



UNDERLYING NPAT SOARS 198% TO A\$108.9M

Return on equity of 32%; FY15 dividend up 43% to 5¢ fully franked

KEY POINTS

- ▶ Northern Star caps a year of significant growth with a 198% increase in underlying net profit after tax to A\$108.9 million for FY15
- ▶ Revenue up 185% to A\$845.7m; Underlying Company free cash flow up 315% to A\$185.6m
- ▶ Underlying EBITDA up 220% to A\$333.1m
- ▶ Final dividend increased to 3.0¢ from 2.5¢ previously; Full-year payout up 43% from 3.5¢ to 5¢; Earnings per share up from 4.5¢ to 15.5¢
- ▶ Cash and equivalents increased to A\$178m from A\$96m a year ago, even after purchasing the Jundee Gold Mine for A\$82.5m, paying A\$26.5m in dividends and investing A\$50m in exploration; No bank debt
- ▶ Return on equity of 32%, demonstrating that growth has not diminished Shareholder returns
- ▶ Results reflect increase in gold sold to 580,748oz from 210,055oz; All-in sustaining cost of A\$1,065/oz (A\$1,094/oz previously)
- ▶ Total Resources in FY15 increased by 44% to 8.9Moz; Measured and Indicated Resources increase by 42% to 4.4Moz, underpinning significant growth in mine lives with eight new discoveries also made
- ▶ Total Reserves up 26% to 1.5Moz (all revised estimates are after mining 622,000oz in FY15)
- ▶ 2.7Moz added to the Resource base at a discovery cost of A\$19/oz
- ▶ Northern Star will be hosting a conference call on its FY15 results today at 9am AEST (7am AWST). The call can be accessed at <http://www.brrmedia.com/event/140152>

Northern Star Resources Limited (ASX: NST) has capped a year of significant growth with a 198% increase in underlying net profit after tax to A\$108.9 million for the 12 months to 30 June 2015.

The performance has culminated in Northern Star increasing its final dividend to 3¢ a share, fully-franked, from 2.5¢ previously. This takes the total payout for the year to 5¢ a share, fully-franked, an increase of 43% on FY14. The dividend will be declared to all Shareholders on the register at 14 September 2015 (EX date 10 September 2015) and is expected to be paid on 2 October 2015.

The results reflect the benefits of the acquisitions made by Northern Star during the past 18 months. The Jundee Gold Mine was transferred to Northern Star on 1 July 2014 while the Plutonic mine became part of Northern Star in February 2014, and Kundana and Kanowna Belle in March 2014.

These acquisitions underpinned a 176% increase in total gold sold in FY15 to 580,784oz at an all-in sustaining cost (AISC) of A\$1,065/oz.

However, the acquisition led growth did not diminish Shareholder returns, with the Company's return on equity totalling 32%.

ASX ANNOUNCEMENT 27 August 2015

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 Carpene
Company Secretary

Issued Capital

Shares 600 million

Options 4.3 million

Current Share Price A\$1.91

Market Capitalisation
A\$1.15 billion

Cash and Cash Equivalents
30 June 2015 - A\$183 million

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Underlying Company free cash flow was A\$185.6 million, up 315%, underlying EBITDA was A\$333.1 million, up 220% and earnings per share rose from 4.5¢ to 15.5¢.

Northern Star ended the year with no bank debt, cash and cash equivalents of A\$178 million, up from A\$96 million a year earlier, even after purchasing the Jundee Gold Mine for A\$82.5 million, paying A\$26.5m in dividends and investing A\$50m in exploration over FY15.

Northern Star Managing Director Bill Beament said the Company had enjoyed outstanding success on every level during the year and was ideally positioned for further growth.

“Our acquisitions have delivered exceptional results at the profit, production and return on equity levels,” Mr Beament said. “They are now also generating strong exploration results, with substantial growth in Resources and Reserves which will underpin increases in mine lives.

“We completed three major acquisitions over the past 18 months, repaid all the debt used to fund them, invested A\$50 million in exploration and increased the year’s dividend payout by 43%.

“At the same time, we have adopted a prudent and cautious approach to capital management, keeping and building upon a healthy cash balance that is appropriate for a company of our size.

“This reflects our philosophy of increasing the dividend payout to a level that is both meaningful and sustainable while maintaining a balance sheet that can withstand the increased level of volatility we are currently seeing in commodity markets and also provide the firepower to make opportunist acquisitions without creating financial duress.”

Mr Beament said the decision to invest A\$50 million in exploration at and around the Company's gold mines had paid huge dividends. A series of strong drilling results, including eight discoveries in 12 months and significant extensions of known mineralisation, culminated recently in a 2.7 million-ounce increase in Resources to 8.9Moz. This increase came after mining 622,000oz for the year and at a discovery cost of just A\$19/oz.

Measured and Indicated Resources increased 42% to 4.4Moz, pointing to significant increases in mine lives.

In light of this success, Northern Star intends to re-invest A\$74 million this financial year on both; targeted drilling campaigns to progress the recent exploration successes and on expansion/investing capital to potentially bring a further 1.5Moz into future mine plans.

This substantial investment is central to the Company's strategy for growing mine lives and production and will continue to see Northern Star generate superior levels of returns on invested capital for its Shareholders.

The A\$74 million investment is expected to see the Company's production profile rise next financial year from the 535,000-570,000oz level forecast for the current financial year. Northern star intends to provide further guidance on this outlook over the coming year.

“Northern Star now has total flexibility and a host of options,” Mr Beament said. “We can implement prudent capital allocation while retaining our status as a growth stock on the back of exploration and development as well as the potential for further strategic acquisitions.”

Yours faithfully



BILL BEAMENT
Managing Director
Northern Star Resources Limited

Competent Persons Statements

The information in this announcement that relates to exploration results, data quality, geological interpretations and Mineral Resources estimations for the Company's Jundee, Plutonic, Paulsens and Ashburton Project areas, is based on information compiled by Brook Ekers (Member Australian Institute of Geoscientists), who is a full-time employee of Northern Star Resources Limited. Mr Ekers 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 Group reporting. Mr Ekers consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to exploration results, data quality, geological interpretations and Mineral Resource estimations for the Company's Kanowna, EKJV, Kundana and Carbine Project areas is based on information compiled by Darren Cooke and fairly represents this information. Mr Cooke is a Member of the Australian Institute of Geoscientists who is a full-time employee of Northern Star Resources Limited who 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". Mr Cooke consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to Ore Reserve estimations for the Company's Project areas is based on information compiled by Jeff Brown and fairly represents this information. Mr Brown is a Member of the Australian Institute of Mining and Metallurgy who is a full-time employee of Northern Star Resources Limited and 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". Mr Brown consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to the Central Tanami Gold Project is extracted from the Tanami Gold NL ASX announcement entitled "Quarterly Report for the Period Ending 31 March 2014" released on 1 May 2014 and is available to view on www.tanami.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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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