the high grade sample to test for contamination. Failures above 0.2gpt are followed up, and re-assayed. New pulps are prepared if failures remain. Field Duplicates are taken for all RC samples (1 in 20 sample). No Field duplicates are submitted for diamond core.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 	<ul style="list-style-type: none"> All significant intersections are verified by another geologist during the drill hole validation process, and later by a Competent person to be signed off No Twinned holes were drilled for this data set Geological logging was captured using excel templates. Both a hardcopy and electronic copy of these are stored, as well as being loaded in to the database

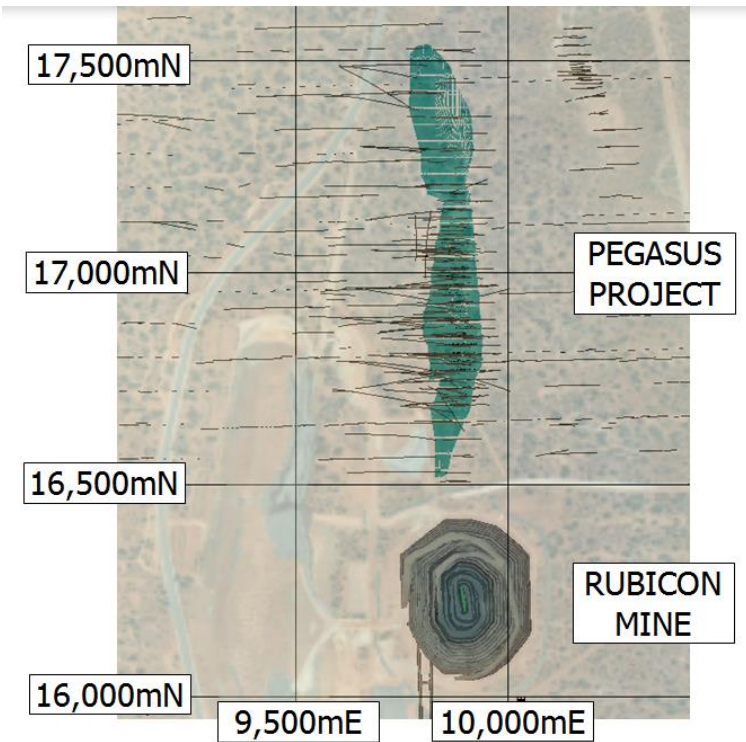
Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Discuss any adjustment to assay data. 	<p>using automatic acquire loaders. Assay files are received in csv format and loaded directly into the database by the Database administrator (DBA). A geologist then checks that the results have inserted correctly. Hardcopy and electronic copies of these are also kept. No adjustments are made to this assay data.</p>
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> A planned hole is pegged using a Differential GPS by the field assistants During drilling single-shot surveys are every 30m to ensure the hole remains close to design. This is performed using the Reflex Ez-Trac system. Upon hole completion, a Gyroscopic survey is conducted by ABIMS, taking readings every 5m for improved accuracy. This is done in true north. The final collar is picked up after hole completion by Differential GPS in the MGA 94_51 grid. Good quality topographic control has been achieved through Lidar data and survey pickups of holes over the last 15 years.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Drillhole spacing across the area varies. For the Resource definition drilling, spacing was typically 40m x 40m, to allow the resource to be upgraded to indicated. For the Pode drilling spacing was approximately 20m x 20m. The HRPD drilling was much more wide spaced, as this is largely unclassified. Spacing is wider than 160m in some areas. No compositing has been applied to these exploration results, although composite intersections are reported.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> The majority of the structures in the Kundana camp dip steeply (80°) to WSW. The Pode structure has a much shallower dip in a similar direction, approximately 60° . To target these orientations the drillhole dips of 60-70° towards ~060° achieve high angle intersections on all structures. No sampling bias is considered to have been introduced by the drilling orientation
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Prior to laboratory submission samples are stored by Barrick Kanowna in a secure yard. Once submitted to the laboratories they are stored in a secure fenced compound, and tracked through their chain of custody via audit trails
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews have recently been conducted on sampling techniques.

Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)

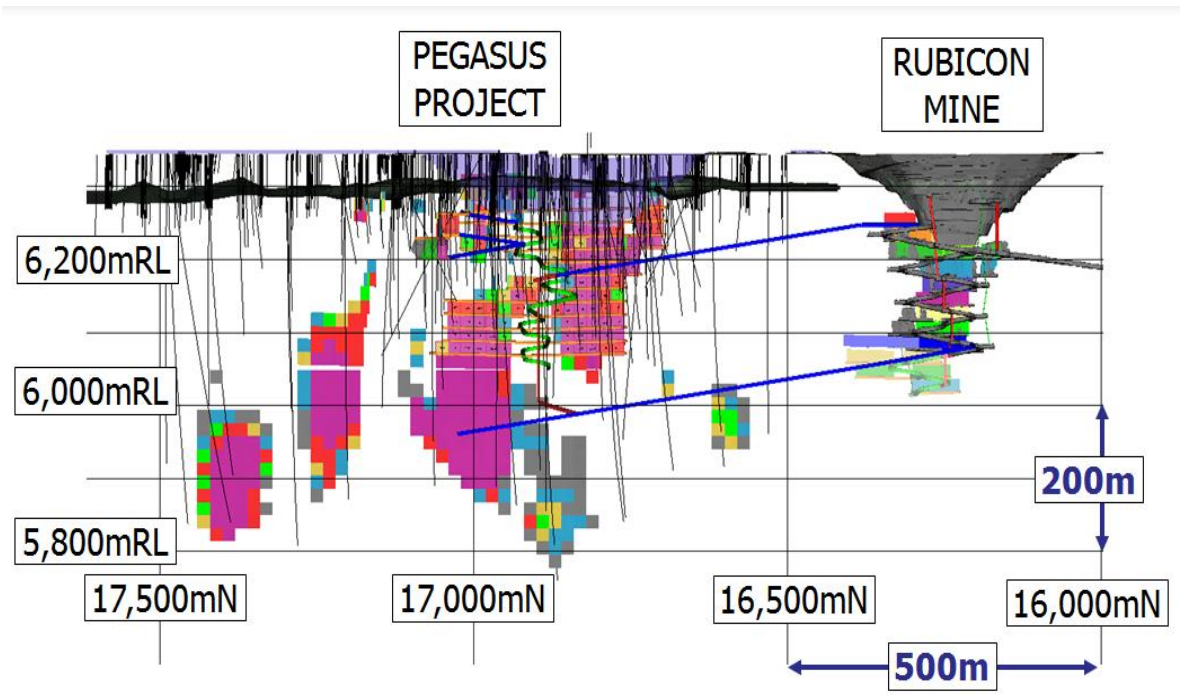
Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> All holes mentioned in this report are located within the M16/309 and M16/326 Mining leases and are held by The East Kundana Joint Venture (EKJV). The EKJV is majority owned and managed by Barrick Gold Corporation (51%). The minority holding in the EKJV is held by Tribune Resources Ltd (36.75%) and Rand Mining Ltd (12.25%). The tenement on which the Pegasus deposit is hosted (M16/309) is subject to two royalty agreements; however neither of these is applicable to the actual Pegasus deposit. The agreements that are on M16/309 but not relevant to the Pegasus project are the Kundana- Hornet Central Royalty and the Kundana Pope John Agreement No. 2602-13. No known impediments exist and the tenements are in good standing
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The first reference to the mineralisation style encountered at the Pegasus project was the mines department report on the area produced by Dr. I. Martin (1987). He reviewed work completed in 1983 – 1984 by a company called Southern Resources, who identified two geochemical anomalies, creatively named Kundana #1 and Kundana #2. The Kundana #2 prospect was subdivided into a further two prospects, dubbed K2 and K2A. Between 1987 and 1997, limited work was completed. Between 1997 and 2006 Tern Resources (subsequently Rand Mining and Tribune Resources), and Gilt-edged mining focused on shallow open pit potential which was not considered viable. In 2011, Pegasus was highlighted by an operational review team and follow-up drilling was planned through 2012. This report is concerned solely with 2013 drilling that led on from this period.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Kundana camp is situated within the Norseman-Wiluna Greenstone Belt, in an area dominated by the Zuleika shear zone, which separates the Coolgardie domain from the Ora Banda domain. K2-style mineralisation (Pegasus, Rubicon, Hornet) consists of narrow vein deposits hosted by shear zones located along steeply-dipping overturned lithological contacts. The K2 structure is present along the contact between a black shale unit (Centenary shale) and intermediate volcanics (Sparogville formation). Minor mineralisation, termed K2B, also occurs further west, on the contact between the victorious basalt and Bent Tree Basalt (both part of the regional upper Basalt Sequence). A 60° W dipping fault, offsets this contact and exists as a zone of vein-filled brecciated material hosting the Pode-style mineralisation.

Criteria	JORC Code explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Too many holes to practically list and the long section and plan reflect the holes used for estimation attached below
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregations should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> All reported assay results have been length weighted to provide an intersection width. A maximum of 2m of barren material between mineralised samples has been permitted in the calculation of these widths. No assay results have been top-cut for the purpose of this report. A lower cut-off of 1gpt has been used to identify significant results, although lower results are included where a known ore zone has been intercepted, and the entire intercept is low grade. No metal equivalent values have been used for the reporting of these exploration results
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> True widths have been calculated for intersections of the known ore zones, based on existing knowledge of the nature of these structures. Both the downhole width and true width have been clearly specified when used.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Appropriate plans and section have been included in the body of this report
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Both high and low grades have been reported accurately, clearly identified with the drillhole attributes and 'From' and 'To' depths.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Metallurgical testwork was conducted on 9 Pegasus samples. The results are summarised as follows: <ul style="list-style-type: none"> All Pegasus recoveries were above 91% for the leach tests Gravity gold recovery estimated at 55% Cyanide consumption 0.62 kgpt; Lime 2.29 kgpt Oxygen Consumption 60 gpt per hour Bond Ball mill work index average 18.1 kWh/t Bond Abrasion Index average 0.1522

Criteria	JORC Code explanation	Commentary
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Further work will commence in 2014 to extend the indicated resource deeper by infill drilling. Advanced exploration work will also attempt to upgrade an area at depth spanning 1km of strike to an inferred resource. The continuation of the 'HRPD' trend will continue to be drill tested at depth, with the intention of linking the known deposits of Hornet, Rubicon, Pegasus and Drake.



Plan View Pegasus Drilling



Long Section Pegasus Drilling looking East