



OPERATING CASH FLOW OF A\$103M FROM SALE OF 143,469OZ HIGHLIGHTS NORTHERN STAR'S EMPHASIS ON SHAREHOLDER RETURNS

ASX ANNOUNCEMENT 28 April 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 600 million
Options 3.5 million

Current Share Price A\$3.70

Market Capitalisation
A\$2.2 billion

Cash, Bullion & Investments
31 Mar 2016 - A\$286 million

Projects

Paulsens Mine
Plutonic Mine
Kanowna Belle Mine
Kundana Mines (51% of EKJV)
Jundee Mine
Ashburton
Central Tanami (25% of JV)

Listed Investments

VXR, DAU, RND, TBR, ALY

KEY POINTS

- ▶ Outstanding March Quarter highlights Northern Star's commitment to maximising Shareholder returns with record operating cash flow of A\$103m from the sale of 143,469oz
- ▶ Result underpinned by a further 5% fall in total all-in sustaining costs (AISC) to A\$985/oz (US\$711/oz)¹
- ▶ Gold sold totalled 143,469oz (FY16 guidance is 535,000-570,000oz at AISC of A\$1,050-A\$1,100/oz)
- ▶ Gold sold for the nine months to 31 March totalled 427,042oz at an AISC of A\$1,036/oz
- ▶ Cash, bullion and investments rose by A\$60m in the March Quarter to A\$286m after paying A\$18m in exploration and expansionary capital expenditure; Northern Star remains debt-free
- ▶ Gold inventories (gold in circuit and on surface stockpiles) sits at 93,000oz
- ▶ Further strong progress made on strategy to grow production to 700,000ozpa in FY18 from organic sources, with substantial exploration success at Kundana EKJV and the 100 per cent-owned Kundana tenements and Kanowna Belle mines
- ▶ Organic growth strategy reflects Northern Star's ongoing commitment to maximising financial returns for Shareholders, including an industry-leading return on equity
- ▶ March Quarter production:
 - Jundee Gold Operations:
 - 60,165oz mined and 54,786oz sold at an AISC A\$914/oz
 - Kundana Gold Operations:
 - 32,755oz mined and 28,849oz sold at an AISC A\$828/oz
 - Kanowna Belle Gold Operations:
 - 24,063oz mined and 23,203oz sold at an AISC A\$752/oz
 - Paulsens Gold Operations:
 - 24,336oz mined and 22,963oz sold at an AISC A\$999/oz
 - Plutonic Gold Operations:
 - 17,352oz mined and 13,668oz sold at an AISC A\$1,975/oz
- ▶ Northern Star will host a quarterly conference call today at 7.30am AWST (9.30am AEDT), Thursday, 28 April 2016. The call can be accessed at <http://boardroom.media/broadcast/?refid=&eid=572031b1f8fb8cf57fc4389c>

Northern Star Resources Managing Director Bill Beament said:

"To generate operating cash flow of A\$103 million from the sale of 143,469oz demonstrates that maximising financial returns is our top priority.

"That philosophy has driven our commitment to cutting costs, which has underpinned this exceptionally strong ratio of gold sales to operating cash flow.

"Plutonic's costs in the March Quarter were impacted by severe rainfall in January, which restricted working areas in the mine.

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 March 2016



"Operations resumed in February but at a reduced rate and in lower grade areas until pumping enabled access. However, March production returned to normal with 6,096oz recovered.

"This result helps underpin our confidence in the outlook for Plutonic's performance, including its cost profile.

"Our highly effective cost-cutting program across the board is enabling us to maximise margins and therefore free cash flow, as demonstrated by the A\$60 million increase in cash, bullion and investments over the quarter, taking the total to A\$286 million.

"The increase was after spending A\$18 million on exploration and expansionary capital as part of our strategy to grow production to 700,000ozpa by 2018.

"This organic growth strategy, which is underpinned by the extremely cost-effective exploration campaign which has seen our Resource base grow to 8.9 million ounces, also reflects our commitment to maximising financial returns.

"The combination of exploration success, particularly at Kundana and Kanowna, low costs and growing production is positioning us for further significant increases in free cash flow."

Northern Star	Units	Sept-15 Qtr	Dec-15 Qtr	Mar-16 Qtr	YTD
Ore Hoisted	Tonnes	821,070	886,185	881,029	2,588,283
Mined Grade	gpt Au	5.7	5.6	5.6	5.6
Gold in Ore Hoisted	Oz	150,402	158,617	158,671	467,689
Milled Tonnes	Tonnes	911,818	970,999	891,068	2,773,885
Head Grade	gpt Au	5.3	5.1	5.4	5.3
Ounces Produced	Oz	154,445	159,133	155,848	469,426
Recovery	%	91	91	92	91
Gold Recovered	Oz	140,242	145,251	142,630	428,123
Ounces Sold	Oz	141,556	142,017	143,469	427,042
Average Gold Price	A\$/oz	1,509	1,484	1,640	1,545
Revenue	A\$M	213.6	210.8	235.2	659.6
Cash Operating Cost	A\$/oz	836	837	737	803
All in Sustaining Cost	A\$/oz	1,083	1,040	985	1,036
Total Stockpiles Contained Gold	Oz	70,061	70,453	73,977	73,977
Gold in Circuit (GIC)	Oz	17,505	20,816	19,409	19,409
Gold in Transit (GIT)	Oz	-	-	-	-

Table 1: Key Group Performance Figures (Quarterly)

Northern Star	Units	Sept-15 Qtr	Dec-15 Qtr	Mar-16 Qtr	YTD
Mining	\$/oz	551	561	470	527
Processing	\$/oz	189	188	176	184
Site Services	\$/oz	67	62	48	59
Ore Stock & GIC Movements	\$/oz	(3)	(9)	5	(2)
Royalties	\$/oz	35	40	41	38
By Product Credits	\$/oz	(3)	(4)	(3)	(3)
Rehabilitation-Accretion & Amortisation	\$/oz	8	2	7	5
Corporate Overheads	\$/oz	44	35	43	41
Mine Development/Sustaining CAPEX	\$/oz	177	147	171	165
Mine Exploration	\$/oz	18	19	27	22
All in Sustaining Costs	\$/oz	1,083	1,040	985	1,036
Depreciation & Amortisation	\$/oz	276	300	337	305

Table 2: Key Group Cost per Ounce Measures

Production KPIs Mar Quarter	Units	Paulsens	Plutonic	Kanowna Belle	Kundana	Jundee	Total
Total Ore Hoisted	Tonnes	94755	164,571	172,925	119,625	329,154	881,029
Mine Grade	gpt Au	8.0	3.3	4.3	8.5	5.7	5.6
Gold in Ore Hoisted	Oz	24,336	17,352	24,063	32,755	60,165	158,617
Milled Tonnes	Tonnes	92,502	190,235	219,425	112,273	276,634	891,068
Head Grade	gpt Au	8.2	3.0	4.1	8.4	6.1	5.4
Recovery	%	90	78	94	96	93	92
Gold Recovered	Oz	22,060	14,124	27,012	28,849	50,584	142,630
Gold Sold	Oz	22,963	13,668	23,203	28,849	54,786	143,469
Cash Operating Costs	A\$/oz	718	1,303	679	600	701	737
All In Sustaining Costs	A\$/oz	999	1,975	752	828	914	985
Depreciation & Amortisation	A\$/oz	393	629	190	229	358	337

Table 3: Key Quarterly Mine Production Performance

FINANCE

The following is a table of the cash, bullion and investments held at the end of each quarter:

	Units	Sep-15 Qtr	Dec-15 Qtr	Mar-16 Qtr
Cash at bank	A\$M	\$163.4	\$210.9	\$262.3
Bullion awaiting settlement ⁽¹⁾	A\$M	\$26.1	\$9.1	\$17.2
Investments	A\$M	\$6.5	\$5.5	\$6.0
Total	A\$M	\$196.0	\$225.5	\$285.5

Table 4: Cash, Bullion and ASX equity investments

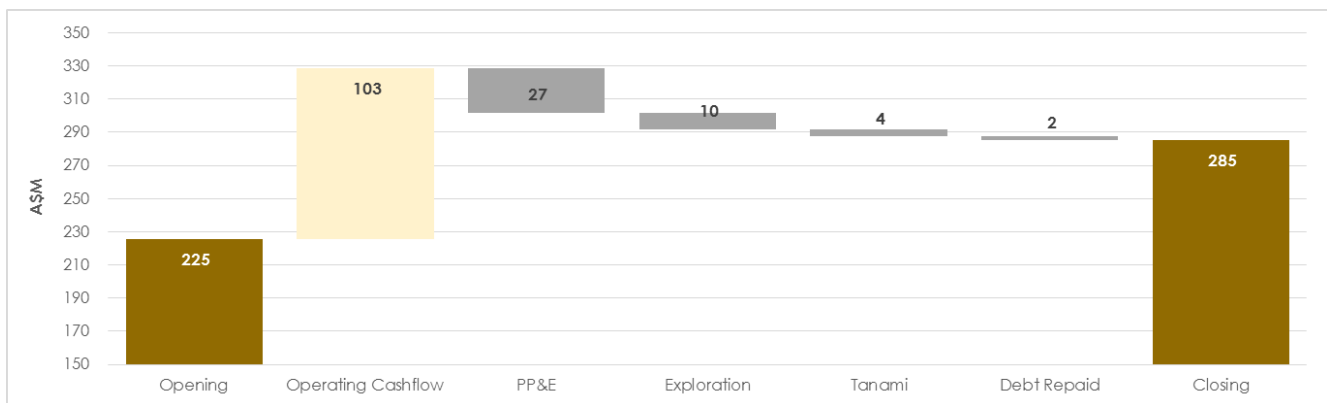
⁽¹⁾ Bullion awaiting settlement is dore which has been received by the refiner in the quarter and is awaiting settlement.

The below table sets out the total of surface gold inventories:

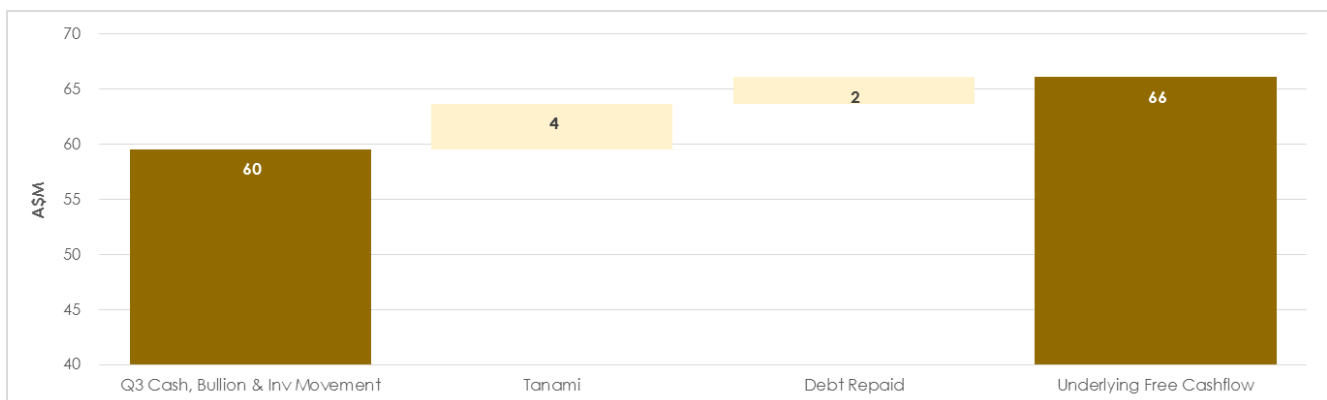
Gold Inventories	Sep-15 Qtr	Dec-15 Qtr	Mar-16 Qtr
Stockpiles contained gold (oz)	70,061	70,453	73,977
Gold In circuit (oz)	17,505	20,816	19,409
Gold In transit (oz)	-	-	-
Total Gold Inventories (oz)	87,566	91,269	93,386

Table 5: Gold Inventories

The below waterfall chart highlights the March Quarter's operating cash flow together with movements in cash, bullion and investments:



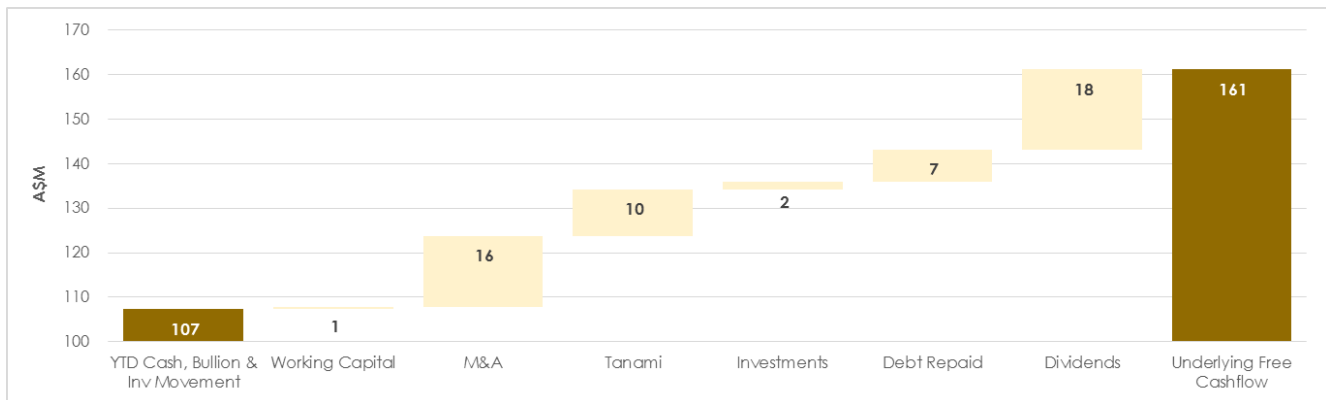
The below waterfall chart highlights the underlying free cash flow for the March Quarter:



QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 March 2016

The below waterfall chart provides an overview of year to date underlying free cash flow:



Banking Facilities

During the quarter, Northern Star executed a self-arranged syndicated A\$100m revolving debt facility with ANZ, CBA, HSBC and RBC. The new three year revolver facility provides Northern Star with a broader base of relationship banks, updated documentation and significantly lower financing costs.

The new debt facility is undrawn and replaces the previous undrawn banking facility.

Hedging

The below table outlines the Company's current hedging position:

Term	Jun -16 Qtr	Sep -16 Qtr	Dec -16 Qtr	Total
Ounces	63,000	41,443	32,500	136,693
Gold Price	A\$1,651	A\$1,628	A\$1,628	A\$1,638

Table 6: Hedging commitments

During the quarter 63,000oz of hedging was added for delivery across CY16 at an average of A\$1,698/oz.

OPERATIONS

Paulsens Gold Operations

Production Summary Paulsens		Sep-15 Qtr	Dec-15 Qtr	Mar-16 Qtr	YTD
Ore Mined	Tonnes	105,832	92,772	94,755	293,359
Mined Grade	gpt Au	7.9	7.0	8.0	7.6
Ounces Mined	Oz	26,892	20,730	24,336	71,958
Milled Tonnes	Tonnes	101,311	95,953	92,502	289,766
Head Grade	gpt Au	7.8	7.3	8.2	7.8
Recovery	%	92	90	90	91
Gold Recovered	Oz	23,259	20,152	22,060	65,471
Gold Sold	Oz	22,736	19,161	22,963	64,860
Cost per Ounce					
Mining	A\$/oz	377	447	385	400
Processing	A\$/oz	189	245	199	209
Site Services	A\$/oz	62	74	67	68
Ore Stock Movements	A\$/oz	(23)	(6)	27	-
Royalties	A\$/oz	36	38	41	38
By Product Credits	A\$/oz	(2)	(2)	(1)	(2)
Cash Operating Costs	A\$/oz	639	795	718	713
Rehabilitation - Accretion & Amortisation	A\$/oz	6	5	5	5
Corporate Overheads	A\$/oz	45	35	44	42
Mine Development / Sustaining CAPEX	A\$/oz	292	315	206	269
Paulsens Mine Exploration	A\$/oz	25	5	26	19
All in Sustaining Costs	A\$/oz	1,007	1,156	999	1,048
Depreciation & Amortisation	A\$/oz	360	390	393	381

Table 7: Summary Details – Paulsens

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 March 2016

Plutonic Gold Operations

Production Summary Plutonic		Sep-15 Qtr	Dec-15 Qtr	Mar-16 Qtr	YTD
Ore Mined	Tonnes	159,172	173,450	164,571	497,193
Mined Grade	gpt Au	4.0	3.8	3.3	3.7
Ounces Mined	Oz	20,651	21,315	17,352	59,318
Milled Tonnes	Tonnes	175,640	198,959	190,235	564,833
Head Grade	gpt Au	3.7	3.5	3.0	3.4
Recovery	%	77	78	78	78
Gold Recovered	Oz	16,147	17,248	14,124	47,519
Gold Sold	Oz	16,365	16,910	13,668	46,943
Cost per Ounce					
Mining	A\$/oz	1,274	1,107	856	1,092
Processing	A\$/oz	270	309	362	311
Site Services	A\$/oz	113	87	109	101
Ore Stock Movements	A\$/oz	5	(9)	(59)	(18)
Royalties	A\$/oz	31	40	37	36
By Product Credits	A\$/oz	(2)	(3)	(2)	(2)
Cash Operating Costs	A\$/oz	1,691	1,531	1,303	1,520
Rehabilitation - Accretion & Amortisation	A\$/oz	14	(6)	16	8
Corporate Overheads	A\$/oz	46	35	42	41
Mine Development / Sustaining CAPEX	A\$/oz	81	85	474	196
Plutonic Mine Exploration	A\$/oz	-	-	140	41
All in Sustaining Costs	A\$/oz	1,832	1,645	1,975	1,806
Depreciation & Amortisation	A\$/oz	330	257	629	391

Table 8: Summary Details – Plutonic

Kanowna Belle Gold Operations

Production Summary Kanowna Belle		Sep-15 Qtr	Dec-15 Qtr	Mar-16 Qtr	YTD
Ore Mined	Tonnes	183,668	207,061	172,925	563,654
Mined Grade	gpt Au	4.8	4.1	4.3	4.4
Ounces Mined	Oz	28,597	27,028	24,063	79,688
Milled Tonnes	Tonnes	195,650	196,489	219,425	611,563
Head Grade	gpt Au	4.3	3.8	4.1	4.1
Recovery	%	94	94	94	94
Gold Recovered	Oz	25,524	22,572	27,012	75,108
Gold Sold	Oz	27,074	25,153	23,203	75,429
Cost per Ounce					
Mining	A\$/oz	443	513	411	456
Processing	A\$/oz	166	122	139	143
Site Services	A\$/oz	80	74	14	57
Ore Stock Movements	A\$/oz	(26)	3	72	14
Royalties	A\$/oz	35	47	48	43
By Product Credits	A\$/oz	(6)	(6)	(5)	(5)
Cash Operating Costs	A\$/oz	692	753	679	708
Rehabilitation - Accretion & Amortisation	A\$/oz	11	(1)	12	7
Corporate Overheads	A\$/oz	45	34	45	42
Mine Development / Sustaining CAPEX	A\$/oz	3	15	16	11
Kanowna Belle Mine Exploration	A\$/oz	12	9	-	8
All in Sustaining Costs	A\$/oz	763	811	752	776
Depreciation & Amortisation	A\$/oz	138	206	190	177

Table 9: Summary Details – Kanowna Belle

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 March 2016

Kundana Gold Operations

Production Summary Kundana		Sep-15 Qtr	Dec-15 Qtr	Mar-16 Qtr	YTD
Ore Mined	Tonnes	92,660	114,213	119,625	326,497
Mined Grade	gpt Au	6.7	8.0	8.5	7.8
Ounces Mined	Oz	19,820	29,271	32,755	81,846
Milled Tonnes	Tonnes	91,658	120,415	112,273	324,347
Head Grade	gpt Au	7.5	7.3	8.4	7.7
Recovery	%	96	96	96	96
Gold Recovered	Oz	21,219	27,034	28,849	77,102
Gold Sold	Oz	21,219	27,034	28,849	77,102
Cost per Ounce					
Mining	A\$/oz	464	438	456	452
Processing	A\$/oz	186	134	116	142
Site Services	A\$/oz	50	45	27	39
Ore Stock Movements	A\$/oz	(29)	6	(33)	(18)
Royalties	A\$/oz	31	36	37	35
By Product Credits	A\$/oz	(4)	(4)	(3)	(4)
Cash Operating Costs	A\$/oz	698	655	600	646
Rehabilitation - Accretion & Amortisation	A\$/oz	-	-	-	-
Corporate Overheads	A\$/oz	42	36	44	41
Mine Development / Sustaining CAPEX	A\$/oz	191	172	159	173
Kundana Mine Exploration	A\$/oz	31	35	25	30
All in Sustaining Costs	A\$/oz	962	898	828	890
Depreciation & Amortisation	A\$/oz	277	233	229	244

Table 10: Summary Details – Kundana

Jundee Gold Operations

Production Summary Jundee		Sep-15 Qtr	Dec-15 Qtr	Mar-16 Qtr	YTD
Ore Mined	Tonnes	279,738	298,689	329,154	907,581
Mined Grade	gpt Au	6.1	6.3	5.7	6.0
Ounces Mined	Oz	54,442	60,273	60,165	174,880
Milled Tonnes	Tonnes	347,559	359,183	276,634	983,376
Head Grade	gpt Au	5.3	5.4	6.1	5.6
Recovery	%	92	93	93	93
Gold Recovered	Oz	54,094	58,246	50,584	162,924
Gold Sold	Oz	54,163	53,760	54,786	162,709
Cost per Ounce					
Mining	A\$/oz	494	514	442	483
Processing	A\$/oz	178	187	167	177
Site Services	A\$/oz	56	52	51	53
Ore Stock Movements	A\$/oz	24	(24)	3	1
Royalties	A\$/oz	37	38	41	39
By Product Credits	A\$/oz	(3)	(3)	(3)	(3)
Cash Operating Costs	A\$/oz	786	764	701	750
Rehabilitation - Accretion & Amortisation	A\$/oz	8	6	6	6
Corporate Overheads	A\$/oz	45	35	43	41
Mine Development / Sustaining CAPEX	A\$/oz	238	155	152	182
Jundee Mine Exploration	A\$/oz	20	26	12	20
All in Sustaining Costs	A\$/oz	1,097	986	914	999
Depreciation & Amortisation	A\$/oz	294	361	358	338

Table 11: Summary Details – Jundee

Additional information on the individual Operations can be found in Appendix 1.

EXPLORATION AND DEVELOPMENT - OPERATIONS

Kanowna Belle

Underground definition diamond drilling at Velvet (located 600m west of the Lowes underground orebody) throughout the quarter continued to return excellent results (see ASX announcement dated 17 March 2016).

In addition, initial drilling has intersected similar prospective stratigraphy with anomalous low grade mineralisation several hundred metres up dip of the Velvet deposit opening up a large untested area along the Fitzroy Fault trend for potential extensions. Planning for additional drill drive access for this area is underway.

Kundana (NST 51% EKJV)

Underground Resource and exploration drilling at Rubicon, Hornet, Pegasus and Raleigh South during the quarter continued to generate high-grade results at the Pegasus, Rubicon and Hornet deposits. The results indicate that the three of the major deposits on the K2 structure are connected at depth, forming a continuous 2km-long orebody (see ASX announcement dated 7 April 2016).

Extensional drilling programs at Hornet continued to return significant results both laterally and down-dip on the main K2 structure. In addition, grade control drilling continues to outline significant mineralisation in the hanging wall to the main K2 zone opening up future opportunities adjacent to current mining operations in this area.

Further extensional drilling at Rubicon North and South extended high grade mineralisation returning significant intersections within the K2 structure and some significant results in the associated K2B and hanging wall structures.

Development drilling at Pegasus North achieved further significant results on the K2 structure and the adjacent Poda Zone/K2B structures.

At Raleigh, exploratory drilling and development continues to return significant intersections from the Raleigh Main Vein to the south of the existing mine infrastructure over a significant vertical extent of the mine. Drilling is continuing on this key exploration target to outline potential Resource extensions on the main Raleigh structure.

Surface exploration drilling focussed on infill and extensional diamond drilling programs at Pegasus successfully targeting the K2, K2B and Poda mineralisation. Assay results are pending.

Kundana (100% NST)

Surface exploration was focussed on extensional and infill diamond drilling at Millennium with the program completed during the quarter. The infill definition drilling has confirmed the extent of the Millennium Resource on the K2 structure and recorded scattered significant intersections within the K2B zone. The extensional diamond drilling recorded several intersections outside the Millennium Resource envelope which remains open to the north and at depth down plunge.

Surface RC drilling at Millennium also recorded several significant oxide gold intersections at shallow depths in an interpreted near surface palaeochannel.

Jundee

During the quarter, exploration and development projects continued within the existing mining operations. Eight underground diamond drilling rigs focussed on Resource conversion and exploration programs within the underground mine with two surface diamond drill rigs operating in the mine precinct.

In-mine Resource development drilling continued at Wilson, NIM, Westside, Wilson, Gringotts and Gateway areas during the quarter.

Development of the deep drill drive from the base of the Barton Mine continued on schedule during the quarter (80% complete). Diamond drilling from the new drill drive continued to return encouraging results from mineralised structures from the depth continuation of the Jundee mine sequence.

Diamond drilling continued at Gateway South and the new Revelation trend from both underground and surface positions continued to achieve significant results. To date, Revelation trend mineralisation has been defined over a strike length of approximately 800 metres and appears to be an extension of the Nexus Lode. A further 800 metres of strike from Revelation north to Nexus is untested with surface diamond drilling to target this area next quarter.

Paulsens

Underground diamond drilling for the quarter consisted of extension drilling targeting the Voyager 2 zone down plunge from the lower level drill platform. Grade control drilling continued at Voyager 2 Upper Zone, Titan and Paulsens lower zone ore bodies at various levels in the mine.

Plutonic

Underground Resource development drilling programs focused on the Caribbean, Cortez and Indian areas during the quarter.

REGIONAL EXPLORATION

Carbine

A 21 hole RC and diamond drilling program commenced at Paradigm North late in the quarter. The drilling program aims to follow up and extend the previously announced high grade intersections in the area north of the existing Paradigm Mine and test for selected areas for shallow oxide gold mineralisation.

Central Tanami Project (25% NST)

RC and diamond infill and extensional drilling programs continued during the quarter at the Groundrush deposit, located approximately 50km north of the Central Tanami plant site. A further 11,950 metres of drilling was completed to finish the current program.

The infill drilling program focussed on establishing the continuity of mineralisation to a vertical depth of 300m below the surface at the southern end of the Groundrush deposit with additional drilling targeting depth and down plunge extensions to the existing Resource model.

Preparation of a new Resource model is in progress for completion during the next quarter.

Jundee

A 7,049 metre air core drilling program completed at the El Campo prospect (southeast of the Jundee mine area) defined several gold anomalies with further drilling planned.

Hermes

Resource development and sterilisation drilling program commenced in March at the Hermes Project as part of the feasibility study for the proposed development.

The 23,000 metre RC drilling program is expected to be completed next quarter together with the finalisation of infrastructure sites and access corridors.

Paulsens

Surface exploration included diamond drilling of geophysical anomalies at the Southern Gabbro prospect. Further RC drilling is planned next quarter following the finalisation of heritage clearances for the area.

Pilbara Regional

Regional geochemical programs were completed across Ashburton Basin prospects at Mindle Shear, Slate Bore, Moloney West, Soldiers Secret and Charlie's Creek during the quarter.

In the southern Ashburton Basin area, soil and rock-chip sampling programs defined gold and copper-gold geochemical anomalies at the Soldiers Secret and Charlie's Creek prospect areas. Further work is planned to determine the significance of the area.

Fortescue Joint Venture

Prospectivity analysis based on regional geochemical data has identified a number of discrete gold and pathfinder element anomalies which will prioritise future exploration programs.

CORPORATE

- During the quarter, the Company announced:
 - entering into a Letter of Intent with Beacon Minerals Limited to process Beacon's high grade refractory ore under an ore purchase agreement;
 - that it intended to commence a formal sale process for the Plutonic Gold Mine following unsolicited approaches from interested parties;
 - an interim fully-franked dividend of three cents per share, payable on 5 April 2016; and
 - a change of Share Registry from Advanced Share Registry to Link Market Services Limited, effective 14 March 2016.
- During the quarter, Northern Star participated in the BMO conference, the Euroz annual Institutional conference, an institutional and retail investor roadshow in Melbourne and Sydney; and several investor site tours to its Kalgoorlie and Jundee operations. The Company maintains a proactive presentation calendar to stockbroking firms, institutional and retail investors to promote the Company and its activities.
- Issued Capital
 - During the quarter, 179,732 ordinary shares were issued on 23 February 2016 following the cashless conversion of 250,000 employee options.
 - Subsequent to the quarter end:
 - 11,934 employee shares were released from voluntary escrow following cessation of employment in accordance with the Company's 2011 Employee Share Plan; and
 - 368,683 unlisted employee options issued as part of the FY2015 employee long term incentives and 162,264 unlisted employee options issued as part of the FY2016 employee long term incentives were cancelled following cessation of employment in accordance with the Company's 2012 Employee Share Option Plan No. 3.

The issued capital of the Company at the date of this report is:

Class of Securities	Issued capital
Fully Paid Ordinary Shares	600,209,289
Unlisted Options (various expiry dates)	3,495,147

Table 12: Issued Capital

Yours faithfully



BILL BEAMENT
Managing Director
Northern Star Resources Limited

Investor Enquiries:

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Forward Looking Statements

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¹ Calculated using the average AUD/USD exchange rate over the quarter of AUD/USD of 72.15¢

APPENDIX 1 – ADDITIONAL INFORMATION - OPERATIONS

Paulsens Gold Operations

► Safety

There were no lost time incidents during the quarter.

► Underground Production

Mine Development:

	Sep-15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Decline	327m	175m	161m
Level	320m	535m	538m
Strike driving	759m	479m	758m
Total (metres)	1,406m	1,189m	1,457m

Table 1: Underground Production – Mine Development

Capital development focused on advancing the decline towards the 239mRL level, establishing the 250mRL return air connection, level development on the 256mRL and 273mRL operating levels which both access the Voyager 2 Upper Zone ore body, mining the 285 level Drill Drive, access development on the 341mRL level to access the Titan lode and upper level development to access the Cassini lode on the 1110mRL level and the Soyuz lode on the 1104mRL level.

Operating development saw the continued development of high grade Voyager 2 Upper Zone mining areas on the 273mRL and 256mRL in line with forecast. Additional operating development was completed in the Titan ore lodes on the 358mRL and 375mRL levels and in the Upper levels in the Cassini at the 1110mRL and Gemini at the 1110mRL.

Development yielded 34,914 tonnes at an average reconciled grade of 8.4gpt.

	Sep-15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Development ore (t)	47,460	31,252	34,914
Development grade (gpt)	8.1	5.4	8.4
Stope ore (t)	55,516	56,092	56,287
Stope grade (gpt)	8.1	8.4	8.2
Low grade ore (t)	2,856	5,428	3,554
Low grade (gpt)	1.4	1.5	1.1
Total ore (t)	105,832	92,772	94,755
Total grade (gpt)	7.9	7.0	8.0
Contained gold (oz)	26,892	20,730	24,336

t=tonnes, gpt=grams per tonne, oz=ounces

Table 2: Ore Development – Mine Development

- Stope production was 56,287 tonnes at 8.2gpt sourced predominately from the Voyager 2 upper zone on the 324, 307, 290 and 273mRL levels. Additional stope tonnes were sourced from the Paulsens Lower Zone at the 880mRL, Gemini at the 1130 and 1116mRL and Voyager 1 Upper Zone at the 375 level. High grade air-leg development and stope tonnes from Paulsens Lower Zone at the 803, 823 and 1089mRL and Cassini at the 1125mRL supplemented the mechanized production tonnes.

► Gold Production

92,502 tonnes were milled during the quarter at 8.2gpt and 90% recovery for 22,060oz produced. Mill feed primarily consisted of Voyager 2 Upper Zone, additional sources included Paulsens Lower zone, Titan, Gemini and Cassini.

Ore stocks at the end of the quarter totaled 5,082oz of gold.

► Gold Sales

22,963oz were sold.

Plutonic Gold Operations

► Safety

There were two (2) Lost Time Injuries (LTI) recorded during the quarter.

► Underground Production

Mine Development:

	Sep -15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Decline	256m	174m	0m
Level	344m	192m	24m
Strike driving	1,676m	1,752m	1,994m
Total (metres)	2,276m	2,118m	2,018m

Table 3: Underground Production – Mine Development

Plutonic operation experienced severe weather disruption during January with an intense rainfall event on January 25th with 153mm over 24hr period. (138mm in 2 hrs). This restricted working areas in the lower parts of the underground mine until pumping was increased to dewater to safe levels to allow lower mine access.

Operations continued throughout February, albeit under a revised schedule and in lower grade zones due to the disruption. March returned to normal operation with 6,965oz mined in the month and 6,096oz gold produced.

Ore development continued in the Caribbean, West, North, Baltic, Pacific East, Mariner, Timor, Coral and Vent Decline areas.

	Sep -15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Development ore (t)	38,973	49,197	44,847
Development grade (gpt)	4.7	2.8	2.7
Stope ore (t)	120,199	124,253	119,724
Stope grade (gpt)	3.8	4.2	3.5
Low grade ore (t)			
Low grade (gpt)			
Total ore (t)	159,172	173,450	164,571
Total grade (gpt)	4.0	3.8	3.3
Contained gold (oz)	20,651	21,315	17,352

t=tonnes, gpt=grams per tonne, oz=ounces

Table 4: Underground Production – Ore Tonnes

Underground stoping produced 119,724 tonnes at 3.5gpt predominately from the Caribbean 16, 18 and 20 levels along with the West 20 level, Pacific East 22 and Timor Vent 14 levels.

Further project development activity occurred at Hermes with continued resource drilling and sterilisation drilling for dump sites commenced. Mining design optimisation and schedules were completed during the quarter.

► Gold Production

190,235 tonnes were milled during the quarter at 3.0gpt and 78% recovery for 14,123oz. Milling operations continue to operate on a campaign basis.

► Gold Sales

13,668oz were sold

Kanowna Belle Gold Operations

► Safety

There was one (1) Lost Time Injury (LTI) during the quarter.

► Underground Production

Mine Development:

	Sep -15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Decline	494m	345m	576m
Level	Nil	Nil	Nil
Strike driving ⁽¹⁾	488m	835m	490m
Total (metres)	982m	1,180m	1,065m

Note (1) includes development through paste-fill

Table 5: Underground Production – Mine Development

Development for the quarter focussed on establishing the Velvet exploration drill platform and Velvet access drive. Drilling was still ongoing during the Quarter with a focus on resource targeting of Velvet. An updated ASX release was published showing highly encouraging results within and around the Velvet target. Priority development is accessing the Velvet discovery and remnant stoping areas to extend life of mine plan. It is expected that the development will intersect the Velvet zone during the June quarter.

	Sep -15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Development ore (t)	11,524	33,184	21,356
Development grade (gpt)	3.9	2.8	3.0
Stope ore (t)	172,143	173,877	151,569
Stope grade (gpt)	4.9	4.3	4.5
Low grade ore (t)	Nil	Nil	Nil
Low grade (gpt)	Nil	Nil	Nil
Total ore (t)	183,668	207,061	172,925
Total grade (gpt)	4.8	4.1	4.3
Contained gold (oz)	28,597	27,028	24,063

t=tonnes, gpt=grams per tonne, oz=ounces

Table 6: Underground Production – Ore Production

Stope production was 151,569tonnes at 4.5gpt which exceeded planned tonnage and on plan for grade.

► Gold Production

Kanowna Belle milled 219,424 tonnes in the March Quarter at 4.1gpt and 94% recovery for 27,012oz.

Ore stocks at the end of the quarter totalled 6,620oz of gold.

► Gold Sales

23,203oz were sold.

Kundana Gold Operations

► Introduction

The Kundana Gold Operations includes the Rubicon, Hornet, Raleigh and Pegasus deposits. These mines are part of the East Kundana Joint Venture (EKJV) with companies Rand Mining Ltd and Tribune Resources Ltd.

► Safety

There were no (0) Lost Time Injuries (LTI) during the quarter.

► Underground Production

All mine production physicals associated with the EKJV are reported as 100% of those physicals to better represent overall mine performance.

Mine Development:

	Sep -15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Decline	612m	501m	565m
Level	997m	703m	581
Strike driving (incl paste)	1,452m	2,313m	2,500m
Total (metres)	3,061m	3,517m	3,645m

Table 7: Underground Production – Mine Development (physicals represent 100% EKJV)

The main focus on capital development has been the Pegasus Incline, Pegasus Decline, Rubicon Decline and Hornet Decline. The Pegasus Incline is at the 6219mRL and the Pegasus Decline is at the 5974mRL at the end of the March Quarter. The Hornet Decline has progressed to the 5777mRL and the Rubicon Decline is at the 5930mRL. 2,500m of strike driving was completed in March Quarter demonstrating a continued growth in performance from existing resources.

Development yielded 127,014 tonnes at an average reconciled grade of 6.3gpt.

	Sep -15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Development ore (t)	84,470	128,586	127,014
Development grade (gpt)	5.4	7.3	6.3
Stope ore (t)	97,837	96,147	108,423
Stope grade (gpt)	7.8	8.8	11.1
Low grade ore (t)	NA	NA	NA
Low grade (gpt)	NA	NA	NA
Total ore (t)	182,307	224,733	235,438
Total grade (gpt)	6.7	8.0	8.5
Contained gold (oz)	39,024	57,673	64,534

t=tonnes, gpt=grams per tonne, oz=ounces

Table 8: Underground Production – Ore production (physicals represent 100% EKJV)

Stope production for the March Quarter was 108,423 tonnes at 11.1gpt with grade representative of the modelled sources and sequence of mining.

► Gold Production

Kundana ore milled in March Quarter (NST share) was 112,272 tonnes at 8.4gpt and 95.8% recovery for 28,849 gold ounces.

Ore stocks at the end of the quarter (NST share) totalled 14,603oz of gold.

► Gold Sales

28,849 oz were sold.

Jundee Gold Operations

► Safety

There were no (0) Lost Time Injuries (LTI) during the quarter.

► Underground Production

Mine Development:

	Sep -15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Decline	1,243m	1,320	1,152
Level	866m	660	614
Operating	2,084m	2,060	2,280
Total (metres)	4,193m	4,040m	4,046

Table 9: Underground Production – Mine Development

Capital mine development has focused on completing the north leg of the 39WSN DDR while continuing advance in the DDR South. This drill drive development is ahead of schedule and below budget cost. Other priorities have been the Declines and access drives in the WSN, Nim3, WWN and GTW lodes. Good progress was performed in operating development in the upper Gringotts and lower Gateway as well as in the Wilson area.

Mine Production:

	Sep -15 Qtr	Dec -15 Qtr	Mar-16 Qtr
Development ore (t)	94,843	104,312	130,094
Development grade (gpt)	3.4	3.0	4.2
Stope ore (t)	184,895	194,377	199,059
Stope grade (gpt)	7.4	8.0	6.6
Total ore (t)	279,738	298,689	329,153
Total grade (gpt)	6.1	6.3	5.7
Contained gold (oz)	54,442	60,274	60,165

t=tonnes, gpt=grams per tonne, oz=ounces

Table 10: Underground Production – Ore production

Ore from the Wilson bulk stope has provided solid base load of the production ore with the initial firings proceeding as designed during the March quarter. The other main contributing area was the 16GGT and 17GGT levels with comparatively smaller quantities mined from the Nim3 and WSN regions. Good development grades have been mined in the upper GGT drives and lower Wilson levels representing confirmation of geological model and planned stoping grade.

► Gold Production

Jundee ore milled in the March Quarter was 276,634 tonnes at 6.1gpt and 93% recovery for 50,584 gold ounces.

Milling throughput was a blend of 98% underground fresh rock and 2% oxide feed. Overall throughput was lower due to a reduction in low grade oxide material processed and the batch treatment of the Wilson bulk stope during the period. Steady throughput and consistent recoveries achieved during the quarter. A four day planned maintenance shut was successfully completed in February 2016.

Ore stocks at the end of the quarter totaled 38,079oz of gold.

► Gold Sales

54,786oz sold.