

JUNDEE SETTLEMENT PUTS NORTHERN STAR ON TRACK TO BE ~600,000OZPA PRODUCER

KEY POINTS

- ▶ Northern Star has completed the acquisition of the Jundee Gold Mine from Newmont for A\$82.5m
- ▶ Northern Star has also agreed to issue shares valued at \$10m to a third party in return for that party waiving its pre-emptive right to acquire Jundee
- ▶ Jundee produced 63,000oz in March Quarter 2014 at all-in sustaining cost of US\$841/oz
- ▶ Jundee will lift Northern Star's total production rate to 550-600,000ozpa at all-in sustaining cost of ~A\$1,050/oz
- ▶ Northern Star's balance sheet extremely robust after acquisition with \$80m cash and \$70m drawn on \$100m debt facility

ASX ANNOUNCEMENT

2 July 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 Carpeno
Company Secretary

Issued Capital

Shares 587M

Options 1.8M

Current Share Price \$1.31

Market Capitalisation
\$769 million

Cash/Bullion and Investments
31 Mar 2014 - \$80 million

Level 1, 1 Puccini Court
Stirling WA 6021
T +6 8 6188 2100
F +6 8 6188 2111
E info@nsrld.com
www.nsrld.com

ABN: 43 092 832 892

Northern Star Resources Limited (ASX: NST) is pleased to advise that it has completed the acquisition of the Jundee Gold Mine in WA from Newmont Mining Corporation.

The settlement of the purchase means Northern Star is firmly on track to produce at the rate of 550,000-600,000 ounces a year at an all-in sustaining cost of ~A\$1,050/oz.

The deal follows Northern Star's recent acquisitions of the Plutonic, Kanowna Belle and Kundana (NST: 51%) gold mines in WA, making it the second-biggest ASX-listed gold producer.

Northern Star paid Newmont A\$82.5 million for Jundee. It also agreed to issue shares valued at \$10 million to a third party in return for that party waiving its first right of refusal to acquire Jundee (see ASX release dated 10 June 2014).

Jundee produced 63,000oz at an all-in sustaining cost of US\$841/oz in the March Quarter 2014. Production in calendar year 2013 totalled 279,000oz at an all-in sustaining cost of US\$975/oz.

Following the completion of the Jundee acquisition, Northern Star has cash on hand of \$80 million and has drawn down \$70 million of a \$100 million credit facility.

Northern Star Managing Director Bill Beament said Jundee was an outstanding mine with substantial production, low costs and significant potential to grow resources through near-mine exploration.

"The Jundee acquisition is entirely consistent with our objective of being a major Australian gold mining company for global investors," Mr Beament said.

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“We now have the scale, the asset diversity, the cost base and the growth potential demanded by leading investment institutions around the world.

“The strength of our balance sheet after this acquisition reflects the value of the assets we have bought and the speed with which we have successfully bedded them down, introducing the Northern Star commitment to efficiency, productivity and low costs.”

Northern Star welcomes the Jundee workforce to the Northern Star Team, and extends its appreciation to Newmont for a professional transition, and for its strong historical stewardship of the Jundee Gold Mine.

Yours faithfully



BILL BEAMENT
Managing Director
Northern Star Resources Limited

Forward Looking Statements

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