



**NORTHERN STAR**  
RESOURCES LIMITED

ASX Code: NST



**Northern Star Resources**

An Australian gold miner – for global investors

AGM November 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

# Introduction - Third biggest Australian listed Gold Miner



- ✦ We are the third-biggest gold miner on the Australian stock exchange by both market cap and production
- ✦ Market cap is A\$1.5B and we are on track to produce 535koz-570koz at an AISC of A\$1,050-A\$1,100/oz
- ✦ Strong balance sheet; no debt; A\$196m in cash, bullion and investments 30 Sep 2015
- ✦ We operate five projects, all in Western Australia. Our total resource inventory stands at 8.9Moz
- ✦ We have grown through acquisition; but now our focus is largely on delivering on organic production growth and exploration
- ✦ We are governed by the adage “a business first and a mining company second”





## Key Operational, Resource & Financial Outcomes

Record mine production of 622koz, up 154%

Gold Sold increased by 177% to 581koz

AISC improved by 3% to A\$1,065/oz

Total Resources increased by 44% to 8.9Moz\*

Measured/Indicated Category increased by 42% to 4.4Moz\*

Resource Discovery cost of A\$19/oz

Pegasus resource increased to over 1.2Moz\* at 11.2gpt

Paulsens celebrated its 5 year anniversary

Acquired the Central Tanami JV and Hermes deposit

## Key Financial Outcomes

Record Underlying NPAT up 198% to A\$108.9M

Underlying free cash flow up 315% to A\$185.6M

FY15 dividends increased by 43% to A5¢ per share

ROE of 32%, ROIC of 25% and TSR of 79%

## Key Safety, Environmental & Social Outcomes

A 9% decrease in LTIFR in FY15 from FY14

Expansion of Martu Ranger program to Plutonic

Fit for purpose ESR function across operations

Partnering with CSIRO's Pathways project

# Environment and Social Responsibility (ESR)



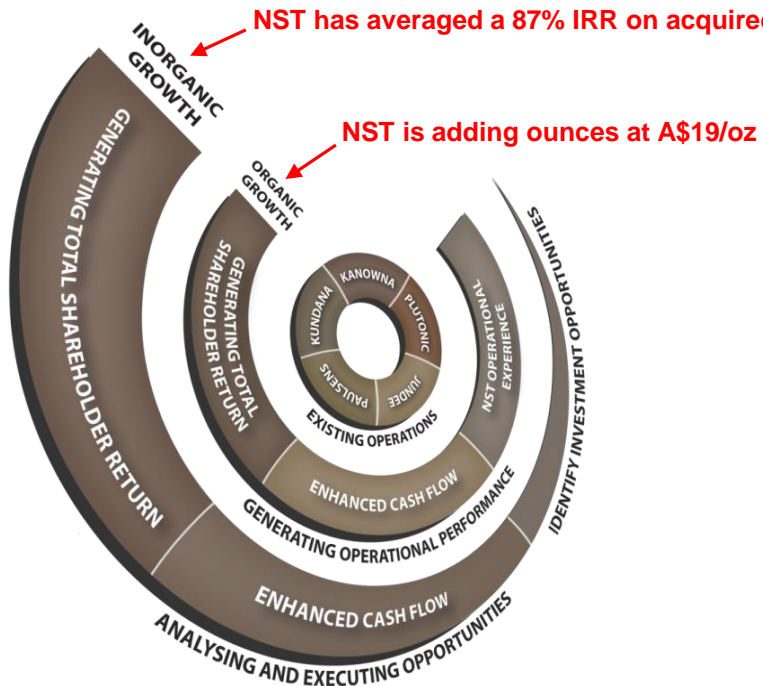
- ✦ Developed a fit for purpose ESR function to manage the company's related risks and opportunities.
- ✦ ESR's primary goal is to responsibly secure and maintain access to mineral resources.
- ✦ As part of this strategy, the Company continues to invest and support key stakeholder causes, including:
  - ✦ *Expansion of the highly successful Jundee Indigenous Ranger Program, to now cover the Plutonic mine and involve the Gingirana Native Title Claimant Group*
  - ✦ *High levels of support towards industry-specific tertiary education, supporting next-generation of human capital (i.e. WASM)*
  - ✦ *Supporting the Wiluna-based Martu people to receive runner-up award at the reconciliation Australia: National Indigenous Governance Awards*
  - ✦ *Providing peer-leading support for CSIRO's Pathways Project: 3D Gradient Mapping of Mineral Systems*
  - ✦ *Partnering with the Wiluna Martu, PKKP and Jururu Traditional Owners to celebrate their recent native title determinations*



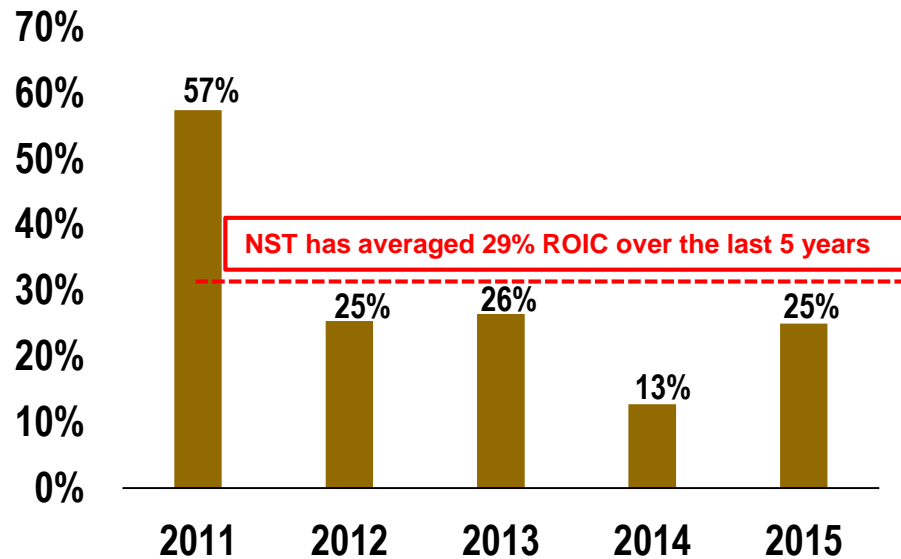
# Efficiently Allocating Capital – Organically & Inorganically



- ✦ NST has averaged an Return on Invested Capital of 29% through a combination of organic and inorganic value adding growth;
- ✦ Across the portfolio of assets NST to date has achieved an average IRR of 87%



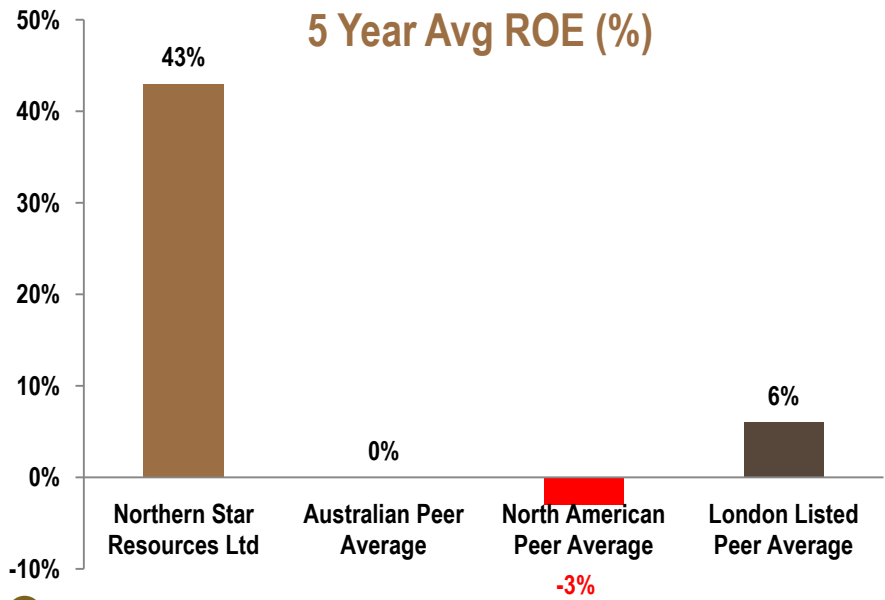
## Underlying ROIC (%)



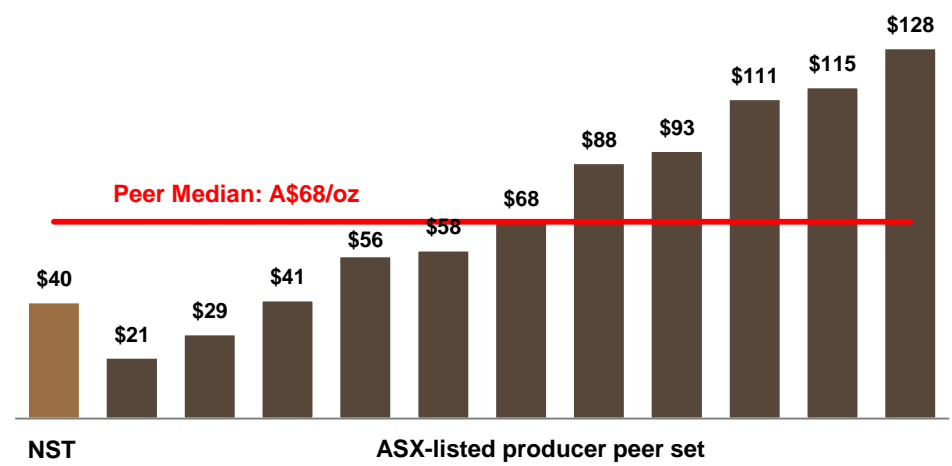
# A business first, mining is how we deliver value

- ✦ The Company has averaged a Total Shareholder Return (TSR) of +200% and a Return on Equity of 43% per annum for the last 5 years by acquiring world class gold mines and implementing its operating model
- ✦ Generated a record A\$185.6M underlying free cash flow in FY15 and increased the dividend by 43% in FY15 to A5¢ps
- ✦ Grown production by 175% to 581koz in FY15, with corporate overheads at lower end of peer group range

**5 Year Avg ROE (%)**



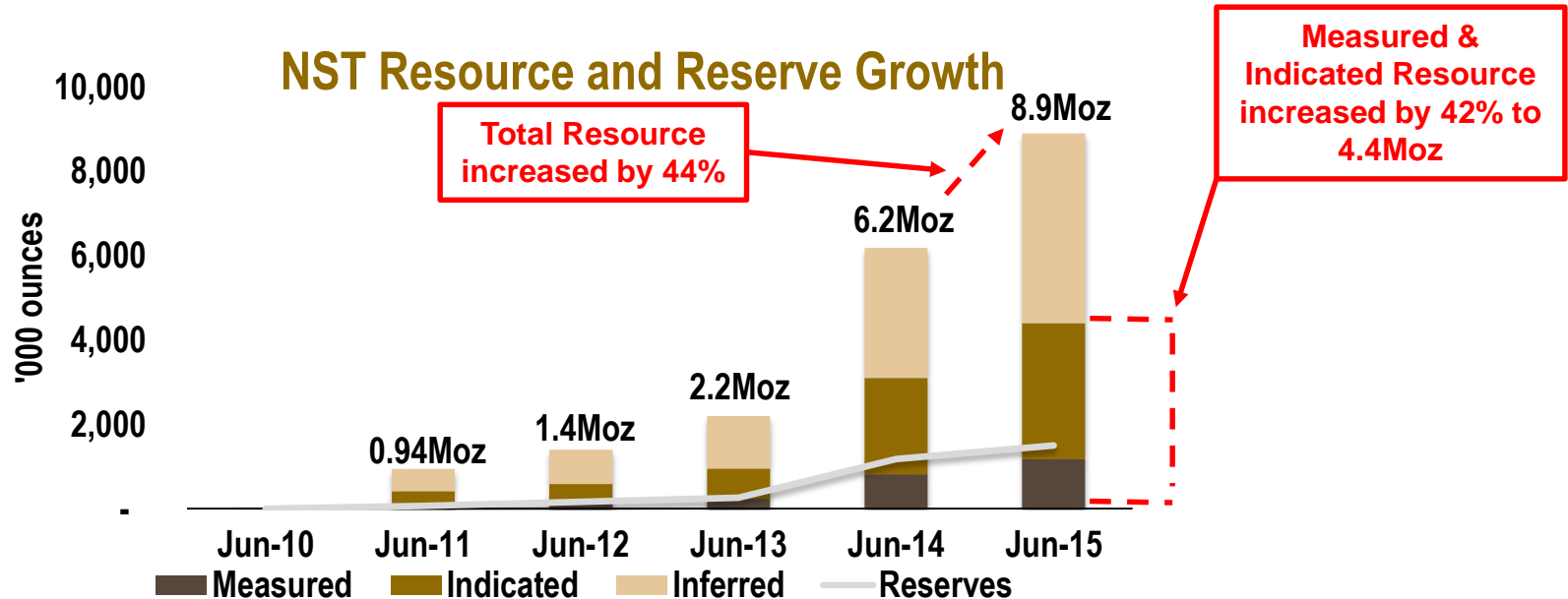
**FY15 Corporate Overheads A\$/oz**



# 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
- ✦ Made eight new discoveries in the year with only one discovery included in the FY15 Resource statement



\* Refer ASX Announcement released 4 August 2015





## \* Key FY16 forecasts:

- ❑ *Total gold production of 535,000-570,000oz*
- ❑ *All-in sustaining costs of A\$1,050-A\$1,100/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 effect in CY16*



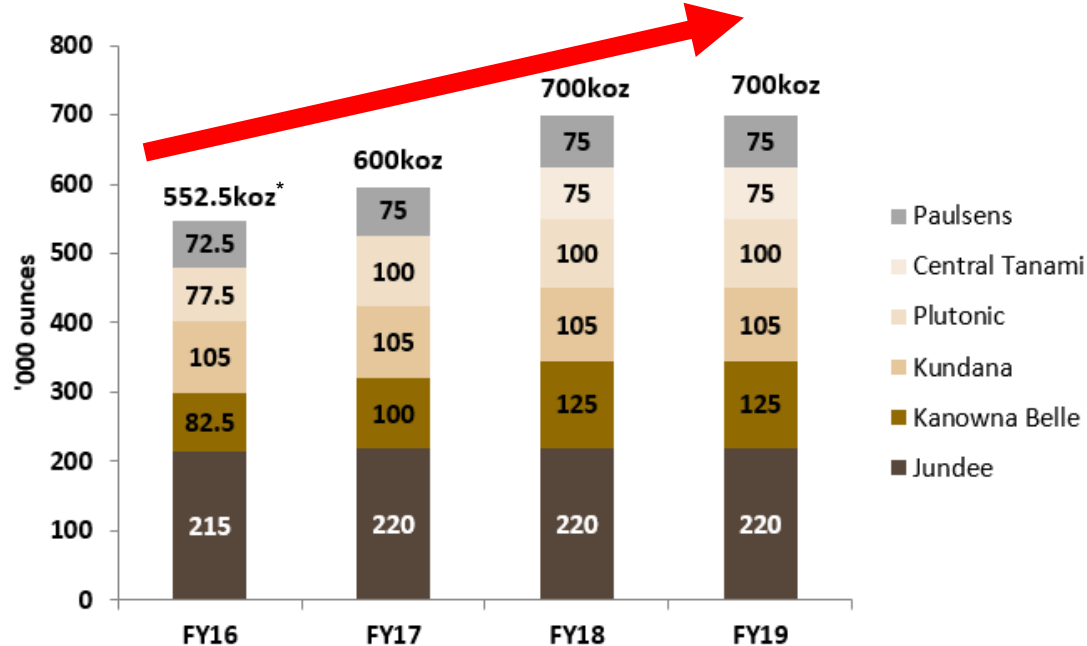
# Group Production Growing Next Year



\* Group production potentially growing organically next year, heading to a 700koz per annum producer in FY18 subject to the following assumptions;

- ❑ *Central Tanami Project commencing production in CY17 and ramping up to +75kozpa by FY19*
- ❑ *Kanowna production growing to 125kozpa with the inclusion of 100% Kundana tenements, satellite deposits and the Velvet discovery replaces the Kanowna underground feed at the end of CY16*
- ❑ *Hermes open pit starts in FY17 providing additional feed to the Plutonic mill*

## NST Production Forecast

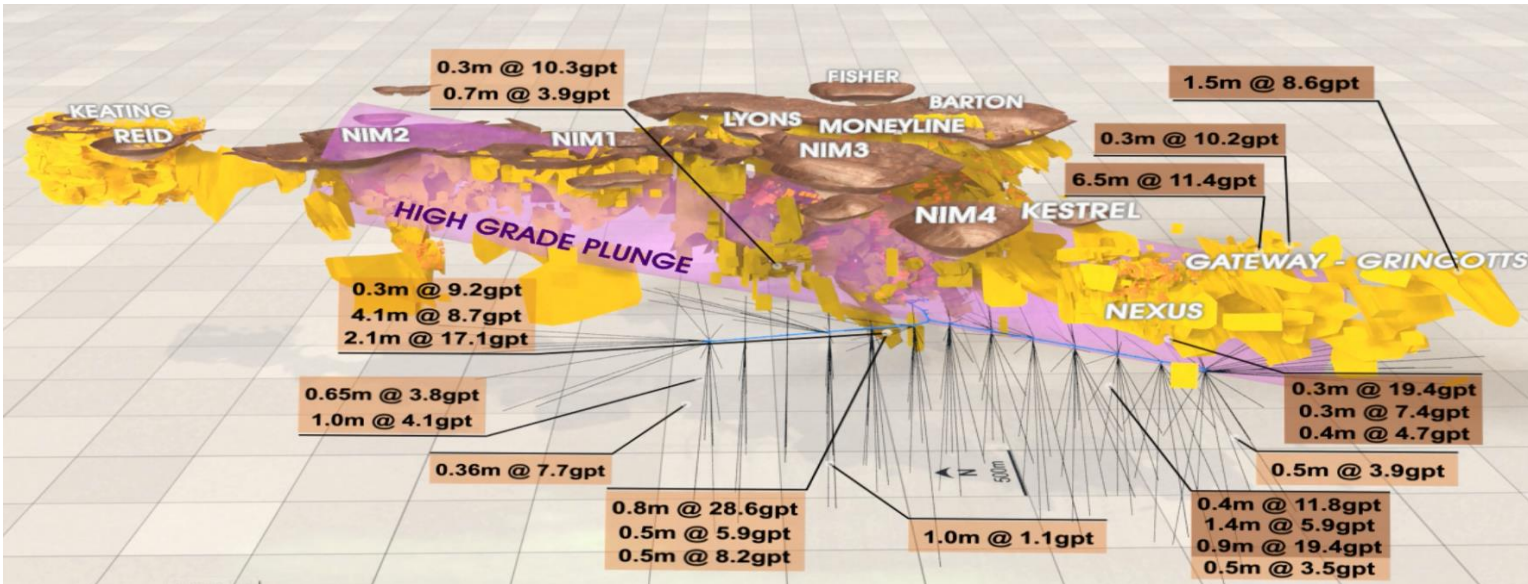


\*Midpoint of FY15 guidance

# Jundee: still one of Australia's best mines



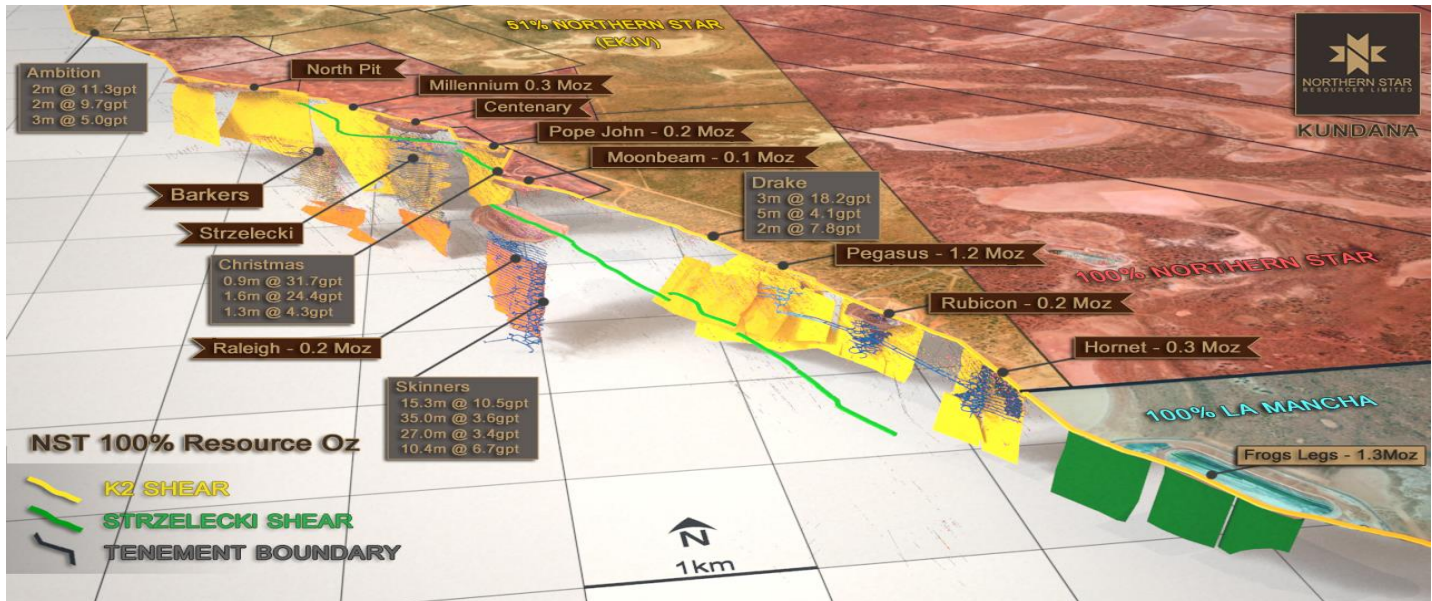
- \* FY15 gold sold 223,727oz at an AISC of A\$1,008/oz, well above guidance
- \* FY16 guidance 210,000-220,000oz at AISC of A\$1,000-A\$1,050/oz
- \* Sep Qtr 54.4koz mined and 54.1koz sold at an AISC of A\$1,097/oz
- \* Resources: 1.35Moz, up 166% and Reserves 0.6Moz, up 45% even after mining 238koz in FY15
- \* Pipeline of additional feed; multiple open pit potential with 410koz in Resources and underground extensions



# Kundana: A corridor of riches



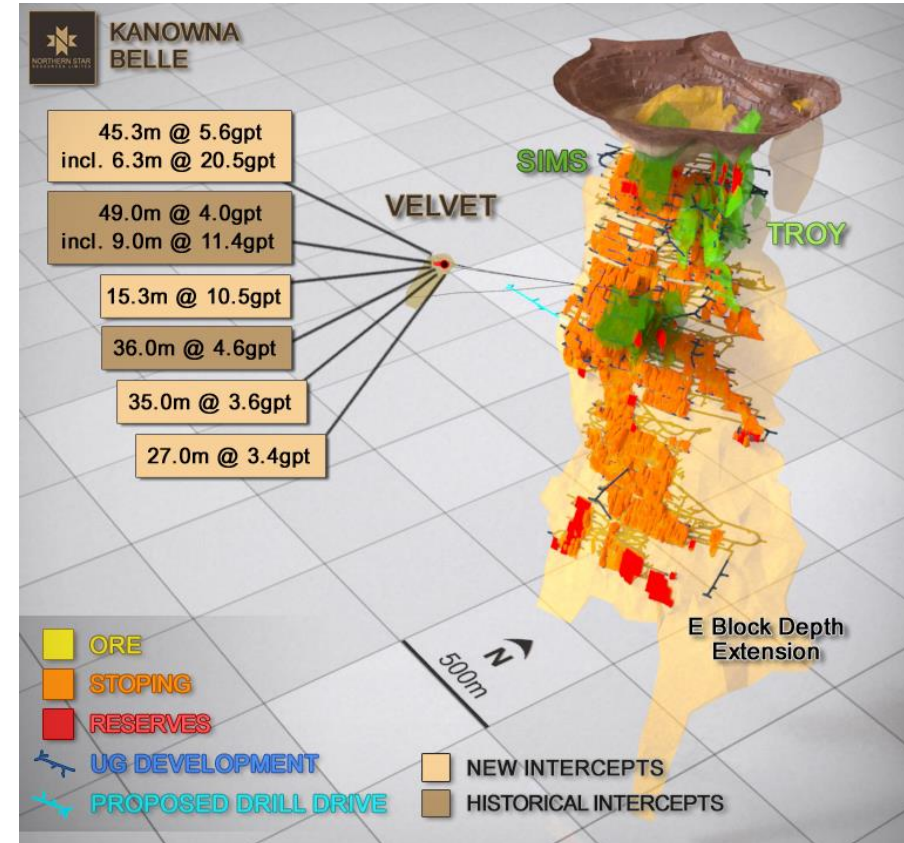
- \* FY15 gold sold 103,051oz at an AISC of A\$711/oz, within guidance
- \* FY16 guidance 100,000-110,000oz at AISC of A\$850-A\$900/oz
- \* Sep Qtr 19.8koz mined and 21.2koz sold at an AISC of A\$962/oz
- \* Resources: 1.6Moz, up 134% and Reserves 0.45Moz, up 61% even after mining 111koz in FY15
- \* Pipeline of additional feed; Millennium, Skinners, Pope John, Moonbeam, Centenary, Strzelecki and Barkers



# Kanowna Belle: A great Goldfields address



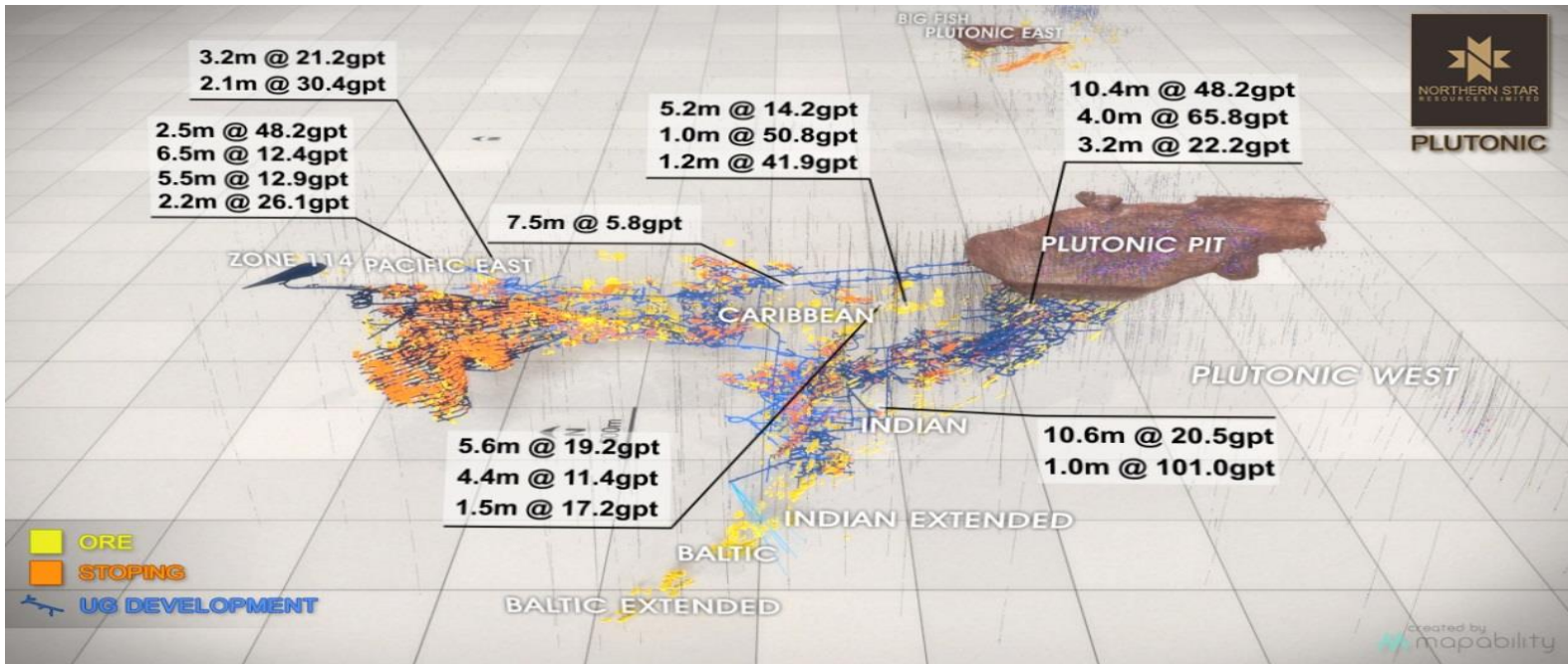
- \* FY15 gold sold 96,223oz at an AISC of A\$1,021/oz, well above guidance
- \* FY16 guidance 80,000-85,000oz at AISC of A\$1,050-A\$1,100/oz
- \* Sep Qtr 28.5koz mined and 27koz sold at an AISC of A\$763/oz
- \* Resources 1.2Moz, up 8% and Reserves 0.2Moz, after mining 101koz in FY15
- \* Pipeline of additional feed: Velvet, Carbine, Paradigm 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)



# Plutonic: Rebuilding the Mine



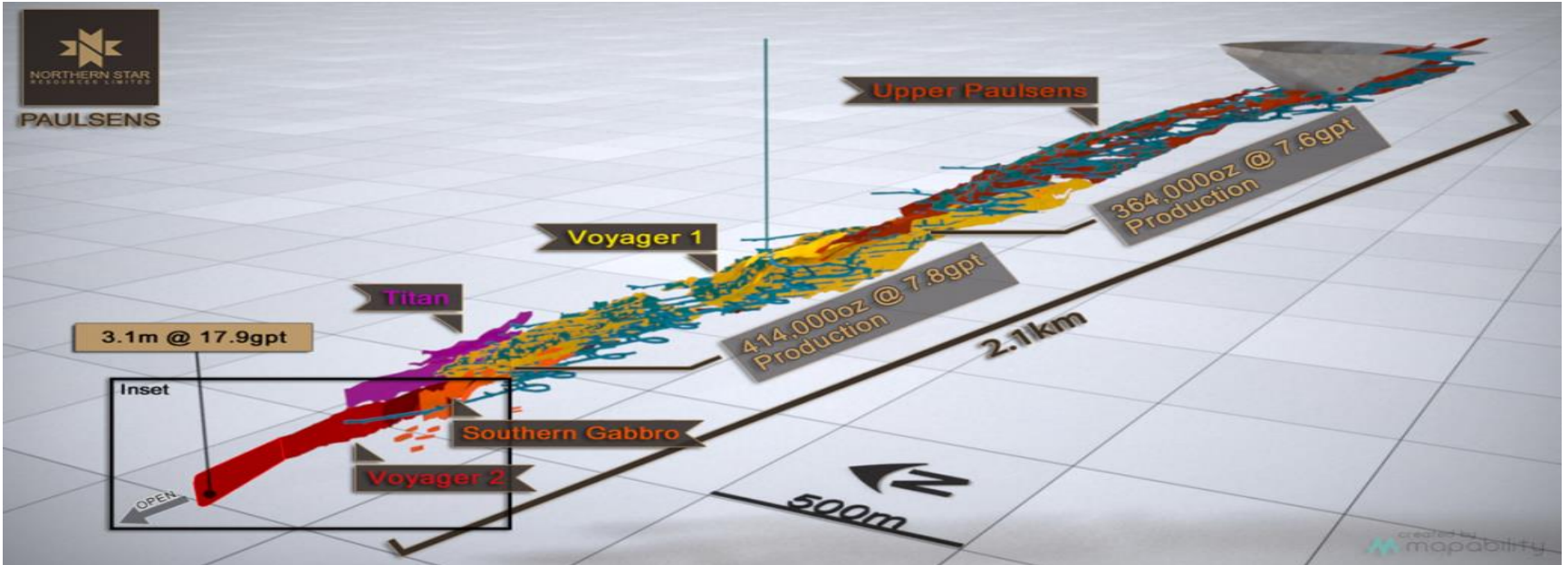
- \* FY15 gold sold 80,141oz at an AISC of A\$1,550/oz
- \* FY16 guidance 75,000-80,000oz at AISC of A\$1,350-A\$1,400/oz
- \* Resources: 1.5Moz, up 2% and Reserves 0.2Moz, up 34% after mining 96koz in FY15
- \* Maiden Hermes Resource of 0.22Moz at 2.7gpt, increases production to 100koz per annum from FY17



# Paulsens: The Founding Asset



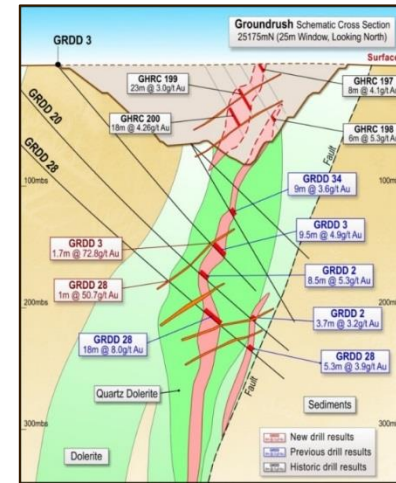
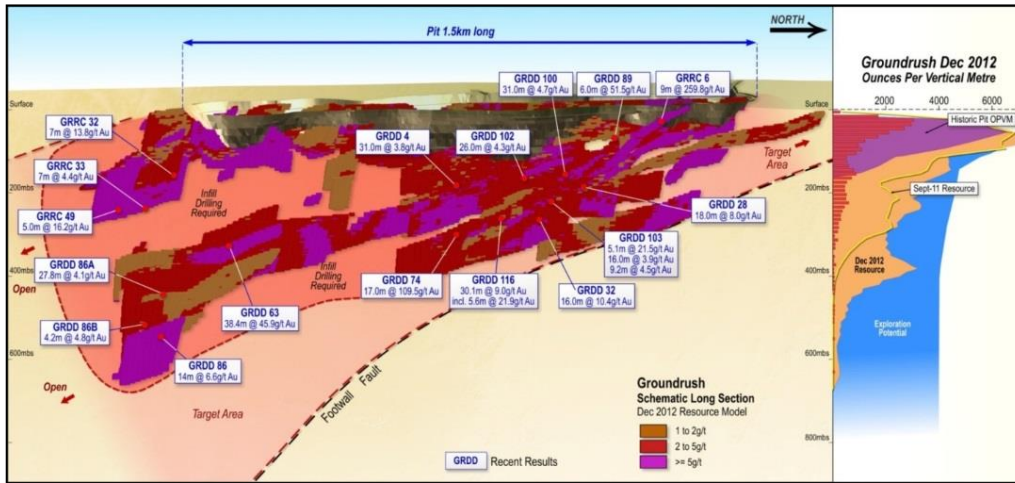
- \* FY15 gold sold 77,642oz at an AISC of A\$1,264/oz
- \* FY16 guidance 70,000-75,000oz at AISC of A\$1,175-A\$1,275/oz
- \* Sep Qtr 26.9koz mined and 22.7koz sold at an AISC of A\$1,007/oz
- \* Resources: 0.4Moz, up 7% and Reserves 0.1Moz, after mining 76koz in FY15
- \* Pipeline of additional feed; Low grade stockpiles, Belvedere and Peake



# Central Tanami Project: Next Tier of Production Growth



- ✦ Northern Star has now settled its sixth mine, a JV on the 2.7Moz Central Tanami Project with Tanami Gold NL\*
- ✦ Historically produced 2.1Moz from top 125m, last major production was from Newmont in 2005 when it produced 610,000oz at 4.3gpt over a 4 year period from the main deposit; Groundrush open pit
- ✦ The past 5 years has seen A\$30m invested at Groundrush in exploration, drilling and feasibility studies  
Groundrush current Resource is 1Moz @ 4.8gpt gold (at a 1gpt grade cut-off)
- ✦ Opportunity to increase Resource substantially through an accelerated drilling program that started last month
- ✦ Has the potential to be a 150koz per annum producing asset (100%) from FY18 onwards



\*See ASX announcement dated 03 Aug 2015



# Why invest in Northern Star



- ✦ **Highly profitable:** underlying net profit A\$108.9m in FY15; underlying free cashflow A\$185.6m; total dividend of A5¢ps
- ✦ **Strong balance sheet:** no debt; A\$196m in cash, bullion and investments (30 Sep 2015)
- ✦ **Emphasis on shareholders:** Past 5 years average TSR +200% & return on equity of 43%
- ✦ One of the few ASX-listed gold miners with **critical mass and asset diversity:** 535koz-570koz in FY16 at low costs: AISC of A\$1,050-A\$1,100/oz, margin of ~A\$400/oz at the current gold price, with production rising to 700koz per annum from FY18 onwards
- ✦ **Politically and financially stable:** all mines in the resources-friendly state of Western Australia, home to Kalgoorlie, the giant iron ore mines and a world-class LNG industry
- ✦ **Northern Star is a demonstrated growth stock:** A5¢ to +A\$3.00 a share in five years
- ✦ **Aggressive exploration strategy** (A\$50m in FY15) delivering outstanding growth; total resources rose 2.7Moz to 8.9Moz in FY15 (after depletion); average cost of discovery just A\$19/oz; a further seven discoveries not included in FY15 Resource statement
- ✦ Committed A\$74m to expansion capital in FY16; this will underpin **growth in production** to 700,000ozpa from FY18
- ✦ **Strong management team**, including many former contracting executives



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RESOURCES LIMITED

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## Northern Star Resources

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AGM November 2015

# Team with a track record



	Shares	Options
<b>Total</b>	<b>600M</b>	<b>4.3M</b>
<i>* As at 27 November 2015</i>		

<b>Share price:</b>	<b>A\$2.55</b>
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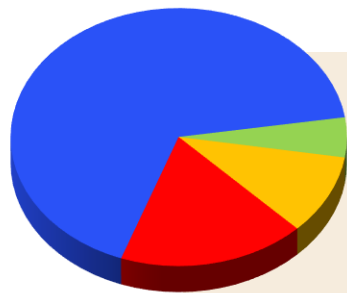
## Market Capitalisation (ASX: NST) ASX 200

<i>Undiluted</i>	<b>~A\$1.5B</b>
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<i>Cash, Bullion &amp; Investments (30 Sep 2015)</i>	<b>A\$196M</b>
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<i>Debt</i>	<b>Nil</b>
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Substantial Shareholders		
	<b>BlackRock</b>	<b>10%</b>
	<b>Van Eck</b>	<b>12%</b>



<b>Institutions</b>	<b>70%</b>
<b>Board &amp; Management</b>	<b>5%</b>
<b>High Net Worth Individuals</b>	<b>10%</b>
<b>Retail</b>	<b>15%</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