



NORTHERN STAR CAPS OUTSTANDING YEAR WITH 65% INCREASE IN NET PROFIT TO A RECORD A\$151.4M*

Final dividend up 33% to 4¢; Return on equity hits 39%

KEY POINTS

- ▶ **FY16 net profit after tax rises 65% from FY15 to a record A\$151.4m**
- ▶ **Revenue up 5% to A\$887.4m from FY15**
- ▶ **Underlying free cash flow up 21% to a record A\$224.3m**
- ▶ **EBITDA up 27% to A\$401.3m**
- ▶ **Cash flow from operating activities of A\$383.3m**
- ▶ **Earnings per share rises 63% from 15.5¢ to 25.2¢**
- ▶ **Final dividend increased 33% from 3¢ to 4¢, taking full-year payout from 5¢ to 7¢ (all fully-franked)**
- ▶ **Return on equity of 39% and return on invested capital of 28%**
- ▶ **Gold sold was 561,153oz at an average realised gold price A\$1,578/oz (current spot A\$1,760/oz)**
- ▶ **All-in sustaining cost of A\$1,041/oz (US\$780/oz)¹, down from A\$1,065/oz in FY15**
- ▶ **Cash and equivalents increased 83% to A\$326m at 30 June 2016, up from A\$178m a year ago, after spending A\$11m acquiring the Central Tanami Project, paying A\$36m in dividends and investing A\$50m in exploration; Northern Star has no bank debt**

Northern Star Resources Limited (ASX: NST) is pleased to report a 65 per cent increase in unaudited net profit after tax to A\$151.4 million for the year to 30 June 2016.

The outstanding profit reflects strong gold sales of 561,153oz at an all-in sustaining cost of A\$1,041/oz, down from A\$1,065/oz in the previous year.

This resulted in Northern Star finishing the year with cash and equivalents of A\$326 million, up from A\$178 million a year earlier. The Company has no bank debt.

In light of this strong balance sheet, Northern Star has increased its final dividend by 33 per cent from 3¢ to 4¢, lifting the full-year payout from 5¢ to 7¢ (all dividends are fully-franked).

Northern Star Managing Director Bill Beament said it had been a stellar year for the Company on every front.

"We have met or exceeded all our key objectives," Mr Beament said. "The strong operational performance, including further cost reductions, underpinned a record profit.

"This has enabled us to increase our final dividend by 33 per cent.

"Most importantly, we achieved this significant growth in profit, cash holdings and the dividend while generating a 39 per cent return on equity and a return on invested capital of 28 per cent.

"This is one of the highest rates of return of any ASX-listed company and is the key barometer of a company's performance."

ASX ANNOUNCEMENT 26 July 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 3.2 million

Current Share Price A\$4.73

Market Capitalisation
A\$2.84 billion

Cash and Equivalents
30 June 2016 - A\$326 million

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Full audited accounts will be released on the 22 August 2016.

	Year End 30 June 2016 (\$000s)	Year End 30 June 2015 (\$000s)	Change (\$000s)	Change (%)
Revenue	887,417	845,653	41,764	5
EBITDA	401,280	316,142	85,138	27
Net profit	151,376	91,902	59,474	65
Cash flow				
Cash flow from operating activities	383,335	359,009	24,326	7
Cash flow used in Investing activities	(189,723)	(239,458)	49,735	(21)
Sustaining capital	(93,811)	(104,747)	10,936	(10)
Non sustaining capital	(35,204)	(9,301)	(25,903)	278
Exploration	(61,538)	(35,619)	(25,919)	73
Acquisition of businesses	0	(90,729)	90,729	(100)
Other investing	830	938	(108)	(11)
Free cash flow	193,611	119,551	74,060	62
Underlying free cash flow	224,281	185,628	38,653	21
Other metrics				
Average gold price per ounce (A\$)	1,578	1,453	125	9
Gold mined (ounces)	611,288	621,691	(10,403)	(2)
Gold sold (ounces)	561,153	580,784	(19,631)	(3)
All-in sustaining cost (AISC) per ounce sold (A\$)	1,041	1,065	(24)	(2)
Cash and cash equivalents (\$ million)	315	167	148	89
Shareholder metrics				
Earnings per share (cents)	25.2	15.5	9.7	63

Yours faithfully



BILL BEAMENT
Managing Director
Northern Star Resources Limited

Forward Looking Statements

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* The stated financial figures are preliminary in nature and are unaudited numbers

¹ Assumes an AUD/USD exchange rate of 0.749c AUD/USD