

ASX ANNOUNCEMENT
14 January 2016

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 600M

Options 4M

Current Share Price A\$2.52

Market Capitalisation
A\$1.5 billion

Cash and Cash Equivalents
31 Dec 2015 - A\$226 million

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December Quarter Trading Update

PRODUCTION OF 145,253OZ AT A\$1,040/OZ UNDERPINS SUBSTANTIAL FREE CASHFLOW

Cash, bullion & investments rise to A\$226m at 31 Dec 2015

KEY POINTS

- ▶ **Outstanding December Quarter with production at the top end and costs below the bottom end of guidance respectively**
- ▶ **Production totalled 145,253oz at an all-in sustaining cost (AISC) of A\$1,040/oz (FY16 guidance is 535,000-570,000oz at AISC of A\$1,050-A\$1,100/oz)**
- ▶ **142,017oz sold at an average price of A\$1,484/oz for A\$211m**
- ▶ **Cash, bullion and investments rose by A\$30m in the Dec Quarter to A\$226m after paying out A\$18m in interim dividends and A\$23.5m on organic growth and development; Northern Star remains debt-free**
- ▶ **Production for six months to 31 Dec totalled 285,494oz at AISC of A\$1,062/oz**
- ▶ **Northern Star is on track to grow production to 700,000ozpa in FY18 from organic sources**

Northern Star Resources Limited (ASX: NST) is pleased to advise that it enjoyed an extremely strong December Quarter on all fronts, culminating in the Company's total cash, bullion and investments rising by another A\$30 million to A\$226 million.

Northern Star produced 145,253oz in the quarter, which was at the upper end of its FY16 guidance of 535,000-570,000 ounces.

All-in sustaining costs (AISC) for the quarter were A\$1,040/oz, which is below the bottom end of its A\$1,050-A\$1,100/oz guidance range for FY16.

Gold sold totalled 142,017oz at an average realised price of A\$1,484/oz.

The strong operational performance resulted in Northern Star finishing the quarter with A\$226 million in cash, bullion and investments. This was a A\$30 million increase from 30 September and came despite the Company paying out A\$18 million in interim dividends and spending A\$23.5 million on exploration and development as part of the organic growth strategy aimed at increasing production to 700,000ozpa by FY18.

The Company has no bank debt.

The latest results took production for the six months to 31 December to 285,494oz at an AISC of A\$1,062/oz.

Northern Star Managing Director Bill Beament said the combination of the strong operational results and the healthy Australian-dollar gold price highlighted the Company's capacity to generate substantial cashflow.

"We produced gold at the rate of 580,000ozpa in the December Quarter," Mr Beament said. "We did this at an AISC of A\$1,040/oz compared with the current gold price of ~A\$1,550/oz.

"This has enabled us to continue growing our cash balance while also paying dividends and investing in an organic growth strategy that will see us increase production to 700,000ozpa without losing our debt-free status."

Yours faithfully



BILL BEAMENT
Managing Director
Northern Star Resources Limited

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Forward Looking Statements

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