



**NORTHERN STAR**  
RESOURCES LIMITED

ASX Code: NST



**Northern Star Resources**

An Australian gold miner – for global investors

September 2015

## Competent Persons Statements

- ✦ 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 exploration results, data quality, geological interpretations and Mineral Resource estimations for the Company's Jundee, Plutonic and Paulsens Project areas is based on information compiled by Brook Ekers and fairly represents this information. Mr Ekers is a Member of the Australian Institute of Geoscientists 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 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 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 Mineral Resource estimations for the Central Tanami 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](http://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.
- ✦ The information in this announcement that relates to Mineral Resource estimations for the Groundrush Project is extracted from the Tanami Gold NL ASX announcement entitled "Groundrush Deposit Update - Significant Growth In Measured and Indicated Mineral Resource and Increase In Resource Grade At Groundrush" created on 7 January 2013 and is available to view on [www.tanami.com.au](http://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. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.
- ✦ All currency conversions in this presentation have been converted at a currency of AUD/USD conversion rate of A\$0.70c

<sup>1</sup> Group Resources include 0.67Moz contribution from the 25% Central Tanami Joint Venture

# A business first and a mining company second

- ✦ NST has been able to generate a return on equity well above some of Australia's household blue-chip investment names
- ✦ NST's return on equity for FY15 was 32% & has averaged 43% over the last five years
- ✦ Return on invested capital over the last five years since the Paulsens acquisition in 2010 has averaged in excess of 27%
- ✦ Total shareholder return has averaged 227% (includes dividends) for the past 5 years

Company	FY 2015 Return on Equity
Northern Star	32%
Woolworths	20%
Commonwealth Bank	18%
BHP Billiton	3%
Wesfarmers	10%



Source: Bloomberg



## Key Operational Outcomes

**Gold Mined**  
increased by 154%  
to 622koz

**Gold Poured/Sold**  
increased by 177%  
to 581koz

**AISC decreased by**  
3% to A\$1065/oz  
(US\$745/oz)

## Key Resource Outcomes

**Total Resources**  
increased by 44%  
to 8.9Moz

**Measured and  
Indicated Resources**  
increased by 42% to  
4.4Moz

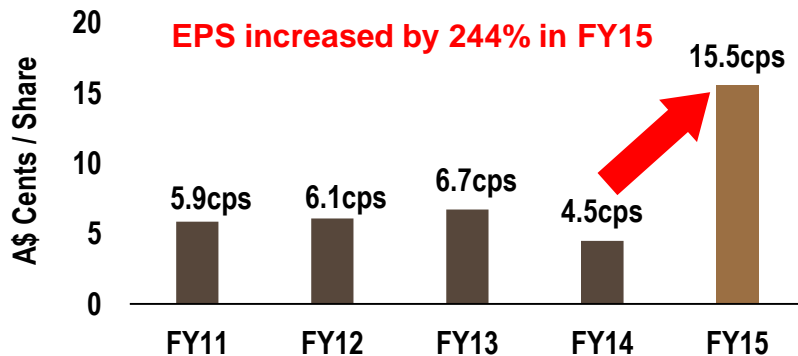
**2.7Moz addition to  
Resource base at  
a cost of A\$19/oz**

# Financial Highlights for the FY2015

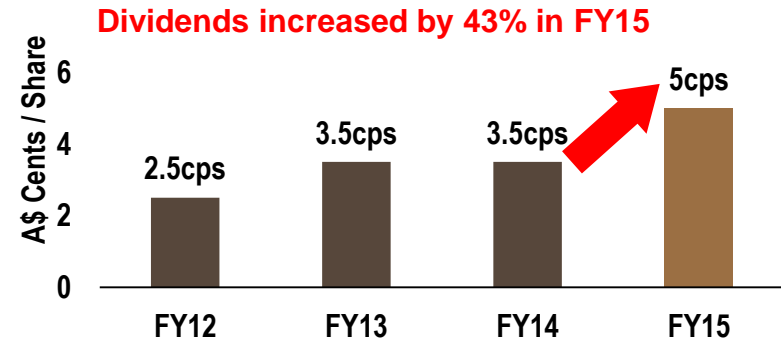


- \* Sales revenue: A\$845.6m up 185% on FY14
- \* Underlying Net Profit: A\$108.8m up 198%, including one offs of acquisition costs A\$12.8m and restructuring expenses of A\$4.2m for a statutory net profit after tax of A\$91.9m
- \* Underlying EBITDA of A\$331.1m up 220% on FY14
- \* Cash flow from operating activities of A\$359m, generating record underlying free cash flow of A\$185.6m
- \* Dividend: Final 3¢ fully franked, taking full-year payout to 5¢, up 43% from FY14
- \* Cash and Equivalents on hand at 30 June: A\$178m, no bank debt

## EPS



## Dividends Per Share

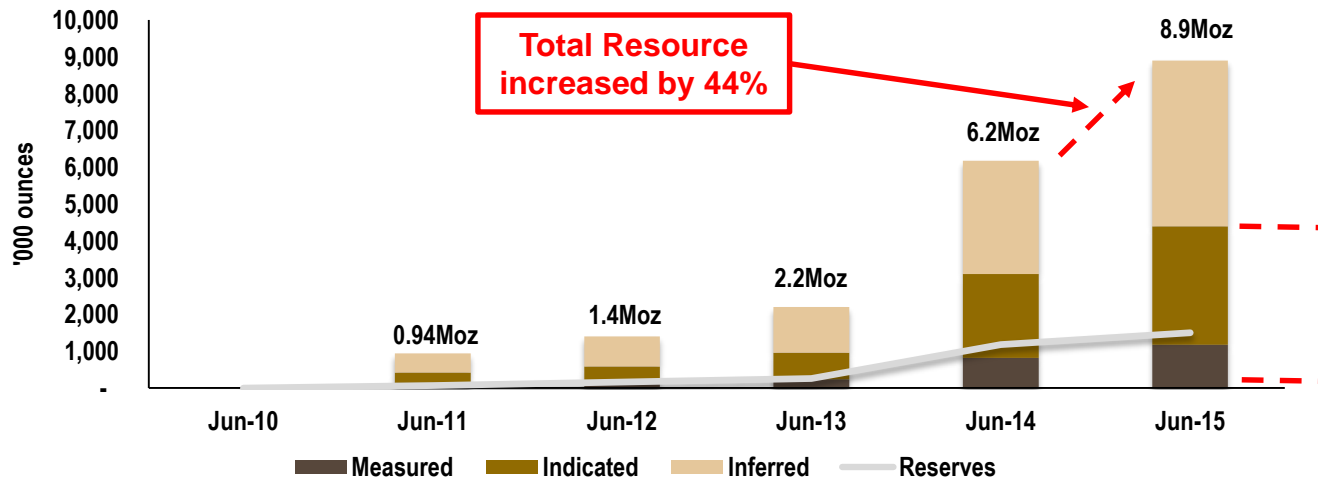


# Resource additions for the Year to 30 June 2015



- \* The FY15 A\$50m exploration spend achieved a 2.7Moz Resource increase at a discovery cost of A\$19/oz
- \* Total Resource increased by 44% to 8.9Moz\*, even after mining 622,000oz
- \* The Measured and Indicated Resource increased by 42% to 4.4Moz, greatly extending mine life
- \* Group Reserves 1.5Moz; up 26% from FY14
- \* Eight new discoveries were made across the asset base, seven yet to be included into Resources

## NST Resource and Reserve Growth



Total Resource increased by 44%

Measured & Indicated Resource increased by 42% to 4.4Moz

\* Refer ASX Announcement released 4 August 2015

# FY2016: Production and cost guidance



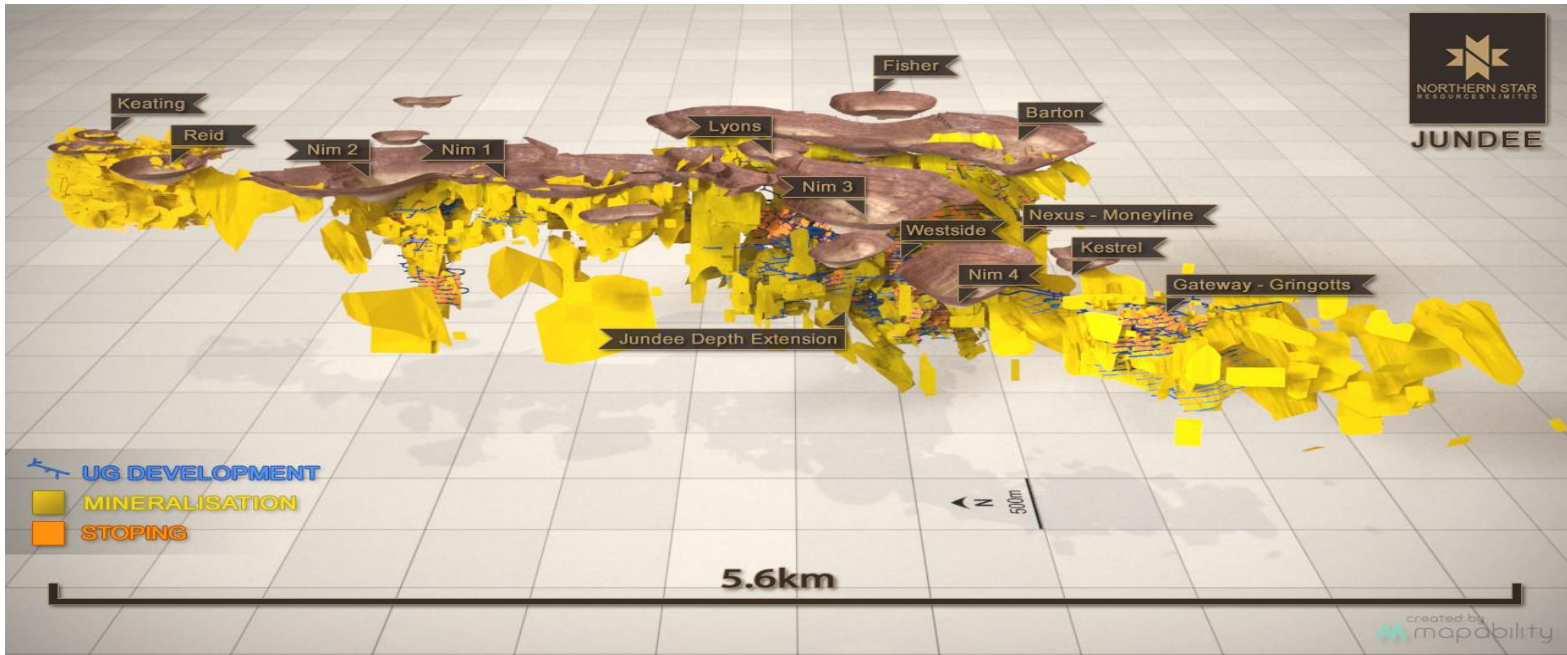
## \* Key FY2016 forecasts:

- ❑ *Total gold production of 535,000-570,000oz*
- ❑ *All-in sustaining costs of A\$1,050-A\$1,100/oz (US\$735-US\$770/oz)*
- ❑ *A\$74M to be spent on Investing Capital for FY16 following on from the great successes in FY15 including;*
  - ❑ *A\$35M for targeted drilling to bring more Resources into mine plans and convert discoveries into Resources*
  - ❑ *A\$39M for Investing/Expansion capital expenditure to bring future deposits on line and lift group production*
- ❑ *This investing capital has the potential to unlock over 1.5Moz of Resources for future mining*
- ❑ *Potential to increase group production from FY17 onwards*
- ❑ *NST will also benefit from procurement savings of A\$22M negotiated this year that will take affect in CY2016*



# Jundee: A great mine getting better

- \* FY2015 gold sold 223,727oz at an AISC of A\$1,008/oz; (US\$705/oz), well above guidance
- \* FY2016 guidance 210,000-220,000oz at AISC of A\$1,000-A\$1,050/oz; (US\$700-US\$735/oz)
- \* Resources 1.35Moz, up 166% and Reserves 0.6Moz, up 45% even after mining 238koz in FY15
- \* Pipeline of additional feed; underground remnants and multiple open pit potential with 410koz in Resources

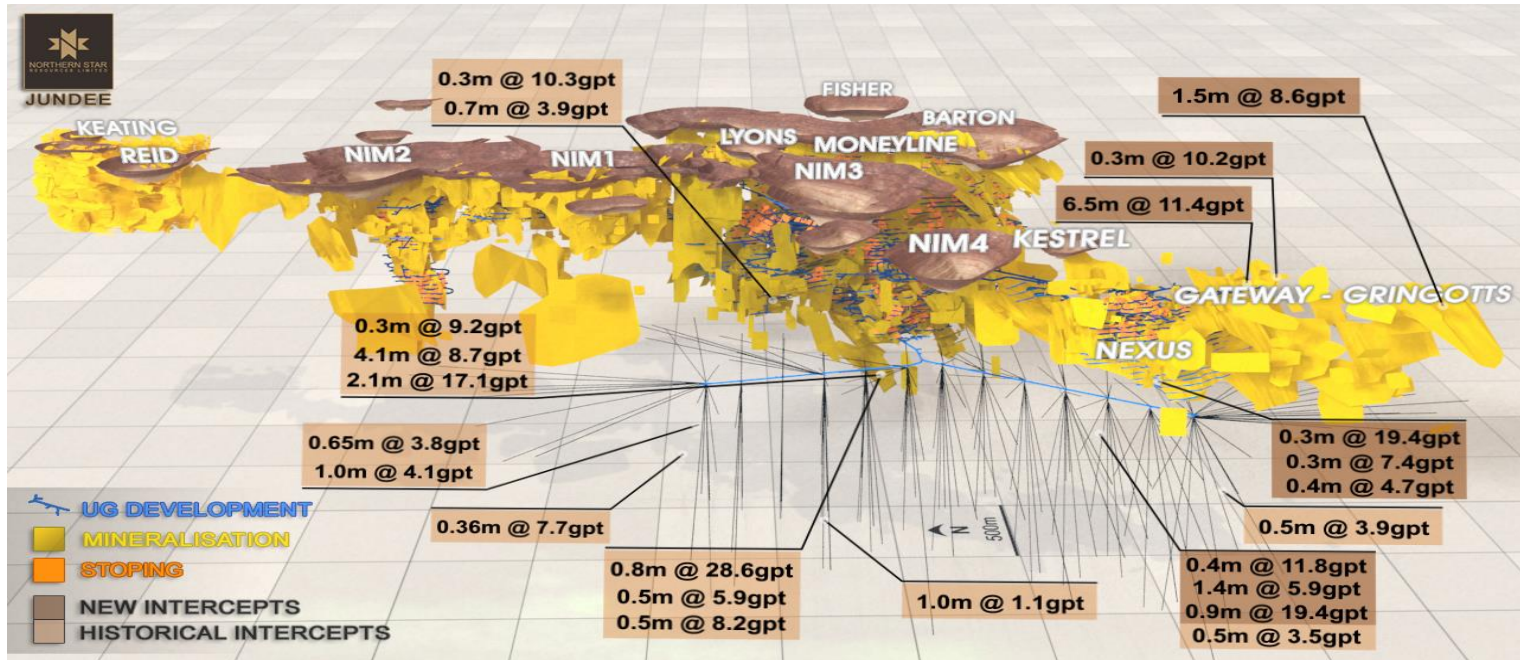




# Jundee: On the cusp of a new era



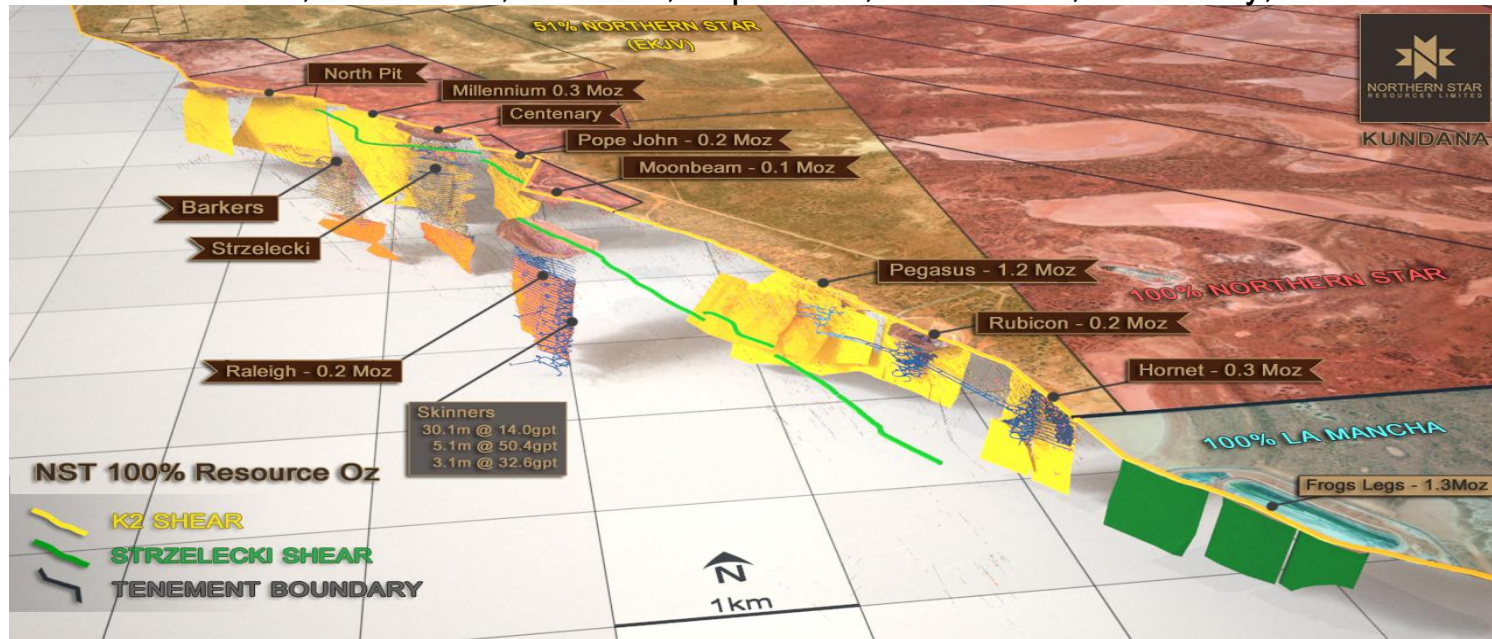
- ✦ First 700 vertical metres of the Jundee deposit has produced +5Moz since 1996
- ✦ Recently completed eight deep hole drill program targeting structural geological information was a huge technical success, intercepting significant structures with mineralisation
- ✦ This success has prompted the NST Board to approve a A\$17M, 2.4km drill drive at the base of UG mine



# Kundana: A corridor of riches



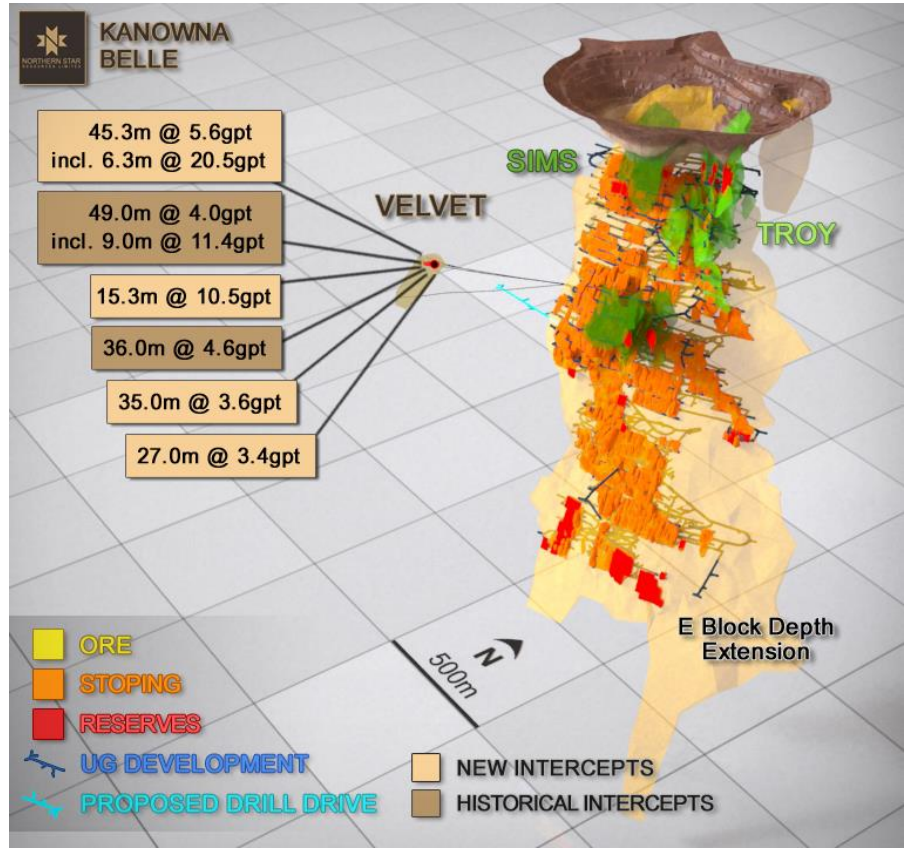
- \* FY2015 gold sold 103,051oz at an AISC of A\$711/oz; (US\$497/oz), within guidance
- \* FY2016 guidance 100,000-110,000oz at AISC of A\$850-A\$900/oz; (US\$595-US\$630/oz)
- \* Resources 1.6Moz, up 134% and Reserves 0.45Moz, up 61% even after mining 111koz in FY15
- \* Pipeline of additional feed; Millennium, Skinners, Pope John, Moonbeam, Centenary, Strzelecki and Barkers



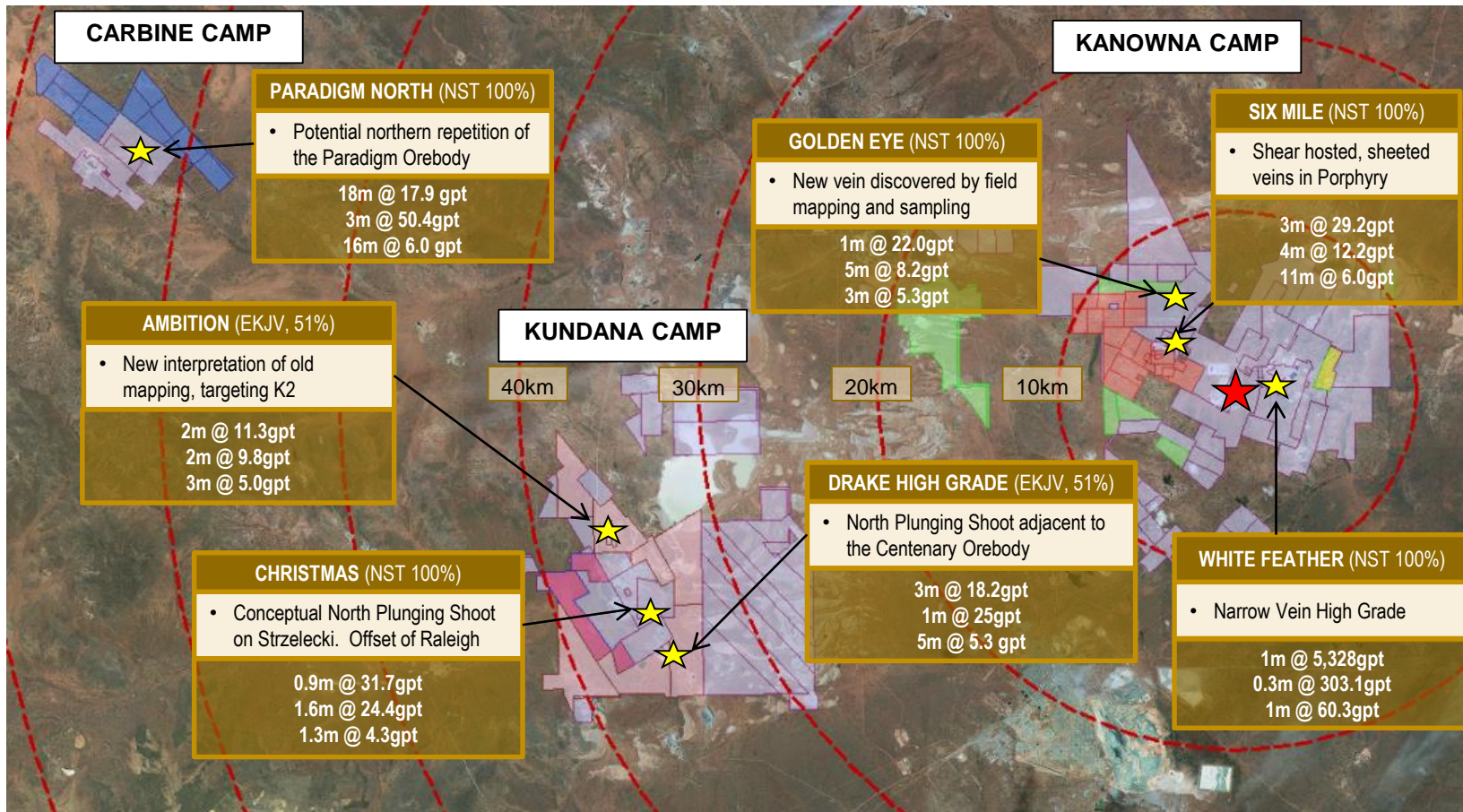
# Kanowna Belle: A great Goldfields address



- \* FY2015 gold sold 96,223oz at an AISC of A\$1,021/oz (US\$715/oz), well above guidance
- \* FY2016 guidance 80,000-85,000oz at AISC of A\$1,050-A\$1,100/oz; (US\$735-US\$770/oz)
- \* Resources 1.2Moz, up 8% and Reserves 0.2Moz, after mining 101koz in FY15
- \* Carbine and Six-Mile have added another 0.3Moz to the Region's Resources
- \* Pipeline of additional feed: Velvet discovery, Carbine, Six Mile, Kanowna pit extension and White Feather
- \* Latest Velvet Drilling results include;
  - \* 15.3m @ 10.5gpt (true width ~14m)
  - \* 35.0m @ 3.6gpt (true width ~28m)
  - \* 27.0m @ 3.4gpt (true width ~22m)
  - \* 10.4m @ 6.7gpt (true width ~9m)



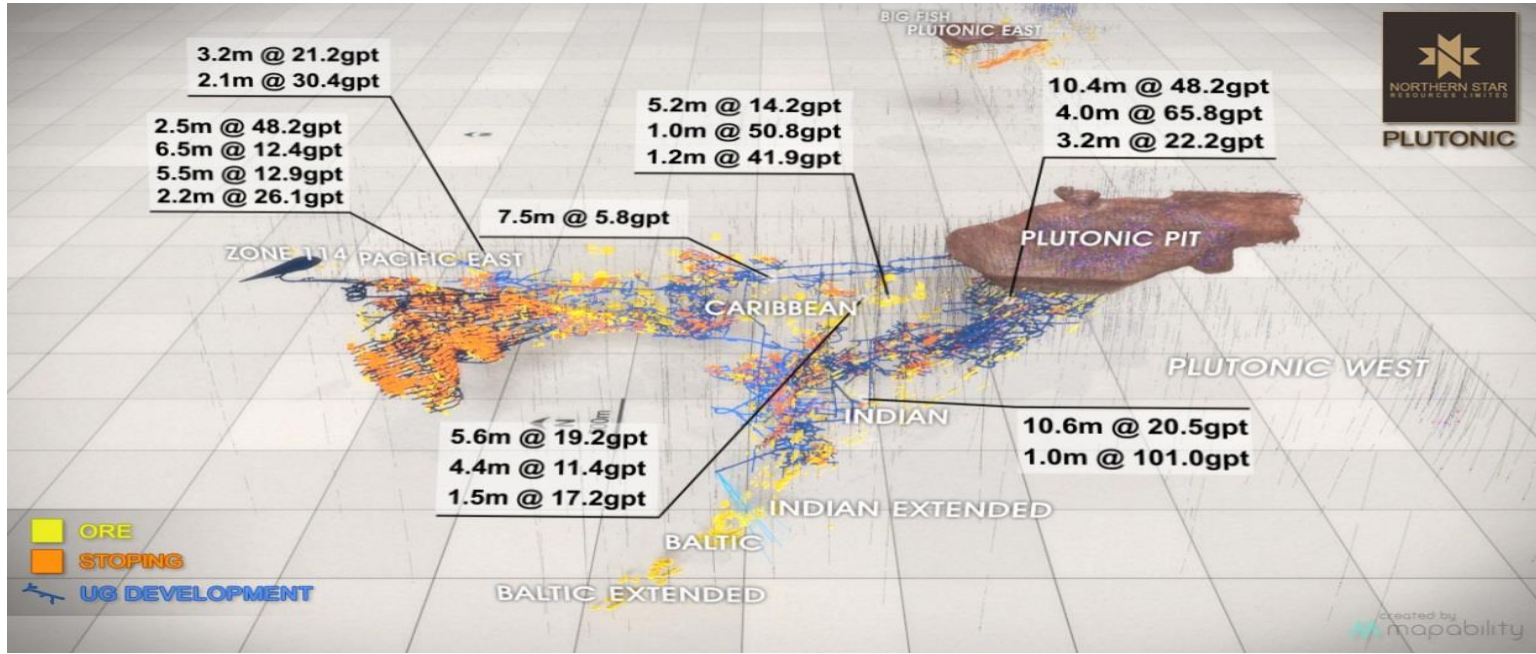
# Kal Exploration – Well drilled doesn't mean well explored



# Plutonic: Rebuilding the Mine



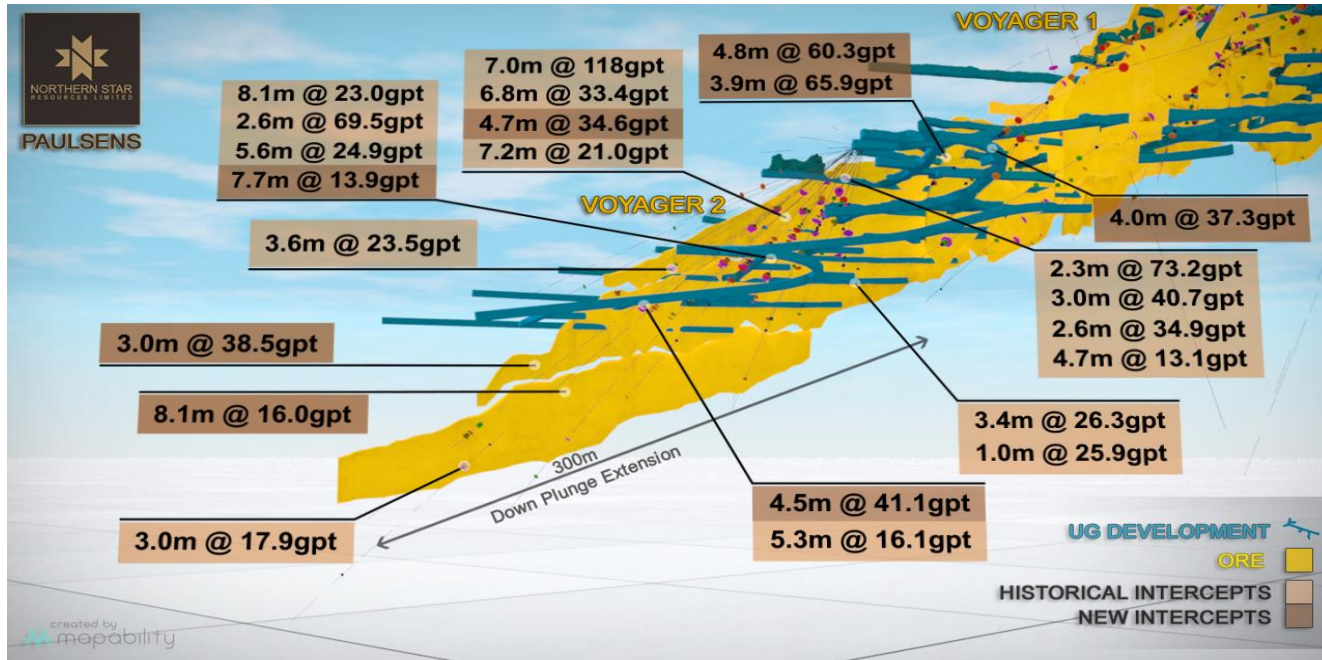
- \* FY2015 gold sold 80,141oz at an AISC of A\$1,550/oz; (US\$1,085/oz)
- \* FY2016 guidance 75,000-80,000oz at AISC of A\$1,350-A\$1,400/oz; (US\$945-\$980/oz)
- \* Resources 1.5Moz, up 2% and Reserves 0.2Moz, up 34% after mining 96koz in FY15
- \* Maiden Hermes Resource of 0.22Moz at 2.7gpt, provides additional feed for Plutonic Mill



# Paulsens: The Founding asset



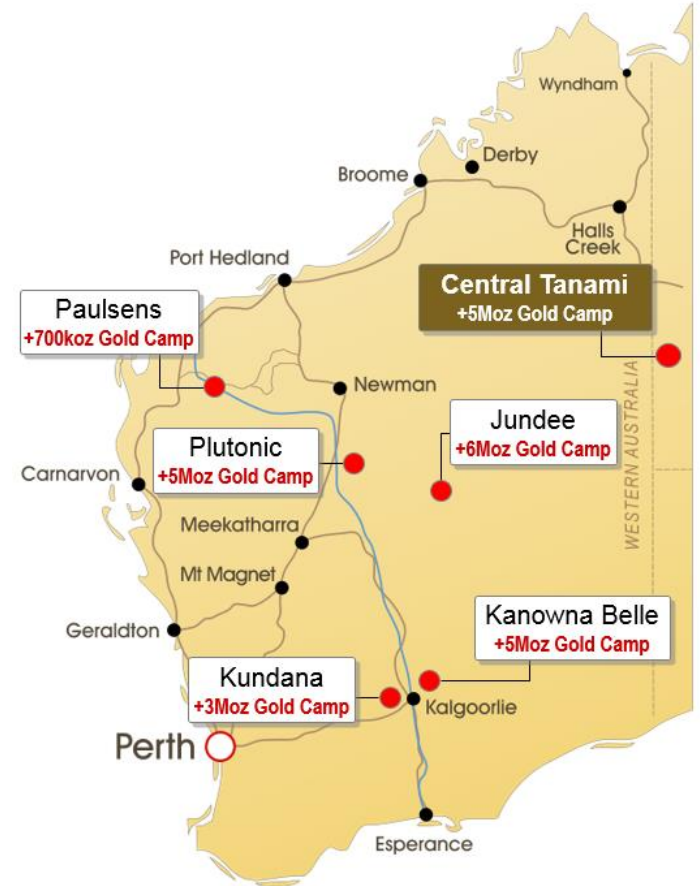
- \* FY2015 gold sold 77,642oz at an AISC of A\$1,264/oz; (US\$884/oz)
- \* FY2016 guidance 70,000-75,000oz at AISC of A\$1,175-A\$1,225/oz; (US\$822-US\$858/oz)
- \* Resources 0.4Moz, up 7% and Reserves 0.1Moz, after mining 76koz in FY15
- \* Pipeline of additional feed; Low grade stockpiles, Belvedere and Peak



# Central Tanami Project: Next round of production growth



- ✦ Northern Star has now settled the JV on the 2.7Moz<sup>1</sup> Central Tanami Project with Tanami Gold NL\*
- ✦ Existing permitted 1.2 million tonne per annum process plant and associated infrastructure
- ✦ 2.1Moz produced from top 100m via 43 historic open pits mined between 1987 & 2005
- ✦ Historical Newmont production from the main deposit Groundrush, was 610,000oz over a 4 year period
- ✦ Groundrush current Resource is 1Moz @ 4.8gpt gold (at a 1gpt grade cut-off)
- ✦ Opportunity to increase Resources substantially through an accelerated drilling program as proposed
- ✦ Over A\$30M has already been invested at Groundrush in exploration, drilling and feasibility studies



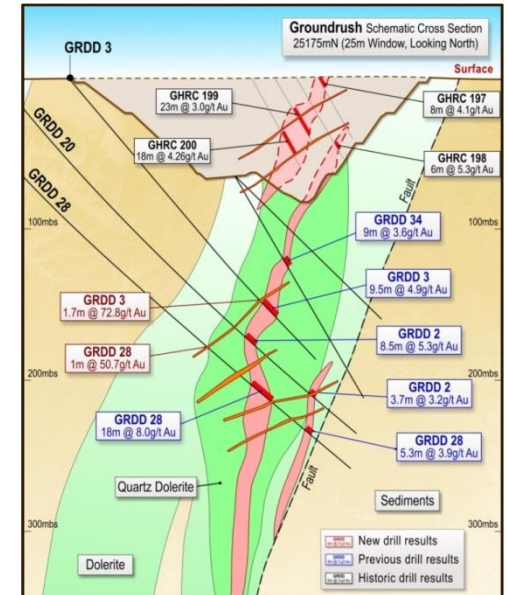
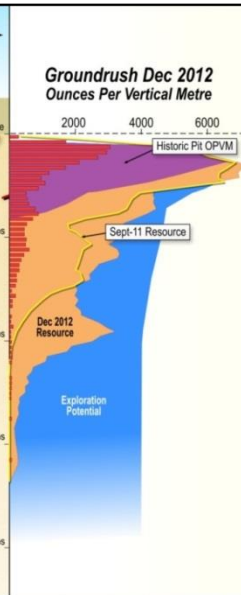
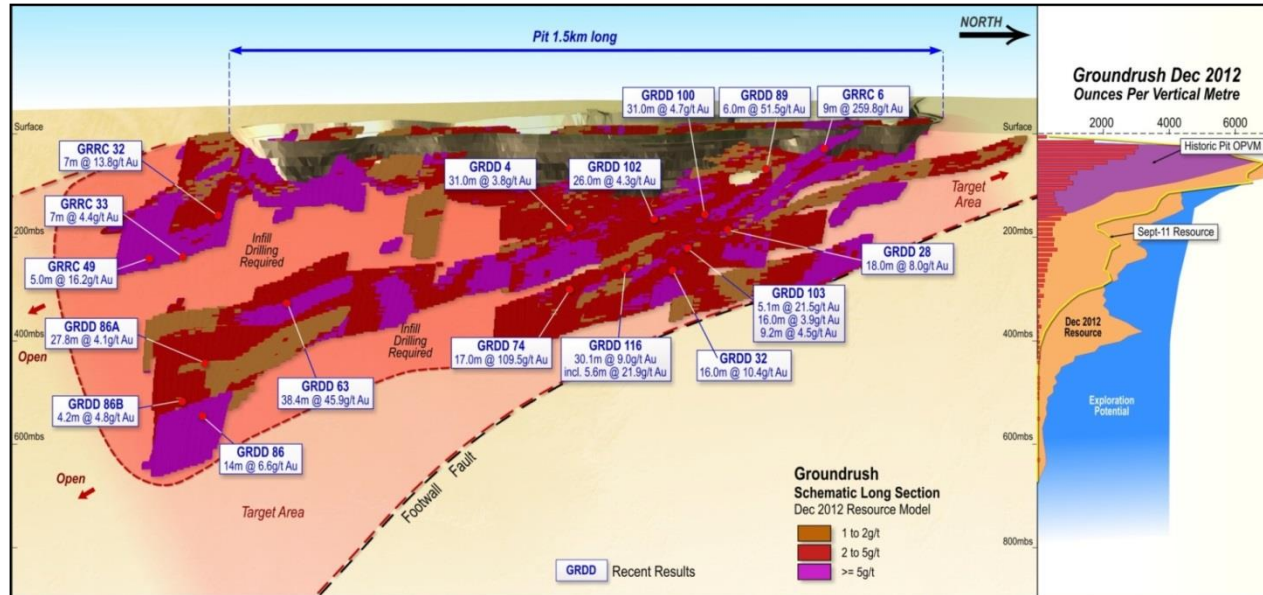
\*See ASX announcement dated 3 August 2015

# Central Tanami Project: Next round of production growth



## ❖ Northern Star's Optimum Development and Operating Plan

- ❖ 2015/16 – Undertake drilling program to optimise the mine plan for underground mining and plant refurbishment
- ❖ 2016 – begin mill refurbishment program and order long lead items to re-establish processing capability
- ❖ Underground mining to begin in 2016/17 with portal establishment and decline access to the deposit
- ❖ Assess potential for open pit mining at other deposits for additional mill feed to increase gold production





# Why invest in Northern Star



- ✦ Global-scale gold miner with all assets located in Australia
- ✦ NST is a business first and a mining company second; for the past 5 years NST has averaged a Return on Equity of 43%\* and Total Shareholder Return of 227% per annum
- ✦ Critical mass from +550kozpa production; asset diversity from five high-grade, low-cost mines AISC ~A\$1,050-\$A1,100/oz; (US\$735-US\$770/oz) with robust margins
- ✦ A\$183M free cash flow in FY15; A\$178M cash and equivalents, no debt at June 30 2015. Steady and consistent fully-franked dividends (paid 5c a share for FY15)
- ✦ Mine life issue is now a long way to being resolved with latest Resource estimates of 8.9Moz, including 4.4Moz in the Measured and Indicated categories
- ✦ A\$19/oz discovery cost is a stunning return on invested capital for high margin ounces; further inventory increases to come from FY16 targeted A\$35M drilling campaign
- ✦ Have settled Central Tanami, which adds further low-cost production growth from 2017
- ✦ Strong management team with a track record of maximising productivity, extending mine lives and delivering on guidance



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RESOURCES LIMITED

ASX Code: NST



## Northern Star Resources

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September 2015

# Team with a track record



	Shares	Options
<b>Total</b>	<b>600M</b>	<b>4.3M</b>
<i>* As at 15 September 2015</i>		

<b>Share price:</b>	<b>A\$2.17</b>
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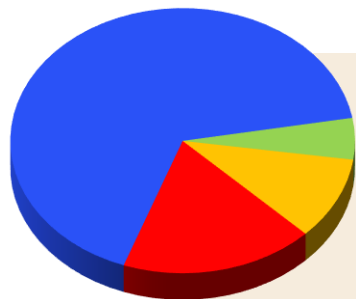
## Market Capitalisation (ASX: NST) ASX 200

<i>Undiluted</i>	<b>~A\$1.3B</b>
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<i>Cash, Bullion &amp; Investments (30 June 2015)</i>	<b>A\$178M</b>
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<i>Debt</i>	<b>Nil</b>
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Substantial Shareholders		
	<b>BlackRock</b>	<b>11.6%</b>
	<b>Van Eck</b>	<b>11.7%</b>



<b>Institutions</b>	<b>66%</b>
<b>Board &amp; Management</b>	<b>5%</b>
<b>High Net Worth Individuals</b>	<b>10%</b>
<b>Retail</b>	<b>19%</b>

## Board – Successful record in discovering and developing mines

**BILL BEAMENT** *Managing Director (Mining Engineer)*

**CHRIS ROWE** *Non-Executive Chairman – Independent (Barrister and Solicitor)*

**PETER O’CONNOR** *Non-Executive Director – Independent (Investment Fund Management)*

**JOHN FITZGERALD** *Non-Executive Director – Independent (Resources Finance and Banking)*

## DISCIPLINES TO OPERATE A MINING BUSINESS ARE COVERED

## Senior Management

**STUART TONKIN** *Chief Operating Officer*

**SHAUN DAY** *Chief Financial Officer*

**MICHAEL MULRONEY** *Chief Geological Officer*

**LIZA CARPENE** *Company Secretary*

**DARREN STRALOW** *General Manager Business Development*

## MANAGEMENT CAPACITY TO CATER FOR COMPANY GROWTH