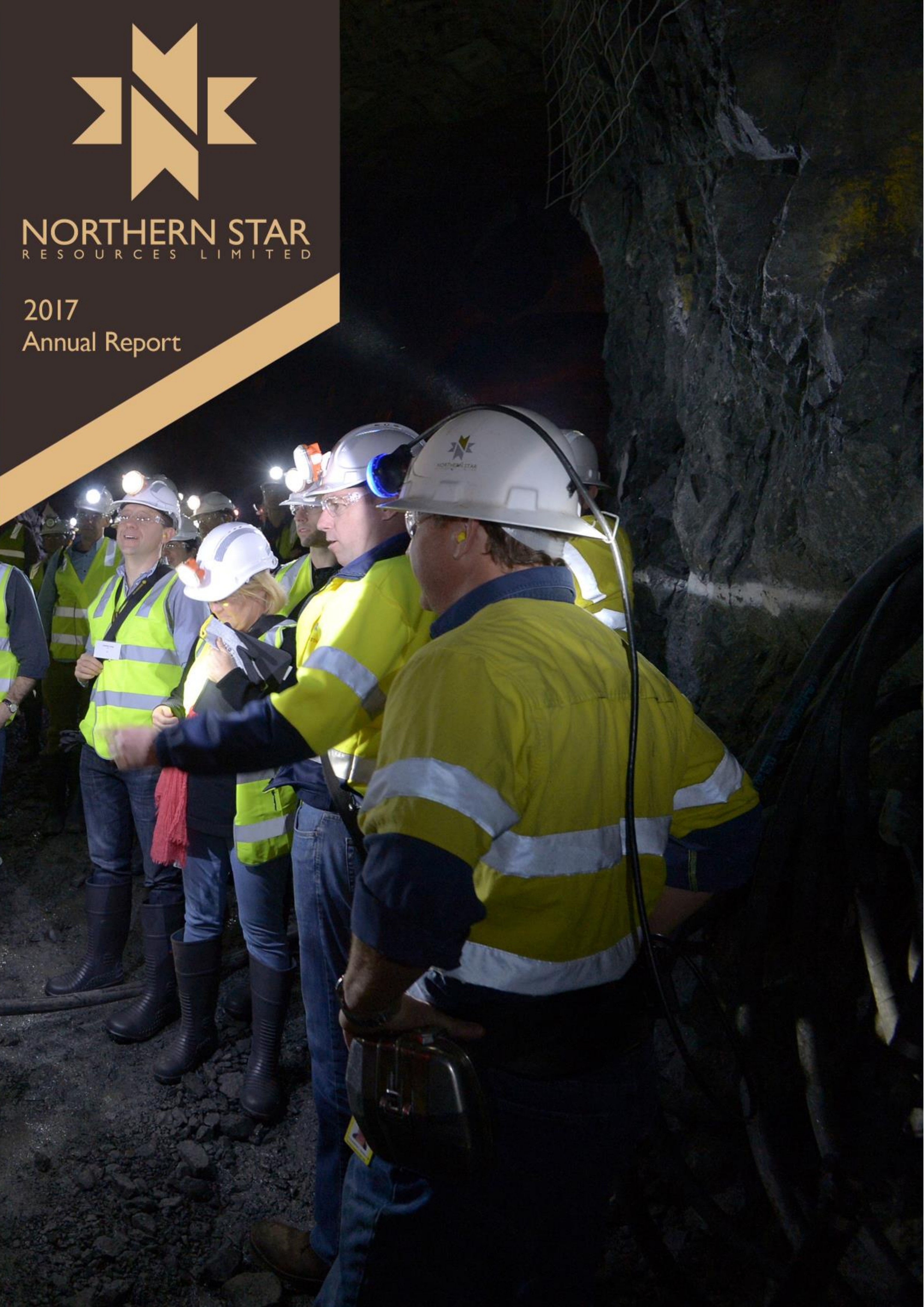
NORTHERN STAR
RESOURCES LIMITED

2017 Annual Report



NORTHERN STAR RESOURCES LIMITED

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DIRECTORS

Bill Beament	(Executive Chairman)
John Fitzgerald	(Lead Independent Director)
Christopher Rowe	(Non-Executive Director)
Peter O'Connor	(Non-Executive Director)
Shirley In'tVeld	(Non-Executive Director)
David Flanagan	(Non-Executive Director)

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Cover photograph:
Millennium Underground, Kalgoorlie Investor Visit, 6 August 2017
Photographer: Carla Gottgens

Dear Shareholders

We have just written another chapter into the history book of Northern Star Resources Limited. And in doing so, we have underwritten the future of the Company for many years.

At the time of writing to you, Northern Star had just announced that its Reserve base had tripled to 3.5 million ounces and its Resources had grown to 10.2Moz.

This large inventory means we now have 10 years of mine life visibility, ensuring Northern Star has a long future based on its Tier-1 operations of Jundee and Kalgoorlie. Our long mine lives also mean we now tick every box required of us by global investors.

Our expanded inventory will help drive production growth, which is forecast to rise in the current financial year to 525,000-575,000oz at an all-in sustaining cost (AISC) of A$1,000-A$1,050/oz. A further increase to 550,000-600,000oz is forecast for the year to 30 June 2019.

The big increase in Reserves and Resources shows that our strategy of acquiring and investing in Tier-1 assets is working. The outstanding exploration work undertaken by our people has returned Jundee and Kalgoorlie to their world-class status.

Each of these assets will soon be capable of producing 300,000oz a year, making them members of an exclusive global club alongside just 23 other mines located in Tier-1 jurisdictions.

The exploration upside at our mines continues to be very significant. The latest Reserve and Resource estimate contains only a small portion of several recently-defined discoveries. And there are new discoveries too, such as the spectacular Zodiac find at Jundee that were not included in any estimate.

Northern Star has succeeded in growing its inventory substantially at a time when the world's known gold reserves are falling. At the same time, our production is rising as production among the world's biggest gold miners is declining.

Your Company now boasts a host of world-class attributes, including its low cost base, extensive inventory, two Tier-1 mines, a balance sheet with no debt and cash and equivalents of $447 million (at 30 June 2017), a track record of paying dividends, significant free cashflow and substantial scope for further growth through exploration successes and increasing gold production.

These factors combine to help us achieve our over-arching objective: strong financial returns. Everything we do is ultimately aimed at meeting this goal. And to date we have been extremely successful, with industry-leading returns on equity and other key financial benchmarks.

Everything we have achieved at Northern Star is a direct result of the exceptional management team, staff and business partners who work for your Company. Their willingness to question assumptions and beliefs and to test new theories and ideas has generated the outstanding results we now see. On behalf of the Board, I would like to thank them all for the amazing work they have done over the past year.

I would also like to thank our Shareholders for the strong support they have shown for the Company and its people as we have sought to implement our growth strategy. Your encouragement and belief in what we have set out to do has been hugely appreciated.

Northern Star is set to enjoy another year of outstanding achievement, with further growth in production and an ongoing aggressive exploration set to again be at the centre of our activity. I look forward to reporting on these campaigns as the year unfolds.

Yours sincerely

Bill Beament

BILL BEAMENT
Executive Chairman

21 August 2017

Northern Star:

an Australian mid-cap gold miner that is positioned among the top 25 gold miners globally with costs in the lowest quartile of its peer group, no debt, asset diversity and an exciting pipeline of organic growth opportunities –

another year of stellar achievements

- Record net profit after tax of A$215.3M – up 42% from previous corresponding period (pcp)
- Earnings per share up 42% from pcp to a record A35.9¢
- Final year fully franked dividends increased by 50% to A6¢ per share
- Return on equity of 40% and Return on Invested Capital of 30% in FY2017
- Reserves increased by 2.3Moz to 3.5Moz, despite depletion of 546koz; discovery cost of just A$24/oz
- Resources increased by 2.7Moz to 10.2Moz underpinning 10 year lives at the world-class Jundee and Kalgoorlie mines
- Sector leading balance sheet with A$447M cash and equivalents at 30 June 2017, no bank debt
- Safety performance improved by 65%, Lost Time Injury Frequency Rate of 1.8

- FY2017 production delivered 514,735koz at top of production guidance of 485,000-515,000oz at all-in sustaining cost of A$1,013/oz at bottom end of cost guidance range A$1,000-A$1,050/oz
- Organic growth towards 600kozpa in 2018 is on track with Millennium underground established during the year and the commencement of Jundee's processing capacity upgrade

*Our **VISION** is to continue to build a safe, quality mining and exploration company focussed on creating value for Shareholders.*

*Our **MISSION** is to generate earning accretive value for our Shareholders through operational effectiveness, growth opportunities and exploration with a prime focus on success to deliver on our targets.*

*Our **STARR CORE VALUES**:*

SAFETY
It matters and starts with you.

TEAMWORK
Together we can.

STARR
It's what we stand for.

ACCOUNTABILITY
The responsibility lies with you.

RESPECT
To get it you must give it.

RESULTS
We deliver on our promises.

NORTHERN STAR
RESOURCES LIMITED

OVERVIEW

Northern Star Resources Limited (Northern Star) is an ASX 100 gold (Au) production and exploration company with a Mineral Resource base of 10.2 million ounces and Ore Reserves of 3.5 million ounces [(1)], located in highly prospective regions of Western Australia and the Northern Territory.

As the third largest Australian gold producer, Northern Star continues to deliver on its strategic objective of being a significant gold company delivering outstanding value to its Shareholders. During FY2017, the Company produced 514,735[(2)] ounces of gold from its West Australian operating business units being the Jundee, Kalgoorlie and Paulsens Operations.

The Company continues to advance activities at the Central Tanami Project in the Northern Territory.

In parallel, the Company has delivered on its objective of organically growing its Resource and Reserve base through highly successful exploration programs, and the diligent work of our Geological Teams which has extended mine lives and has enabled the Company to progress the creation of an exciting organic pipeline of future projects for the business. In FY2018, the Company will invest A$35 million in exploration and A$65 million in expansionary capital to generate the mines of the future, grow production to 600,000ozpa in 2018 and follow up the significant successes achieved in FY2017.

(1) As at 30 June 2017 – see ASX Release dated 3 August 2017.
(2) Excludes the Plutonic Gold Mine which was divested during the period.

OUR PEOPLE, HEALTH AND SAFETY, ENVIRONMENT AND COMMUNITY

Our People and Our Culture

The Company continued to consolidate its operations over the previous twelve months, and set about enacting and delivering on its organic growth strategy. It was pleasing to see Northern Star's workforce, both employees and contractors, rise to the challenge of delivering on the Company's strategic plan which resulted in the Company's impressive end of year increase in Resources and Reserves and record financial results.

Northern Star continues to run its Leadership Forum each year involving the Board, Senior Management, key Site Leadership and Technical personnel. In addition to this group, each year a selection of young and emerging talent from across all disciplines are invited to attend the Leadership Forum as a development opportunity to gain a deeper insight into the organisation and provide exposure to senior personnel and the Board. As we move forward in a changing and competitive mining environment, this forum provides a unique platform for our motivated teams to interact with their discipline and cross-functional peers to collaborate to write the next exciting chapter of Northern Star's story as a sustainable miner.

Participants at the 2017 Leadership Forum

This Leadership Group recognises that mining is progressively becoming increasingly remote and autonomous, electric and data driven. This applies to processing, open pit and underground operations. Northern Star's Technical and operational team continues to stay at the leading edge of underground mining, and is working collaboratively with industry partners in the remote and automation space to ensure our requirements are met to enable larger scale rollout of the technology. Some of the many benefits include reduced personnel exposure to potentially hazardous environments, increased productivity and utilisation of our capital and available resources, and the profitable mining of ore that might currently be left behind as uneconomic.

It is the Company's belief that future leaders will be grown from within its diverse workforce, and that they will benefit from an inclusive and entrepreneurial environment. It has been another pleasing year on the internal promotion front, with many of our talented personnel receiving internal promotions or development opportunities.

Northern Star remains a significant and proud employer with a workforce of ~1,600 people, comprising ~1,000 direct employees and ~600 contractors across the business.

Management is committed to operating the business at all levels based on its core values of: **Safety**, **Teamwork**, **Accountability**, **Respect** and **Results (STARR)**, and encourages its employees and contractors to challenge behaviours that are inconsistent with these values. Adherence to the STARR Core Values is non-negotiable, as they remain the foundation for driving the culture within the Northern Star Family, and are the platform for employees and contractors alike to contribute to achieving Northern Star's vision.

Northern Star values diversity in its workforce, and is an equal opportunity employer, based on the best person for the position at the time of recruitment. The Group's overall female participation rate increased by 22% to 17.1% (2016: 14.1%), with females in senior positions accounting for 3.0% (2016: 2.6%) of the total workforce. The Company's 2016-17 Workplace Gender Equality Report is located on our website at http://www.nsrltd.com/about/corporate-governance/.

The Board and Management are committed to further improving female participation rates across the Group in line with our meritocratic recruitment practices. During the period, Northern Star welcomed our first female Director to the Board, Shirley In'tVeld, who is a highly respected and acclaimed Corporate Executive in Australia. Hilary Macdonald joined the Senior Leadership Team in the position of General Counsel responsible for legal and human resources.

Jim Coxon, General Manager – Kalgoorlie Operations with the Goldfields Land and Sea Council Rangers

We have continued to build on our commitment to meaningfully engage Aboriginal people through employment and business opportunities. This has resulted in expanding our fee for service contracting of Aboriginal Rangers at Jundee to our Central Tanami Project, Plutonic (divested) and we are engaged with relevant groups for our Kalgoorlie and Paulsens mines. We acknowledge Aboriginal people and their place-based affinity with their traditional country offers us a unique and valued resource of local employees. Northern Star is proud to support Aboriginal Ranger Programs at our operations through the engagement of local people to perform professional environmental services on a flexible basis (see the Social Responsibility Section for further details).

The Company continues to acknowledge the industry imperative to support an ongoing pipeline of future talent through the development of new professionals by committing to employ fresh graduates each year from a variety of disciplines relevant to the mining industry. In addition, the Company also provides opportunities for university students to engage in meaningful summer vacation work to prepare them for an exciting future in the industry, whether it be with Northern Star or one of our peer Companies. Last year's intake saw Northern Star employ 21 new graduates and 13 vacation students. The Company was also pleased to offer six new apprenticeships during the year.

The Company will continue to strive to increase all forms of diversity across the business and provide an inclusive workplace for the Northern Star Family.

Northern Star acknowledges that our people remain our greatest resource, and continues to provide a working environment where individuals can create outstanding careers in an ever-changing and dynamic mining industry. Northern Star is a progressive company, and encourages innovative thought and entrepreneurial spirit in its employees, however the Company will not tolerate unnecessary risk taking by employees or service providers which jeopardises the safety of its workforce, the environment or its reputation in the Community.

The Board acknowledges the ongoing dedication and hard work of its employees, service providers and suppliers, as it continues to grow the business as a long-term sustainable miner.

Health and Safety

The health and safety of the workforce is a core value for Northern Star. The management of risks through the verification of critical controls, simplification of processes and improved investigation has been key in the improvement of safety during FY2017. Our continued focus on visible field leadership, reducing all injuries and health impacts, and the commitment of all the workforce is paramount in every aspect of the business.

During the FY2017 period, Northern Star reduced the LTIFR by 65% to 1.8 (FY2016: 5.1) and the TRIFR by 30% to 14.3 (FY2016: 20.4). Given the significant improvement seen, the focus on leadership across all levels will continue to ensure the right message is being received by all team members. Providing the leaders with the right tools and information to lead by example, positively engage workers and make proactive decisions in the work area is critical and this will benefit all team members across the Company.

The Company recognises the important role that the workforce plays in reducing risks in this process, and the Company will continue to foster a safety culture that results in zero harm to its people, the environment or its property.

Environment

We understand that a primary area of stakeholder interest rests with our ability to demonstrate responsible environmental stewardship. Northern Star remains committed to continuing our high standards of environmental management, risk mitigation and performance.

Our environmental management framework is built on the foundations of our Code of Conduct and Environmental Policy, which establish the performance benchmark for all Company employees and contractors.

The Environmental Management System (EMS) further defines the specific standards of work for key environmental work areas, these are;

- Mine Closure
- Environmental Incident Reporting
- Energy and Climate Change
- Biodiversity Management
- Environmental Risk Management
- Water (forthcoming FY2018)
- Waste (forthcoming FY2018)

Northern Star acknowledges that there is more to simply being given a legal and social right to mine, and that respecting the environmental values held by people outside of the organisation is an integral part of doing and maintaining business.

Northern Star is please to advise it had no material adverse environmental incidents in FY2017.

In FY2017 we continued our partnership with Bentonite Products WA to conduct native seeding trials at our Jundee mine. The project tested the effectiveness of a new seed coating through which the encapsulated seed is protected from harsh desert conditions and predation by birds and insects. Early results indicate that the coating significantly improves germination rates. The coating can also be inoculated with bio-stimulants, local bacteria, hormones, and other products that can assist with the breaking of dormancy, or assist with the necessary biotic relationship some native seeds require for germination. The learnings from this project are being incorporated into the rehabilitation strategies at our other operations.

In order to improve on our environmental, social and governance performance transparency and disclosure, Northern Star has committed to releasing a separate Sustainability Report for FY2017, which will be released shortly after this Annual Report. For the first time, Northern Star participated in two third-party sustainability benchmarking surveys in FY2017, being the Dow Jones Sustainability Index (DJSI) and the Carbon Disclosure Project, as a step in informing external perception of the work the Company is doing in this space on a day to day basis.

Social Responsibility

Northern Star operates on the belief that as an organisation, its activities must be guided by a purpose beyond profit and that the support and trust of its activities by the communities in which it operates is fundamental to the Company's long-term success and the creation of a strong Social License to Operate.

Stakeholder trust and respect is only gained through the acknowledgement of the organisation's impacts on the environmental, economic and social landscapes; both positive and negative. With this in mind, Northern Star seeks to identify opportunities for the creation of shared-value for Stakeholders, in return for the opportunity to extract mineral wealth, and create economic value for our Shareholders.

Northern Star defines our Stakeholders as any individual or collective of people who may be impacted, either positively or negatively, by our business activities. They may be communities neighbouring our operations, Traditional Owners, Shareholders, pastoralists, industry peers, contractors/suppliers, and special interest groups including environmental NGOs, regulatory authorities and elected members.

In order to identify our key stakeholder base, and to establish firm guidance on how they will be respectfully engaged, we have created our Stakeholder Policy (NSR-COR-004-POL). Coupled with our Code of Conduct (NSR-COR-001-POL), our Stakeholder Policy becomes the platform on which we were able to subsequently define key Social Responsibility Standards:

- Management of Cultural and Heritage Sites Standard (NSR-ER-001-STA)
- Stakeholder Mapping Standard (NSR-ER-002-STA)
- Stakeholder Engagement Standard (NSR-ER-003-STA)
- Complaints and Grievances Management Standard (NSR-ER-004-STA)

These Polices and Standards form our Social Responsibility Management System (SRMS), and are the tools we use to ensure we can both develop and maintain a robust Social Licence to Operate.

The following is an example of actual and in-kind community support and participation in FY2017:

- Donation to Telethon Adventurers: A$250K to assist in fighting to find a cure for childhood cancer;
- City to Surf: 87 employees and family members participated in the FY2017 event to support people living with disability in Western Australia;
- Ruggies Recycling Program: proceeds from recycling efforts at operations are donated to the PMH Foundation and used to purchase much needed medical equipment;
- School attendance project: our Jundee mine provided assistance to the Wiluna Remote Community School via provision of food supplies for their school lunch program, and the school offer a high attendance reward program where students are recognised for maintaining an attendance rate of 80% or higher by way of a quarterly dinner at the Jundee mess;

Corporate Office with Easter Bilbies raising funds for the Save the Bilby Foundation

- Bilby awareness: for Easter FY2017, the Corporate Office swapped tradition for an environmental cause by providing chocolate Easter Bilbies to raise awareness around a threatened species that exists at our Jundee and CTP Operations, with all funds raised from this initiative going to the Save the Bilby Foundation;
- School attendance project: our Jundee mine provided assistance to the Wiluna Remote Community School via provision of food supplies for their school lunch program, and the school offer a high attendance reward program where students are recognised for maintaining an attendance rate of 80% or higher by way of a quarterly dinner at the Jundee mess; and
- Our Kalgoorlie team continued their strong support for the region's Saint Barbara's Festival, the Goldfields Environmental Restoration Group, the Kalgoorlie Boulder Urban Landcare Group and the Girls Academy, among others.

As with our environmental performance, we have increased the disclosure of our social performance by participating in the Dow Jones Sustainability Index (DJSI) for FY2017. The DJSI will benchmark our performance against industry peers, allowing Stakeholders to gain a deeper understanding of how we meet the objective of our Sustainability Vision, being:

"Delivering responsible environmental and social business practices that lead to both the creation of strong economic returns for our Shareholders, and shared value for our Stakeholders."

Further to this, our separate forthcoming Sustainability Report for FY2017 will disclose in greater detail the elements of Environment, Social and Governance performance, unpacking key Company statistics, figures, case studies that allow external parties to gain confidence in the way we operate inside and outside of our organisation.

Northern Star's expanded family of employees and service providers at all times are expected to embrace an inclusive culture, and continue to strengthen and expand relationships with all Stakeholders.

Our Jundee mine embarked on a voluntary partnership with the Wiluna Martu people to identify a more mutually productive model for employing Traditional Owners at the mine. Jundee is an underground mine and the Wiluna Martu possess cultural reservations that inhibits peoples' desire to work below the surface. By reframing our collective assumptions of 'work', we partnered with the Martu and their representatives from Desert Support Services to utilise Martu's 50,000 years of land management experience to develop a fee for service Aboriginal Ranger Contract. The Wiluna Rangers were contracted to undertake core environmental compliance work for the Company, and paid professional contracting rates in return. The key to this initiative was that it engaged Martu as experts, as opposed to employing them through lower level labouring positions, and that the roster was highly accommodating of their cultural obligations. We mutually agreed that of the larger pool of ~40 Rangers, we would require five individuals for one week per month of work. This gave the Rangers individual flexibility to meet other obligations, knowing there would always be sufficient individuals available to service Jundee. The model has been successfully replicated at the Plutonic mine (now divested) with the Gingirana Traditional Owners, and at our Central Tanami Project with the Central Land Council, and is about to commence at our Kalgoorlie Operations in partnership with the Goldfields Land and Sea Council. Northern Star is also working with the PKKP Traditional Owners at our Paulsens Operation to explore the potential to replicate a program in their district. The Jundee model has been recognised by the UN Global Company for human rights best practice in the resource sector, was a finalist in the Golden Gecko Awards for environmental excellence, and was recently named a finalist in the Community Partnership Awards through the Department of Mines, Industry Regulation and Safety. Northern Star feels this is a powerful example of how a mining company can create shared value, and in turn help to develop a model that can be adopted by both indigenous peoples and mining companies all over the world.

Kalgoorlie Community Tree Planting

MINE OPERATIONS REVIEW

	Measure	Jundee	Kalgoorlie Operations	Paulsens	Plutonic*	Total
Total Material Mined	tonnes	1,473,241	1,362,236	352,029	191,187	3,378,693
Total Material Milled	tonnes	1,527,479	1,454,578	434,246	352,199	3,768,502
Gold Grade	grams/tonne	5.2	5.1	4.6	2.0	4.8
Gold Recovery	%	91	94	87	82	92
Gold Produced	Ounces	233,556	225,689	55,490	18,662	533,397
Gold Sold	Ounces	226,310	224,800	55,783	19,622	526,515
Revenue	A$000's	379,655	376,732	93,564	33,812	883,763
Cost of Sales	A$000's	235,336	217,674	84,323	27,174	564,507
Depreciation & Amortisation	A$000's	68,929	51,338	24,952	-	145,219
EBITDA	A$000's	213,247	210,397	34,193	6,638	464,475
All in Sustaining Cost	A$/ounce sold	948	968	1,455	1,520	1,032

* The sale of the Plutonic operations completed effective 30 September 2016, and is classified as a discontinued operation.

Performance for the 2017 financial year has been generated from the Jundee, Kanowna Belle, Kundana, Paulsens, and Plutonic gold mines. In the 2017 financial year, a total of 526,515 ounces of gold was sold at an average price of A$1,675 (2016: A$1,578). All-in sustaining cost for the period was A$1,032 per ounce (2016: A$1,041).

During the period 3.8 million tonnes were milled at an average head grade of 4.8gpt Au for 533,397 ounces Au recovered. Unprocessed ore stocks available for mill feed at the end of the period contained 72,635 ounces Au. Gold in circuit at the end of the period totalled 20,005 ounces. These items are reflected in the accounts as gold in circuit at cost.

Jundee Operations saw a number of achievements during the year with delivery of strong gold production, extension of mine life through Reserve growth and improvement in operating cost base though productivity and procurement initiatives. Several records under Northern Star ownership were achieved at Jundee, including total development metres, total diamond drill metres, total tonnes mined and underground hard rock milled. A significant amount of capital investment was seen, with access for Armada and Revelation established, along with ventilation infrastructure for Armada, Wilson and Nexus. An A$18 million Mill Expansion project has commenced, and critical site infrastructure including tailings dams and the power station have been upgraded to allow for increased production to more than 250,000ozpa.

The Kundana mines continued to grow production through the exploration and development of Rubicon, Hornet, Pegasus and Raleigh zones. The development of a strategic diamond drill drive that will link the mines at depth commenced in order to set a platform for drilling rigs to target the mine extensions on multiple mineralised zones.

On the 100% Northern Star tenements the Millennium mine commenced, with rapid development setting up for first production in the December quarter. The development to the Pope John deposit commenced, providing an additional production source for FY2018. This new development is also positioned well to access historic operations of Centenary, Barkers and Strzelecki mines creating future production growth opportunities for the Company.

The Kanowna Belle Operation had strong success in maintaining productivity during the year with the mining activity throughout historic mining areas as well as mining the newly accessed Velvet zone. The mine plan was extended through in-mine exploration leveraging off the extensive infrastructure in the underground, with the lower cost base bringing a large amount of existing Resources into Reserves. The Kanowna processing facility continued its strong performance with increased throughput as the contribution of Kanowna and Kundana ore grew, and record throughput was achieved.

The Paulsens Operation continued to mine the Voyager 2 zone, with additional ore sourced from the Titan, Soyuz and Galileo areas. The 160mRL drill drive was completed to provide a platform to further explore the Voyager 2 lode at depth. The upcoming year will see exploration take priority at the operation, with the focus to return the asset back to its historic production rates.

Optimisation studies for the redevelopment of the Central Tanami Project commenced. Northern Star's holds a 25% interest in the project, which will increase to 60% with refurbishment of the existing plant infrastructure. The focus during the year was near-mine exploration to build mining inventory, and investigating development options. The Tanami region is integral to the Company's organic growth strategy to create a new concentrated centre of production in future years.

In October 2016, Plutonic was sold for cash, scrip and contingent payments of up to A$66.2 million to Billabong Gold Pty Ltd (refer to ASX announcement dated 1 August 2016).

FINANCIAL OVERVIEW

Key Highlights [a]

	Year Ended 30 June 2017 $'000	Year Ended 30 June 2016 $'000	Change $'000	Change (%)
Revenue	883,763	887,417	(3,654)	-%
EBITDA [1]	461,256	397,043	64,213	16%
Net profit [2]	215,310	151,365	63,945	42%
Cash flow from operating activities	358,730	383,335	(24,605)	(6)%
Cash flow used in investing activities	(204,388)	(189,723)	(14,665)	8%
Sustaining capital	(91,898)	(92,898)	1,000	(1)%
Non sustaining capital	(83,600)	(35,204)	(48,396)	137%
Exploration	(56,423)	(61,538)	5,115	(8)%
Proceeds from sale of business	18,089	-	18,089	100%
Proceeds from sale of investments	9,897	-	9,897	100%
Other investing	(453)	(83)	(370)	446%
Free cash flow [3]	154,342	193,612	(39,270)	(20)%
Underlying free cash flow [4]	176,480	224,281	(47,801)	(21)%
Average gold price per ounce (A$)	1,675	1,578	97	6%
Gold mined (ounces)	567,578	611,288	(43,710)	(7)%
Gold sold (ounces)	526,515	561,153	(34,638)	(6)%
All-in sustaining costs (AISC) per ounce sold (A$)	1,032	1,041	(9)	(1)%
Cash and cash equivalents (A$ million)	403	315	88	28%
Earnings Per Share (cents)	35.9	25.2	10.7	42%

[a] Key highlights presented in the table above are inclusive of Plutonic Operations results for the year ended 30 June 2017 and 30 June 2016.
[1] EBITDA is earnings before interest, depreciation, amortisation and impairment and is calculated as follows: Profit before Income tax plus depreciation, amortisation, impairment and finance costs less interest income.
[2] Net Profit is calculated as net profit after taxation.
[3] Free Cash Flow is calculated as operating cash flow minus investing cash flow.
[4] Underlying Free Cash Flow is calculated as follows: 30 June 2017 - free cash flow ($154.3 million) plus bullion awaiting settlement ($12.1 million), plus stamp duty paid on prior acquisitions ($1.7 million), plus payments for available-for-sale investments ($1.0 million), plus FY16 tax ($33.6 million), plus working capital adjustments ($1.8 million), less proceeds from sale of Plutonic gold mine ($18.1 million) less Superior Gold investment sell down ($9.9 million). 30 June 2016 - free cash flow ($193.6 million) plus bullion awaiting settlement ($1.9 million), plus acquisition and development of Central Tanami Project ($22.8 million), plus stamp duty paid on prior acquisitions ($4.9 million), plus working capital adjustment ($1.0 million).
EBITDA, Underlying Free Cash Flow and All-in Sustaining Costs (AISC) are unaudited non IFRS measures.

The Group's operating and financial performance for the twelve months ended 30 June 2017 reflects the focus on productivity and cost reduction whilst maintaining growth options through exploration. Reduction in free cash flow in the 2017 financial year was driven by increased spend on expansionary capital to bring new developments into production in the coming years. This is shown by 137% increase in non-sustaining capital spend for the year (2017: $83.6 million; 2016: $35.2 million.

Profit

The profit overview commentary includes results from both continuing and discontinued operations. For the financial year ended 30 June 2017 the Group reported a profit after tax of $215.3 million (2016: $151.4 million). Revenue decreased 0.4% to $883.7 million, with the sale of the Plutonic gold mine, effective 30 September 2016, impacting gold sales during year which were down 6% from FY2016. This was offset by the average realised gold price per ounce being 6% higher (2017: $1,675; 2016: $1,578). Gold produced from continuing operations for the current year was at the higher end of full year guidance at 514,735 ounces (guidance FY17 485,000-515,000 ounces) and AISC from continuing operations of $1,013 per ounce sold was towards the lower end of full year guidance ($1,000-$1,050 per ounce sold).

EBITDA from continuing and discontinued operations was $461.3 million for the year ended 30 June 2017, which was an increase of 16% over the prior period. The Group reduced overall finance charges by 37% (2017: $2.7 million; 2016: $4.3 million) consistent with the reduction in borrowings during the year. An impairment charge of $8.4 million was recorded on exploration and evaluation assets (2016: $4.4 million). As at 30 June 2017, an impairment charge of $4.9 million was recorded on mine properties in relation to the Paulsens Operation (2016: nil).

Balance Sheet

Current assets as at the 30 June 2017 increased by 10% against the prior year balance date. The increase was largely a result of cash and cash equivalents increasing by $87.7 million, which is offset by the reduction in prior period current assets including all of Plutonic's assets ($54.6 million) which were recorded as assets classified as held for sale as at 30 June 2016.

Non-current assets increased by $115.7 million. This was driven by exploration and evaluation asset increasing by $39.2 million on the back of $57.8 million spent on exploration activity during the year. There was an increased spend on non-sustaining capital (2017: $83.6 million; 2016: $35.2 million). In addition, the sale of the Plutonic gold mine, with an effective date of 30 September 2016, resulted in the Company retaining an interest in the project through a 19.2% interest in Superior Gold Inc. (parent company of Billabong Gold Pty Ltd). This equity stake in Superior Gold Inc. is accounted for as an investment in associate and as at 30 June 2017 had a carrying value of $18.8 million (2016: Nil).

Current liabilities decreased by 9% as at 30 June 2017 principally due to the prior period including $41.4 million in liabilities associated with the Plutonic Operations which was classified as held for sale as at 30 June 2016 and divested during the current financial year. Current tax liabilities increased to $40.8 million consistent with the increased earnings profile of the Group.

Cash Flow

Cash flow from operating activities for the 12 months ended 30 June 2017 were $358.7 million which was $24.6 million lower than the previous financial year due to the payment of $73.1 million in incomes taxes during the current period, compared with $10.9 million in the prior period. This was offset by lower production costs for the year and higher interest income.

Cash flows for investing activities increased by 8% as a result an additional $48.4 million spent on non-sustaining capital (2017: $83.6 million; 2016: $35.2 million), which was offset by $18.1 million in cash consideration received on the sale of the Plutonic gold mine and $9.9 million received on the sell-down of shares of associate following the completion of the Plutonic sale.

Cash flows from financing activities included payments for leased equipment of $8.7 million (2016: $9.7 million) and dividends totalling $60.0 million (2016: $36.0 million) paid to Shareholders.

Full Year 2018 Production and Cost Guidance

The following guidance was announced to the ASX on 13 July 2017:

	Production Ounces	AISC/oz $
Jundee	245,000 - 265,000	950 - 1,000
Kalgoorlie Operations	245,000 - 265,000	1,000 - 1,000
Paulsens	35,000 - 45,000	1,300 - 1,400
Total	**525,000 - 575,000**	**1,000 - 1,050**

EXPLORATION

Paulsens Mine

At Paulsens drilling targeted the Voyager 2 extensions down-plunge beneath the Mc Naught Dyke to define resources in future production areas. Lateral extension and exploration also targeted extensions to the Titan and Galileo systems toward with the discovery of the Miranda vein mineralisation system.

Kalgoorlie Operations

The Kundana and Kanowna Belle Operations continued large exploration programs that delivered strong growth to the existing Mineral Resources. At Kanowna Belle Operations, exploration outlined resource growth across the mine and the expansion of the Velvet discovery continued.

Near-mine exploration within the EKJV area (Northern Star 51%) in the Kundana region was successful in maintaining the growing the total Resource inventory for Pegasus-Rubicon-Hornet complex and further expanding mineralisation at the Raleigh deposit.

Exploration within the Northern Star's 100% owned Kundana tenements was successful with a further significant increase in the Resources at Millennium, Pope John, Barkers and Strzelecki which now exceed the Resource inventory on the adjacent EKJV area. Grade control drilling at the new Millennium mine commenced late in the year.

Jundee Operations

Jundee Operations resource extension drilling within the mine was highly successful with large increases in the Mineral Resource and Ore Reserve inventory. Exploration drilling from the new drill drive platform continued during the year resulting in the rapid expansion of the new Armada trend discovery leading to a maiden Mineral Resource and Ore Reserve. By the end of the year, mine development had been extended to intersect the Armada mineralisation.

At the end of the year, results from the discovery hole into the new Zodiac area were revealed with drilling continuing from surface and underground platforms.

Pilbara Regional

Paulsens Regional

Surface sampling and exploration drilling targeting extensions to the Paulsens Mine sequence and regional targets across the Wyloo Dome area continued.

Jundee Regional

Surface exploration accelerated across the entire regional Jundee tenement package with a broad scale regional aircore drilling program generating significant new drilling targets. The aircore drilling program will continue into the next year with initial testing of defined anomalies also commencing.

Resource definition drilling completed on open pit targets in the Gourdis-Vause area has identified extensions to existing Resource areas and a maiden open pit Ore Reserve for the area.

Kalgoorlie Regional

Kanowna Belle

Regional exploration in the area surrounding the Kanowna Belle mine expanded during the year with drilling programs at Shamrock, Red Eye, Woodline, Oxford and Six Mile completed.

Exploration tenure area was significantly increased with the commencement of the Acra Joint Venture (Northern Star 20% increasing to 75%) with Pioneer Resources Limited.

Kundana EKJV (51% NST)

Surface and underground exploration drilling/ development at Raleigh South was successful in outlining further extensions to the Raleigh deposit.

Carbine

Ongoing infill and extensional drilling at Paradigm continued to intersect significant high grade mineralised zones with a maiden Mineral Resource and Ore Reserve announced. Ongoing exploration at regional prospects (Zorro, Eremenco and Drago) provided initial drilling intersections that will require further extensional drilling.

The Carbine exploration tenure foot print was expanded during the year with a number of tenements acquired from private interests around the area.

Central Tanami (25% NST)

Work focussed on examination of historical geological datasets across the project highlighting the under-explored nature of the region. Major projects included the evaluation of existing Resources to identify opportunities for growth and determine conversion requirements.

Tanami Regional (NST 100%)

Northern Star recently acquired a substantial strategic land position in the Tanami region to complement existing activities at the Central Tanami Joint Venture.

Regional airborne and ground geophysical programs were in progress at the end of the year as part of the greenfield assessment of a 9,000km^2 footprint within prospective terrains that are largely unexplored.

RESOURCES AND RESERVES

As at 30 June 2017, Northern Star's Consolidated Group Mineral Resource Estimate (inclusive of Ore Reserves) is 91.9 million tonnes at 3.5gpt Au for 10.2 million ounces (refer Table 1 below) and the Consolidated Group Ore Reserve Estimate is 26.0 million tonnes at 4.2gpt Au for 3.5 million ounces (refer Table 2 below).

The substantial inventory growth stems from Northern Star's exploration success at its Jundee and Kalgoorlie Operations even after accounting for the sale of the Plutonic Operation and mining depletion of 546,000 ounces.

Group Mineral Resources increased by 1.0 million ounces Au from 9.2 million ounces Au as at 30 June 2016 to the current 10.2 million ounces Au Measured, Indicated and Inferred Mineral Resource.

Group Proved and Probable Ore Reserve increased significantly by 1.5 million ounces Au from 2.0 million ounces Au as at 30 June 2016 to the current 3.5 million ounces Au Proven and Probable Reserve at 30 June 2017.

Mineral Resource and Ore Reserve Governance and Internal Controls

Northern Star ensures that the Mineral Resource and Ore Reserve estimates quoted are subject to governance arrangements and internal controls activated at a site level and at the corporate level. Internal and external reviews of Mineral Resource and Ore Reserve estimation procedures and results are carried out through a technical review team which is comprised of highly competent and qualified professionals. These reviews have not identified any material issues. The Company has finalised its governance framework in relation to the Mineral Resource and Ore Reserve estimates in line with the expansion of its business.

Northern Star reports its Mineral Resources and Ore Reserves on an annual basis in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) 2012 Edition. Mineral Resources are quoted inclusive of Ore Reserves. Competent Persons named by Northern Star are Members or Fellows of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined in the JORC Code.

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 Project areas is based on information compiled by Darren Cooke, a Competent Person who is a Member of the Australian Institute of Geoscientists and a full-time employee of Northern Star Resources Limited. Mr Cooke has sufficient experience that is relevant to the styles of mineralisation and type of deposits under consideration and to the activity being undertaken 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 Ore Reserve estimations for the Company's Project areas is based on information compiled by Jeff Brown, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy and a full-time employee of Northern Star Resources Limited. Mr Brown has sufficient experience that 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, data quality, geological interpretations and potential for eventual economic extraction for the Groundrush deposit at the Central Tanami Gold Project is based on information compiled by Darren Cooke, a Competent Person who is a Member of the Australian Institute of Geoscientists and a full-time employee of Northern Star Resources Limited. Mr Cooke has sufficient experience that 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 the Central Tanami Gold 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.

The Company confirms that it is not aware of any further new information or data that materially affects the information included in the original market announcement entitled "Quarterly Report for the Period Ending 31 March 2014" released on 1 May 2014 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. To the extent disclosed above, 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.

NORTHERN STAR RESOURCES LIMITED

MINERAL RESOURCES

As at 30 June 2017

NST ATTRIBUTABLE INCLUSIVE OF RESERVE	MEASURED			INDICATED			INFERRED			TOTAL RESOURCES		
	Tonnes (000's)	Grade (gpt)	Ounces (000's)	Tonnes (000's)	Grade (gpt)	Ounces (000's)	Tonnes (000's)	Grade (gpt)	Ounces (000's)	Tonnes (000's)	Grade (gpt)	Ounces (000's)
JUNDEE GOLD PROJECT												
Surface	-	-	-	2,918	1.5	138	1,346	1.4	59	4,264	1.4	197
Underground	874	8.0	224	10,467	5.4	1,817	6,525	4.4	915	17,866	5.1	2,956
Stockpiles	1,021	1.3	44	-	-	-	-	-	-	1,021	1.3	44
Gold in Circuit	-	-	10	-	-	-	-	-	-	-	-	10
Sub-Total Jundee	1,895	4.6	278	13,385	4.5	1,955	7,871	3.8	974	23,151	4.3	3,207
KANOWNA GOLD PROJECT												
Surface	-	-	-	1,504	2.2	105	3,246	1.0	108	4,750	1.4	213
Underground	1,460	3.4	159	7,061	3.2	730	2,685	3.1	265	11,206	3.2	1,154
Stockpiles	332	1.5	16	-	-	-	-	-	-	332	1.5	16
Gold in Circuit	-	-	9	-	-	-	-	-	-	-	-	9
Sub-Total Kanowna	1,792	3.2	184	8,565	3.0	835	5,931	2.0	373	16,288	2.7	1,392
KUNDANA GOLD PROJECT												
Surface	-	-	-	-	-	-	-	-	-	-	-	-
Underground	154	5.5	27	5,066	5.2	852	2,405	5.4	420	7,625	5.3	1,299
Stockpiles	43	1.3	2	-	-	-	-	-	-	43	1.4	2
Sub-Total Kundana Gold	197	4.6	29	5,066	5.2	852	2,405	5.4	420	7,668	5.3	1,301
CARBINE PROJECT												
Surface	-	-	-	-	-	-	7,044	1.4	312	7,044	1.4	312
Underground	-	-	-	297	8.1	77	576	5.9	110	873	6.7	187
Sub-Total Carbine	-	-	-	297	8.1	77	7,620	1.7	422	7,917	2.0	499
EAST KUNDANA JOINT VENTURE												
Surface	-	-	-	148	4.8	23	201	1.6	10	349	3.0	33
Underground	807	9.7	252	3,544	6.8	772	1,426	4.6	212	5,776	6.7	1,236
Stockpiles	81	3.8	10	-	-	-	-	-	-	81	3.7	10
Gold in Circuit	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total East Kundana JV	887	9.2	262	3,692	6.7	795	1,627	4.2	222	6,206	6.4	1,279
PAULSENS PROJECT												
Surface	-	-	-	129	3.1	13	860	2.0	54	989	2.1	67
Underground	302	7	65	160	5.4	28	165	6.0	32	627	6.2	124
Stockpiles	64	2	5	-	-	-	-	-	-	64	2.3	5
Gold in Circuit	-	-	0	-	-	1	-	-	-	-	-	1
Sub-Total Paulsens	366	5.9	70	289	4.5	42	1,025	2.6	86	1,679	3.7	198
ASHBURTON PROJECT												
Surface	-	-	-	7,104	2.4	546	14,227	2.5	1,122	21,331	2.4	1,668
Stockpiles	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total Ashburton	-	-	-	7,104	2.4	546	14,227	2.5	1,122	21,331	2.4	1,668
CENTRAL TANAMI PROJECT JV												
Underground	1,564	2.9	145	2,769	2.8	250	3,026	2.9	283	7,359	2.9	678
Stockpiles	350	0.7	8	-	-	-	-	-	-	350	0.7	8
Sub-Total Central Tanami JV	1,914	2.5	153	2,769	2.8	250	3,026	2.9	283	7,709	2.8	686
NORTHERN STAR TOTAL	**7,051**	**4.3**	**975**	**41,167**	**4.0**	**5,352**	**43,732**	**2.8**	**3,902**	**91,949**	**3.5**	**10,229**

Note:

1. Mineral Resources are inclusive of Ore Reserves.
2. Mineral Resources are reported at various gold price guidelines (a. A$1,750/oz Au - Jundee, Kanowna, Kundana Gold, Carbine, East Kundana JV, Jundee, Paulsens, b. A$1,850 /oz Au - Ashburton).
2. Rounding may result in apparent summation differences between tonnes, grade and contained metal content.
3. Numbers are 100% NST attributable.

Competent Person:

1. Darren Cooke.

Table 1 – Consolidated Group Gold Mineral Resources Estimate (inclusive of Reserves) effective 30 June 2017

NORTHERN STAR RESOURCES LIMITED

ORE RESERVES As at 30 June 2017	PROVED			PROBABLE			TOTAL RESERVE		
NST ATTRIBUTABLE INCLUSIVE OF RESERVE	Tonnes (000's)	Grade (gpt)	Ounces (000's)	Tonnes (000's)	Grade (gpt)	Ounces (000's)	Tonnes (000's)	Grade (gpt)	Ounces (000's)
JUNDEE GOLD PROJECT									
Surface	-	-	-	971	1.4	43	971	1.4	43
Underground	889	6.7	192	6,488	5.5	1,151	7,377	5.7	1,343
Stockpiles	1,021	1.3	44	-	-	-	1,021	1.3	44
Gold in Circuit	-	-	10	-	-	-	-	-	10
Sub-Total Jundee	1,909	4.0	246	7,459	5.0	1,194	9,369	4.8	1,440
KANOWNA GOLD PROJECT									
Surface	-	-	-	1,002	2.1	69	1,002	2.1	69
Underground	1,069	3.3	114	4,392	2.7	387	5,461	2.9	502
Stockpiles	332	1.5	16	-	-	-	332	1.5	16
Gold in Circuit	-	-	9	-	-	-	-	-	9
Sub-Total Kanowna	1,401	3.1	140	5,394	2.6	457	6,795	2.7	596
KUNDANA GOLD PROJECT									
Surface	-	-	-	-	-	-	-	-	-
Underground	12	5.2	2	5,642	4.0	735	5,654	4.1	737
Stockpiles	43	1.3	2	-	-	-	43	1.3	2
Sub-Total Kundana Gold	55	2.2	4	5,642	4.0	735	5,697	4.0	738
CARBINE PROJECT									
Surface	-	-	-	-	-	-	-	-	-
Underground	-	-	-	183	7.6	45	183	7.6	45
Stockpiles	-	-	-	-	-	-	-	-	-
Sub-Total Carbine	-	-	-	183	7.6	45	183	7.6	45
EAST KUNDANA JOINT VENTURE									
Surface	-	-	-	68	5.8	13	68	5.8	13
Underground	761	8.0	196	2,358	5.1	385	3,119	5.8	581
Stockpiles	80	3.8	10	-	-	-	80	3.8	10
Gold in Circuit	-	-	-	-	-	-	-	-	-
Sub-Total East Kundana JV	841	7.6	206	2,426	5.1	398	3,267	5.7	603
PAULSENS PROJECT									
Surface	-	-	-	-	-	-	-	-	-
Underground	89	5.4	16	91	4.2	12	180	4.8	28
Stockpiles	64	2.4	5	-	-	-	64	2.4	5
Gold in Circuit	-	-	1	-	-	-	-	-	1
Sub-Total Paulsens	153	4.3	21	91	4.2	12	243	4.3	34
ASHBURTON PROJECT									
Surface	248	3.6	29	160	4.1	21	408	3.8	50
Stockpiles	-	-	-	-	-	-	-	-	-
Sub-Total Ashburton	248	3.6	29	160	4.1	21	408	3.8	50
NORTHERN STAR TOTAL	**4,607**	**4.4**	**646**	**21,355**	**4.2**	**2,861**	**25,962**	**4.2**	**3,506**

Note:
1. Ore Reserves are reported at the gold price of A$1,500/oz Au, except Ashburton which is reported at A$1,600/oz.
2. Rounding may result in apparent summation differences between tonnes, grade and contained metal content.
3. Ounces are estimates of metal contained in the Ore Reserve and do not include allowances for processing losses.
4. Numbers are 100% NST attributable.

Competent Persons:
1. Jeff Brown (All Reserves except Ashburton).
1. Shane McLeay (Ashburton only).

Table 2 – Consolidated Group Mineral Reserves Estimate effective 30 June 2017

Your Directors present their report on the consolidated entity consisting of Northern Star Resources Limited ("the Company") and the entities it controlled at the end of, or during, the year ended 30 June 2017. Throughout the report, the consolidated entity is referred to as the Group.

DIRECTORS

The following persons were Directors of Northern Star Resources Limited during the whole of the financial year and up to the date of this report:

William (Bill) Beament
John Fitzgerald
Christopher Rowe
Peter O'Connor
Shirley In'tVeld (appointed 1 September 2016)
David Flanagan (appointed 1 September 2016)

PRINCIPAL ACTIVITIES

During the year the principal continuing activities of the Group consisted of:

- mining of gold deposits at Jundee, Kundana, Kanowna Belle, and Paulsens Operations;
- construction and development of extensions to existing gold mining operations at all locations;
- exploration at Central Tanami Project in the Northern Territory; and
- exploration and development of gold deposits within Western Australia.

No significant changes in the principal activities of the Group occurred during the year ended 30 June 2017.

The entity's operations are discussed in the Review of Operations section at the front of this report.

Dividends

Dividends paid to Members during the financial year ended 30 June 2017 were as follows:

	2017	2016
	$'000	$'000
Final dividend for the year ended 30 June 2016 of 4 cents (2015: 3 cents) per fully paid share paid on 13 October 2016 (2015: 2 October 2015).	**24,022**	18,001
Interim ordinary dividend for the year ended 30 June 2017 of 3 cents (2016: 3 cents) per fully paid share paid on 6 April 2017.	**18,012**	18,013
Special dividend of 3 cents per fully paid share paid on 2 November 2016 (2016: Nil).	**18,016**	-
	60,050	36,014

Since the end of the financial year, the Directors have recommended the payment of a final fully franked ordinary dividend of $36.2 million (6 cents per fully paid share) to be paid on 13 September 2017 out of retained earnings at 30 June 2017.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Group during the financial year were as follows:

- The sale of the Plutonic gold operations that was announced in February 2016 was completed with an effective date of 30 September 2016. For details of the sale refer to note 13 of the Financial Statements.

There were no other significant changes in the state of affairs of the Group that occurred during the year under review.

EVENT SINCE THE END OF THE FINANCIAL YEAR

Subsequent to the period ended 30 June 2017, the Company announced:

- A final fully franked dividend of 6 cents per share to Shareholders on the record date of 30 August 2017, payable on 13 September 2017.

No other matter or circumstances has arisen since 30 June 2017 that has significantly affected the Group's operations, results or state of affairs, or may do so in future years.

ENVIRONMENTAL REGULATION

The Group holds licences and abides by Acts and Regulations issued by the relevant mining and environmental protection authorities. The Group has a policy of at least complying with, but in most cases exceeding, its statutory environmental performance obligations. These licences, Acts and Regulations specify limits and regulate the management of various environmental management issues, including discharges to the air, surface water and groundwater associated with the Group's mining operations as well as the storage and use of hazardous materials.

All environmental performance obligations are monitored by the Board and subjected from time to time to Government agency audits and site inspections. No significant environmental breaches have occurred or have been notified by any Government agencies during the year ended 30 June 2017.

Each year Northern Star reports under the Australian Government's Greenhouse and Energy Report Act 2009 (NGERS) and the National Pollution Inventory (NPI). Prior to submission of the report, an independent audit is conducted on Northern Star's activities which provides assurance that the reported emissions, energy production and energy consumption were prepared in accordance with the NGERS Act and NPI.

INFORMATION ON DIRECTORS

The following information is current as at the date of this report.

William (Bill) J Beament B.Eng-Mining (Hons) Executive Chairman Appointed: 20 August 2007	Mr Beament is a mining engineer with more than 20 years' experience in the resource sector. Previously he held several senior management positions, including General Manager of Operations for Barminco Limited with overall responsibility for 12 mine sites across Western Australia, and General Manager of the Eloise Copper Mine in Queensland. Mr Beament is the current President of Western Australian School of Mines Graduate Association representing over 3,000 graduates.
Special responsibilities	Mr Beament is a member of the Nomination Committee.
Interests in shares and options	Fully Paid Ordinary Shares: 10,743,588
John D Fitzgerald CA, Fellow FINSIA, GAICD Lead Independent Director Appointed: 30 November 2012	Mr Fitzgerald has over 30 years in the resource sector as a financier, corporate advisor and Director. Mr Fitzgerald has previously held senior positions at NM Rothschild & Sons, Investec Bank Australia, Commonwealth Bank, HSBC Precious Metals and Optimum Capital. He is a Chartered Accountant, a Fellow of the Financial Services Institute of Australasia and a graduate member of the Australian Institute of Company Directors.
Other current directorships	Mr Fitzgerald is Non-Executive Chairman of Carbine Resources Limited (appointed 13 April 2016) and Novo Litio Ltd (formerly Dakota Minerals Limited) (appointed 23 December 2015), and a Non-Executive Director of Danakali Limited (appointed 19 February 2015).
Former directorships	Mr Fitzgerald was previously the Chairman of Atherton Resources Limited (July 2009 to November 2015) and Integra Mining Limited (May 2011 to January 2013).
Special responsibilities	Mr Fitzgerald is the Lead Independent Director, the Chair of the Audit and Risk Committee, and a member of the Remuneration and Nomination Committees.
Interests in shares and options	Fully Paid Ordinary Shares: 60,000
Christopher K G Rowe BA, MA Economics and Law Independent Non-Executive Director Appointed: 20 February 2003	Mr Rowe has practised as a lawyer both in the United Kingdom and in Western Australia before becoming a full time consultant to the mining and oil and gas industry. He has been Chairman or deputy Chairman of a number of public listed mining and oil and gas related companies in Australia and North America, holding both executive and non-executive positions. In addition to his resource related actives, Mr Rowe acted as one of the Counsel Assisting the Royal Commission into WA Inc. and has served on the EPA of Western Australia as both a member and as Deputy Chairman.
Other current directorships	Mr Rowe is currently Chairman of ASX listed Target Energy Limited (appointed 1 January 2010).
Former directorships	Mr Rowe was previously a director of fund manager Hawkesbridge Capital Pty Ltd.
Special responsibilities	Mr Rowe is a member of the Remuneration and Nomination Committees, and was the founding Chairman of Northern Star (20 February 2003 to 29 November 2016).
Interests in shares and options	Fully Paid Ordinary Shares: 2,485,000
Peter E O'Connor MA, Economics and Political Science, Barrister-at Law Independent Non-Executive Director Appointed: 21 May 2012	Mr O'Connor has extensive global experience in the funds management industry and selective natural resource sectors (agricultural/rare earths and metals) both in public and private companies in developed and emerging economies. He was co-founder, director and Deputy Chairman of IMS Selection Management Ltd which had $10 billion under management from 1998-2008. Following the sale of IMS to BNP Paribas in 2008, he was Deputy Chairman of FundQuest UK Ltd with $10 billion under management, and FundQuest globally had $35 billion of assets under management from 2008-2010.
Other current directorships	Mr O'Connor is currently Chairman of ASX listed Neurotech International Limited (appointed 15 January 2016).
Former directorships	Mr O'Connor was previously a Director and Chairman of ASX listed Brazilian Metals Group Limited (May 2011 to October 2012), LSE listed Advance Developing Markets Fund (October 1998 to April 2012) and TSX listed NEO Material Technologies Inc (December 1993 to June 2012).
Special responsibilities	Mr O'Connor is a member of the Audit and Risk, and Nomination Committees.
Interests in shares and options	Fully Paid Ordinary Shares: 500,000

Shirley E In'tVeld BCOM LLB(HONS) Independent Non-Executive Director Appointed: 1 September 2016	Ms In'tVeld has extensive experience in senior management and Director roles in the energy, resources and commercial sectors, and is degree qualified in both commerce and law. Beside Ms In'tVeld's other former ASX directorships, she was CEO of Verve Energy, a WA utility, for five years, and prior to this, Ms In't Veld held a number of senior commercial, legal and marketing positions with Alcoa, WMC Resources Ltd, Bond Corporation and BankWest, including Managing Director of Alcoa of Australia Rolled Products based in Geelong.
Other current directorships	Ms In'tVeld is currently deputy Director of the CSIRO (appointed 28 June 2012), a Director of NBN Co (appointed 2 December 2015) and also a member of the Takeovers Panel (appointed 8 March 2016).
Former directorships	Ms In'tVeld was previously a Director of Duet Company Limited (from August 2013 to 15 May 2017), Perth Airport (from September 2013 to March 2017) and Asciano Ltd (from November 2010 to 19 August 2016).
Special responsibilities	Ms In'tVeld is a member of the Audit and Risk, and Nomination Committees.
Interests in shares and options	Fully Paid Ordinary Shares: 50,000
David N Flanagan CITWA, BSC WASM, FAICD, AUSIMM Independent Non-Executive Director Appointed: 1 September 2016	Mr Flanagan originally qualified as a geologist at the Western Australian School of Mines and has worked in the resources industry in Australia, Africa and Asia for the past 25 years. In 2013 Mr Flanagan was appointed Chancellor of Murdoch University.
Other current directorships	Mr Flanagan is currently Executive Chairman of ASX listed Battery Minerals Ltd (appointed 11 October 2016).
Former directorships	Mr Flanagan was previously the Managing Director and Executive Chairman of Atlas Iron Limited (from 2004 to 2016).
Special responsibilities	Mr Flanagan is the Chair of the Remuneration Committee and a member of the Nomination Committee.
Interests in shares and options	-

COMPANY SECRETARY

Liza Carpene MBA, AGIA, ACIS, GAIC Company Secretary Appointed: 15 April 2013	Ms Carpene has worked in the mining industry for more than 20 years and has significant experience in corporate administration, human resources, IT and community relations. Most recently, Ms Carpene was Company Secretary/CFO for listed explorer Venturex Resources Limited and previously held various site and Perth based management roles with Great Central Mines, Normandy Mining, Newmont Australia, Agincourt Resources and Oxiana.
Current directorships	Ms Carpene is a Non-Executive Director of Alchemy Resources Limited (from 18 March 2015).

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors and each Board Committee held during the year ended 30 June 2017, and the numbers of meetings attended by each Director were:

			MEETINGS OF COMMITTEES					
	DIRECTORS' MEETINGS		AUDIT AND RISK		REMUNERATION		NOMINATION#	
Director	Attended	Held	Attended	Held	Attended	Held	Attended	Held
Bill Beament	17	17	*	*	*	*	-	-
John Fitzgerald	16	17	4	4	4	4	-	-
Christopher Rowe	17	17	2	2	3	4	-	-
Peter O'Connor	17	17	4	4	2	3	-	-
Shirley In'tVeld	10	14	1	2	*	*	-	-
David Flanagan	14	14	*	*	1	1	-	-

* Not a member of the relevant Committee.
#The Nomination Committee did not meet formally during the period.

REMUNERATION REPORT

The Directors present the Northern Star Resources Limited 2017 remuneration report, outlining key aspects of the Company's remuneration policy and framework, and remuneration awarded this year.

The report is structured as follows:

1. Key Management Personnel (KMP) Covered in this Report
2. Remuneration Governance
3. FY2017 Components of Remuneration
4. Contractual Arrangements with Executive KMP
5. Non-Executive Director Remuneration
6. Equity Instrument Disclosure Relating to KMP
7. Other Transactions with KMP

The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

1. Key Management Personnel Covered in this Report

Executive KMP	
Bill Beament[1]	Executive Chairman
Stuart Tonkin[1]	Chief Executive Officer
Liza Carpene	Company Secretary
Shaun Day	Chief Financial Officer
Michael Mulroney	Chief Geological Officer

[1] Transitioned to current position on 29 November 2016
[2] New appointment 1 September 2016

Non-Executive KMP	
John Fitzgerald[1]	Lead Independent Director
Christopher Rowe[1]	Non-Executive Director
Peter O'Connor	Non-Executive Director
Shirley In'tVeld[2]	Non-Executive Director
David Flanagan[2]	Non-Executive Director

(see pages 16 to 17 for details about each Director)

For the purposes of this report the term "Executive" includes the Executive Chairman, Chief Executive Officer, Company Secretary, Chief Financial Officer and Chief Geological Officer.

2. Remuneration Governance

2.1. Board Oversight and Remuneration Philosophy

The Board is responsible for ensuring that the Group's remuneration structures are aligned with the long-term interests of the Company and its Shareholders. Accordingly, the Board has an established Remuneration Committee to assist it in making decisions in relation to KMP remuneration.

The Remuneration Committee currently comprises three Independent Non-Executive Directors:

- David Flanagan (Chair),
- John Fitzgerald; and
- Christopher Rowe.

The Remuneration Committee is responsible for reviewing and recommending to the Board:

- the Company's remuneration policy and framework (including determining short term incentives (STIs) key performance indicators and long term incentives (LTIs) performance hurdles, and vesting of STIs/LTIs);
- senior executives' remuneration and incentives (including KMP and other senior management);
- Non-Executive Director individual remuneration, and the aggregate pool for approval by Shareholders (as required);
- superannuation arrangements; and
- remuneration by gender.

In order to ensure that the Remuneration Committee is fully informed when making remuneration recommendations, the Committee receives reports from independent management sources, empirical market data, and may draw on services from a range of other external sources if required.

The performance of the Company depends upon the quality of its Directors and Executives. To succeed and endure, the Company must attract, motivate and retain highly skilled Directors and Executives.

Executive remuneration is reviewed annually having regard to individual and business performance, relevant industry comparative information, current market conditions, and internal and independent external information. To this end, the Company embodies the following key principles in its remuneration framework:

- remuneration policy is focused on the achievement of corporate objectives; and is set having regard to market practices and aligned with the achievement of returns to Shareholders;
- remuneration structures are designed to drive Company and team performance across the organisation linking through the STARR Core Values;
- the mix of remuneration is designed to retain, attract and drive high performance of individuals; and
- the Company will continue to review remuneration policy and delivery to ensure that it remains relevant to current conditions and is able to retain and attract high performing individuals who will drive Company performance to achieve corporate objectives and maximise Shareholder value.

In accordance with good corporate governance practices, the structure of Non-Executive Director and Executive management remuneration is separate and distinct.

2.2. Use of Remuneration Consultants

The Remuneration Committee seek and consider advice from independent sources, including remuneration consultants, to ensure that they have at their disposal information relevant to the determination of all aspects of Executive KMP remuneration. The engagement of remuneration consultants is under the direction of the Remuneration Committee, which sets parameters around the interaction between management and the consultants with a view to minimising the risk of any undue influence occurring and ensuring compliance with the requirements of the Corporations Act 2001. Reports are required to be delivered to the Chair of the Remuneration Committee.

The advice and recommendations of remuneration consultants are used from time to time as a guide by the Board and the Remuneration Committee. Decisions are made by the Board after its own consideration of the issues but having regard to the advice of the Remuneration Committee.

During the year ended 30 June 2017, the Remuneration Committee consulted with two external sources (BDO Reward Pty Ltd (BDO) and PricewaterhouseCoopers (PwC)).

BDO was engaged to obtain information in relation to reviewing Executive Management's remuneration and mix of remuneration. PwC was engaged to consider the reasonableness of Executive Chairman's remuneration based on the information contained in the BDO report.

Interaction between Management and the remuneration consultants was limited to gathering background data and information and at the direction of the Chair of the Remuneration Committee at the time. Both companies delivered their findings and/or recommendations to the Chair of the Remuneration Committee at the time.

The Company put in place arrangements which ensured that interaction between management and each of BDO and PwC in their capacities as remuneration consultants in relation to the remuneration recommendations was limited. Both BDO and PwC participated in detailed discussion in relation to the remuneration recommendations directly with the Chair of the Remuneration Committee at the time. Both BDO and PwC have declared that their remuneration recommendations were made free from undue influence by the member or members of the key management personnel to whom their recommendations relate, in accordance with section 206M of the Corporations Act. This, coupled with the professional standing of each of BDO and PwC, is the basis for the Board being satisfied that the remuneration recommendations were made free from undue influence by the members of the Executive KMP to whom the remuneration recommendations relate.

Fees associated with this advice were: BDO $39,550 and PwC $18,054 (exclusive of GST) for this work.

In addition to the above remuneration advice, during the financial year, BDO provided valuation advice to the Company at a cost of $3,546 (exclusive of GST), and PwC provided taxation and other general advice at a cost of $258,292 (exclusive of GST).

2.3. Review of Executive KMP Remuneration

To ensure that Executive KMP remuneration remains relevant, the annual review conducted by the Remuneration Committee on behalf of the Board takes into consideration:

- the Company's remuneration policy and practices;
- relevant external factors, including market benchmarks using salary survey data and other empirical information to ensure market competitive standards are achieved;
- the skills and competencies required for the individual roles;
- the need to motivate and reward Executives for Company and individual performance as measured against set expectations, objectives, behaviours and development plans; and
- the Company's strategy, three year business plan, annual budgets and business outcomes.

In reviewing the level and make-up of Executive total remuneration, the Remuneration Committee ensures remuneration reflects the market salary for a position and individual of comparable responsibility and experience. Target positioning of total remuneration against market is between the 50th and 75th percentile. For some key positions, total remuneration above the 75th percentile is considered and sometimes adopted. If required, the Remuneration Committee may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable Executive roles.

2.4. Components of Executive KMP Remuneration

Total remuneration for the 2017 financial year consisted of a mix of:

- fixed remuneration; and
- "at risk" variable remuneration, comprising STIs[1] and LTIs.

[1] Excludes the Executive Chairman – refer notes below.

The Board considers that variable performance based remuneration provides a strong link between pay and performance, and that it drives superior performance and achievement of corporate objectives. The use of variable remuneration also avoids the escalation of fixed remuneration costs, and motivates employees to achieve outcomes beyond the standard requirements of the role. Variable remuneration is valued by high performance individuals and provides a competitive remuneration strategy when vying for new talent or as a retention incentive. The opportunity to participate in LTIs creates an ownership mindset among senior staff and aligns their interests with that of Shareholders, whereby the quantum of their reward is linked to the ongoing share price.

The following table sets out the various components of remuneration in the 2017 financial year:

REMUNERATION STRUCTURE FOR FY2017			
Component	**Consist of**	**Objective**	**Links to Performance FY2017**
Total Fixed Remuneration (TFR)	Base salary, superannuation and other non-cash benefits (including medical and salary continuance insurance)	▪ To provide a base level of remuneration which is both appropriate for the position and competitive in the market	Annual performance of Company and individual at 30 June 2017.
Short Term Incentives (STI)	Cash payments targeted at a percentage of TFR	▪ To provide an "at risk" incentive to reward Executives in a manner which aligns this element of remuneration with the creation of Shareholder wealth through the achievement of annual performance measures ▪ To provide a market competitive STI opportunity	Annual performance of the Company and individual as measured at 30 June 2017. Combination of specific Company Key Performance Indicators (KPIs) (65%): ▪ KPI 1 (10%) - Safety: Target 25% reduction in FY2016 LTIFR (5.1) and TRIFR (20.4); ▪ KPI 2 (15%) - Financial outcome: Achieve FY2017 Budget NPAT as approved by the Board[2]; ▪ KPI 3 (15%) - Production: Gold sold within stated guidance 485 – 515Koz ▪ KPI 4 (15%) - Costs: AISC within stated guidance A$1,000 to A$1,050; and ▪ KPI 5 (10%) - Social Licence: No significant environmental or community incidents, and an increase in diversity numbers by ≥5% from 2016 numbers. Individual KPI and personal performance (35%) at least satisfactory.
Long Term Incentives (LTI)	Performance rights based on a percentage of TFR	▪ To provide an "at risk" grant to incentivise and motivate Executives to pursue the long term growth and success of the Company ▪ To provide a market competitive LTI opportunity ▪ To support retention of Executives and key personnel	Potential vesting after year 3 on achievement of performance hurdles to be measured at 16 October 2019: ▪ Total Shareholder Return (60%): target 15% compound annual growth rate; o vesting: <10%=0%, 10%=50%, pro-rata 10% to <15%, 15%=100% ▪ Relative Total Shareholder Return (20%): target ≥50% of peers (Acacia Mining PLC, Alacer Gold Corp, Alamos Gold Inc, B2Gold Corp, Centamin PLC, Centerra Gold Inc, Detour Gold Corp, Dundee Precious Metals Inc, Endeavour Mining Corp, Eldorado Gold Corp, Evolution Mining Ltd, Gold Fields Limited, IAMGOLD Corp, New Gold Inc, OceanaGold Corp, Regis Resources Limited, Resolute Mining Limited, Saracen Mineral Holdings Ltd, SEMAFO Inc, St Barbara Limited); and o vesting: <50th percentile = 0%, 50th percentile = 50%, pro-rata 50th to <75th percentile, 75th percentile = 100% ▪ Safety: target 20% year on year reduction in LTIFR from current levels (measured at 30 June 2019). o vesting: >2.5 = 0%, 2.5 = 50%, pro-rata 2.5 to 2.1, 2.0 = 100% Upon vesting, 50% are free from disposal restrictions. The remaining 50% are restricted from disposal as follows: 25% until 17 October 2020, and 25% until 17 October 2021. Board reserves the right to vest LTIs at its discretion.

Ahead of the reorganisation of the Board in November 2016, a review was undertaken of the remuneration for the Executive Chairman. The Executive Chairman's remuneration was restructured to comprise of fixed remuneration (maintained at current rate), removal of the STI component, and the inclusion of a three-year period LTI. The LTI consisted of three million performance rights with a measurement date of 16 October 2019, based on the hurdles in the above table.

In November 2016, Shareholders approved the new 2017 Long Term Incentive Plan utilising performance rights, and the allocation of three million performance rights to the Executive Chairman. The relevant performance hurdles and disposal restrictions were detailed in the Notice of Meeting dated 24 October 2016 (as reflected in the above table).

The Executive KMP were also issued with Performance Rights 21 December 2016 on the same terms as the Executive Chairman. This was implemented to secure this high-performance management team over the next five years and to motivate and align their interests with those of Shareholders. No further LTIs will be issued to this group of employees until 2019. The Company will still issue annual allocations of LTIs to other employees within the organisation as part of the Company's remuneration framework.

The Board retains total discretion in the award and allocation of STIs and LTIs. The Board has established gateways to recognise target and exceptional performance in relation to the LTIs.

The Executive Chairman and the Chief Executive Officer are responsible for assessing the individual performance of their direct reports during and at the completion of the year, and this is reported to the Remuneration Committee in relation to STIs. The individual performance of the Executive Chairman is assessed on an ongoing basis by the Board. The Executive Chairman is not entitled to STIs following the change in his remuneration structure in November 2016. The Company STI KPIs

[2] Target NPAT performance requirements have not been disclosed due to commercial sensitivity.

are assessed at the end of the period and are reported to the Remuneration Committee, who in turn provides a recommendation to the Board in relation to the award of STIs.

LTIs are measured at the appropriate measurement point, and achievement of the LTI hurdles are validated and documented for presentation to the Remuneration Committee. Following consideration of the results, the Remuneration Committee make a recommendation to the Board in relation to vesting of LTIs at an appropriate point in time, and in accordance the Company's Securities Trading Policy.

In the event that LTI recipients are terminated for cause, or due to resignation, all unvested performance rights will lapse, unless the Board determines otherwise. In all other circumstances, the Board will determine the treatment of the performance rights, be it as a whole or on a pro-rata basis.

The mix of fixed and at-risk remuneration varies depending on the role and performance of the Executive KMP and that of the Company. The following table highlights the FY2017 target ratio for Executive KMPs as a percentage of total remuneration between fixed and at-risk, and assumes all at-risk components are earned:

Position	Fixed	STI – At Risk	LTI – At Risk
Executive Chairman	26.3%	0%	73.7%
Chief Executive Officer	38.5%	13.5%	48.0%
Company Secretary	50.0%	12.5%	37.5%
Chief Financial Officer	40.0%	14.0%	46.0%
Chief Geological Officer	40.0%	14.0%	46.0%

Following a review by the Remuneration Committee subsequent to the end of the 2017 financial year, the Board resolved to set the STI KPIs as follows for the 2018 financial year:

REMUNERATION STRUCTURE FOR FY2018	
Component	**Links to FY2018 Performance**
Total Fixed Remuneration (TFR)	TFR is used as the basis for determine value component of FY2018 STIs,
Short Term Incentives (STI)	Combination of specific Company Key Performance Indicators (KPIs) (65%) to be measured 30 June 2018: ▪ KPI 1 (10%) - Safety: Reduce FY2017 14.3 TRIFR by ≥15% (50% at 12.20 TRIFR) to ≥25% (100% at 10.70 TRIFR) and pro-rata in between; ▪ KPI 2 (15%) - Financial outcome: Achieve FY2018 Budget NPAT as approved by the Board[3]; ▪ KPI 3 (15%) - Production: Target 525Koz (0%) to 550Koz (100%), pro-rata up to 575K (120%); ▪ KPI 4 (15%) - Costs: All-in Sustaining Cost within stated guidance of A$1,000/oz to A$1,050/oz; and ▪ KPI 5 (10%) - Social Licence: No significant environmental or community incidents, and maintain female participation >17.1%. The Board retains discretion to pay additional amounts above the STI mechanism. Individual KPI and personal performance (35%) at least satisfactory.
Long Term Incentives (LTI)	Board reserves the right to vest LTIs at its discretion. No LTIs will be issued to Executive KMP in FY2018.

2.5. Non-Executive Director Remuneration

The Board's objective is to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to Shareholders.

Non-Executive Directors' fees are paid within an aggregate remuneration limit which is approved by the Shareholders from time to time (currently $1,250,000 per annum – approved 12 November 2014). Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act as at the time of a Director's retirement or termination.

The Board reviews on an annual basis the manner in which it apportions the aggregate remuneration amongst Non-Executive Directors at its discretion, and the amount of aggregate remuneration sought to be approved by Shareholders. When undertaking the annual review process, the Board considers the amount of Non-Executive Director fees being paid by comparable companies within the S&P ASX100 with similar market capitalisation, plus responsibilities and experience of the Non-Executive Directors.

As part of the reorganisation of the Board in November 2016, the Non-Executive Directors' Fees and the various Committee fees were adjusted. In addition, a Lead Independent Director fee component was introduced to recognise the increased governance responsibilities required with the introduction of an Executive Chairman. Refer to Section 5 for details. All fees payable to Non-Executive Directors remain within the approved aggregate remuneration limit of $1,250,000 per annum.

3. FY2017 Components of Remuneration

3.1. Fixed Annual Remuneration

Individual Executives' base salaries for the 2017 financial year were:

Name	Position	Base Salary FY2016	Base Salary FY2017	Base Salary Increase for FY2017
Bill Beament	Executive Chairman	725,000	725,000	0%
Stuart Tonkin[4]	Chief Executive Officer	475,000	590,000	24%
Liza Carpene	Company Secretary	300,000	300,000	0%
Shaun Day	Chief Financial Officer	375,000	375,000	0%
Michael Mulroney	Chief Geological Officer	350,000	350,000	0%

[3] Target NPAT performance requirements have not been disclosed due to commercial sensitivity.
[4] Remuneration adjusted due to promotion from Chief Operating Officer to Chief Executive Officer on 29 November 2016.

Following a review by the Remuneration Committee subsequent to the end of the 2017 financial year, the Board determined to maintain base salary levels for Executive KMPs in line with FY2017 taking into consideration the increased levels of LTIs awarded in December 2016.

The following table reflects remuneration components available to Executives effective 1 July 2017:

Name	Position	Base Salary (FY2017)	Superannuation (capped)	Total Fixed Remuneration	Potential STI %*	Potential LTI %*,#	Insurances
Bill Beament	Executive Chairman	725,000	30,000	755,000	0%	281%	Health & Salary Continuance
Stuart Tonkin	Chief Executive Officer	590,000	30,000	620,000	35%	125%	Health & Salary Continuance
Liza Carpene	Company Secretary	300,000	30,000	330,000	25%	75%	Health & Salary Continuance
Shaun Day	Chief Financial Officer	375,000	30,000	405,000	35%	115%	Health & Salary Continuance
Michael Mulroney	Chief Geological Officer	350,000	30,000	380,000	35%	115%	Health & Salary Continuance

* Potential STIs and LTIs are based on a % of Total Fixed Remuneration or TFR comprising base salary and superannuation only.
\# No LTIs will be issued to Executive KMP in FY2018

3.2. Short Term Incentives (STIs)

The following table indicates performance against FY2017 KPIs (corporate and individual) as at 30 June 2017:

Key Performance Indicators	Weighting	Measure	Achievement
KPI 1: Safety	10%	Target 25% reduction in FY2016 LTIFR (5.1) and TRIFR (20.4);	100% achieved
KPI 2: Financial Outcome	15%	Achieve FY2017 Budget NPAT as approved by the Board	100% achieved
KPI 3: Production	15%	Production within stated guidance 485K – 515Koz	100% achieved
KPI 4: Costs	15%	AISC within stated guidance A$1,000 to A$1,050	100% achieved
KPI 5: Social Licence	10%	▪ No significant environmental incidents; ▪ No significant community incidents; and ▪ Increase in diversity targets by ≥5% from 2016 numbers.	100% achieved 100% achieved 100% achieved
Individual KPIs/Personal Performance	35%	As determined for each individual Executive	100% achieved

As a result, STI payments for FY2017 to Executive KMP were recommended as detailed in the following table:

Name	Position	FY2016 Achieved STI %[1]	FY2016 Paid $[2]	FY2017 Achieved STI %[1]	FY2017 Declared $[3]
Bill Beament	Executive Chairman (FY2016: Managing Director)	85%	224,613	N/A	N/A
Liza Carpene	Company Secretary	85%	70,125	100%	82,500
Stuart Tonkin	Chief Executive Officer (FY2016: Chief Operating Officer)	85%	150,238	100%	217,000
Shaun Day	Chief Financial Officer	85%	120,488	100%	141,750
Michael Mulroney	Chief Geological Officer	85%	113,050	100%	133,000

[1] % of STI achieved.
[2] STI paid in September 2016.
[3] STI to be paid in August 2017.

3.3. Long Term Incentives (LTIs)

a) Performance Share Plan

During the period, no additional performance shares were issued in accordance with the Performance Share Plan approved by Shareholders at the Annual General Meeting in November 2013.

In relation to performance shares issued in prior periods, each performance share represents an actual legal interest in a share in the Company on day one of the vesting period, with the performance share being forfeited for no consideration should the vesting condition not be met. Under the terms of the Performance Share Plan, the performance shares are issued to the Executive at their current market value, with the Executive required to pay this market value amount in order to take up the performance share offer. The Company has provided the Executive with a loan to fund the acquisition price. The loan is interest-free and is secured against the performance shares in the form of a holding lock preventing all dealing in the performance shares. The loan is limited recourse, such that if the performance shares are forfeited, this is treated as full repayment against the loan balance. While a loan balance remains outstanding, any dividends paid on the performance shares will be automatically applied towards the repayment of the loan.

In substance, the Performance Share Plan operates in the same way as an option plan, therefore provided the size of the LTI award is reasonable and there are appropriate vesting conditions, it should be viewed in the same light as an option plan. The balance of performance shares issued to Executive KMPs to date at the end of the financial year are as follows:

Name	Performance shares at 30 June 2016	Remaining Loan at 30 June 2016 $	Total performance shares at 30 June 2017	Remaining loan at 30 June 2017* $
Bill Beament	2,952,003	3,453,491	2,952,003	3,238,416
Liza Carpene	781,675	867,637	781,675	810,687
Stuart Tonkin**	1,802,655	2,197,439	1,302,655	1,779,403
Shaun Day	1,042,916	1,501,143	1,042,916	1,425,159
Michael Mulroney	300,898	643,346	300,898	621,423

*Loan values have been reduced due to the payment of dividends up to 30 June 2017.

** Balance remaining on FY14 loan repaid during the current financial year.

LTIs issued to Executive KMP in FY2015 became eligible for measurement as at 30 June 2017. All FY2015 hurdles were achieved by the Company and 100% allocation will be eligible for vesting post release of the 2017 Annual Report.

LTIs FY2015 – PERIOD 1 JULY 2014 TO 30 JUNE 2017		
Hurdles	**Criteria***	**Results as at 30 June 2017**
Hurdle 1	Relative Total Shareholder Return (40%): target ≥50% of peers (ASX: EVN, KCN, NCM, OGC, RRL, RSG, SAR, SBM, SLR)	Achieved 100% NST Ranked >75th percentile or second in Peer Group after 3 years
Hurdle 2	Total Shareholder Return (40%): target ≥15% compound annual growth rate (CAGR)	Achieved 100% Exceeded 15% CAGR - 287% increase over 3 years
Hurdle 3	Resource / Reserve replacement (20%): maintaining at least 2 years of Reserves and 6 years of Resources based on the annualised budgeted production	Achieved 100% Reserves and Resources Update effective 30 June 2017 & exceeds requirement
* LTI Hurdles as set and reported in 2015 Annual Report & released to the ASX on 3 August 2017.		

b) Performance Rights Plan

A new Long Term Incentive Plan was approved by Shareholders at the Annual General Meeting in November 2016. This Plan provides the Board with the discretion to grant performance rights to Executive KMPs and other senior personnel that will vest subject to the satisfaction of performance hurdles, as determined by the Board.

The LTI arrangements have been designed to motivate and incentivise Executive KMPs to drive the Company's long term performance to deliver greater returns to Shareholders. The hurdles defined for the FY2017 issue will be measured at the end of year three (16 October 2019) against (1) Total Shareholder Return targeting compound annual growth of 15% (60%), (2) a Relative Total Shareholder Return against a group of peers (20%), and (3) defined Safety Metrics targeting a 20% year on year reduction in lost time injury safety statistics (20%). In order to achieve vesting of LTIs, the set hurdles must be achieved as at 16 October 2019, along with continued employment and satisfactory performance reviews in all years.

During the FY2017 period, 9,577,150 performance rights were issued as FY2017 LTIs in accordance with the Long Term Incentive Plan[5]. Out of the 9,577,150 performance rights issued, 9,160,000 were issued to senior management staff (Category A – 19 employees) which included 3,000,000 performance rights issued to the Executive Chairman[6] and 2,730,000 performance rights to other Executive KMP listed in this report. The balance of 417,150 performance rights were issued to other senior staff (Category B – 31 employees). The Category A performance rights were issued on a three year upfront basis, and no other LTIs will be issued to these employees during this period. The Category B performance rights were issued as part of an annual incentive scheme.

A performance right is a conditional right which, upon the satisfaction or waiver of the relevant vesting conditions, and, if required by the Company the exercise of that right, entitles its holder to received one share. The performance rights are issued for nil consideration.

Accordingly, under the Long Term Incentive Plan, the following performance rights were issued to Executive KMPs listed in this report in relation to the 2017 financial year:

Name	Performance Rights at 30 June 2017
Bill Beament*	3,000,000
Liza Carpene	350,000
Stuart Tonkin	1,100,000
Shaun Day	660,000
Michael Mulroney	620,000

* Approved by Shareholders on 29 November 2016.

No LTIs will be allocated to the Executive KMP (Category A) for FY2018 as the FY2017 LTI allocation was for the next three years. The allocation to employees on the annual LTI scheme (Category B) was still under review by the Board at the time of this report.

3.4. Remuneration Expenses for Executive KMP

The following table shows details of the remuneration expense recognised for the Group's Executive KMP for the current and previous financial year measured in accordance with the requirements of the accounting standards.

			Fixed Remuneration			Variable Remuneration			
		Salary & Fees	Other Benefits (1)	Long service leave	Post-employment Benefits	STI Cash Payment (2)	Performance Shares	Total	Performance Related Remuneration
Executive	Year	$	$		$	$	$	$	%
Executive Directors									
Bill Beament	**2017**	**722,221**	**5,869**	**56,437**	**30,000**	**-**	**1,146,923**	**1,961,451**	**58%**
	2016	725,000	8,465	41,234	30,000	224,613	365,335	1,394,647	42%
Other KMP									
Liza Carpene	**2017**	**300,000**	**13,173**	**-**	**30,000**	**82,500**	**140,079**	**565,752**	**39%**
	2016	300,000	12,496	-	30,000	70,125	91,592	504,213	32%
Stuart Tonkin(3)	**2017**	**552,594**	**7,085**	**-**	**30,000**	**217,000**	**419,758**	**1,226,436**	**52%**
	2016	475,000	5,027	-	30,000	150,238	232,802	893,067	43%
Shaun Day	**2017**	**375,000**	**16,685**	**-**	**30,000**	**141,750**	**291,962**	**855,397**	**51%**
	2016	375,000	13,574	-	30,000	120,488	159,899	698,961	40%
Michael Mulroney	**2017**	**350,000**	**6,050**	**-**	**30,000**	**133,000**	**191,371**	**710,421**	**46%**
	2016	345,976	6,692	-	30,000	113,050	67,311	563,029	32%
Total Exec Directors & Other KMP	**2017**	**2,299,815**	**48,862**	**56,437**	**150,000**	**574,250**	**2,190,093**	**5,319,457**	**52%**
	2016	2,220,976	46,254	41,234	150,000	678,514	916,939	4,053,917	39%
Total NED Remuneration	**2017**	**661,184**	**-**	**-**	**34,761**			**695,945**	**0%**
	2016	469,364	-	-	13,240	-	-	482,604	0%
Total KMP Remuneration Expenses	**2017**	**2,960,999**	**48,862**	**56,437**	**184,761**	**574,250**	**2,190,093**	**6,015,402**	**46%**
	2016	2,690,340	46,254	41,234	163,240	678,514	916,939	4,536,521	35%

(1) Other Benefits include: telephone allowance, salary continuance insurance, health insurance and parking.

(2) 2017 STI cash payments relate to those declared for FY2017, but paid subsequent to the year ended 2017. 2016 STI cash payments relate to the FY2016 cash payments, paid in the current financial year.

(3) Remuneration adjusted due to promotion from Chief Operating Officer to Chief Executive Officer on 29 November 2016.

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[5] Represents the number of remaining Performance Rights on issue at the date of the Report.

[6] Approved by Shareholders at the November 2016 Annual General meeting.

NORTHERN STAR RESOURCES LIMITED

4. Contractual Arrangements with Executive KMP

Executive	Term of Agreement	Notice Period Employee	Notice Period Company	Base Salary Including Superannuation ($)	Termination Payments
Executive Directors					
Bill Beament	Open ended	3 months	3 months	755,000	12 Months
Other KMP					
Liza Carpene	Open ended	3 months	6 months	330,000	None
Stuart Tonkin	Open ended	3 months	6 months	620,000	None
Shaun Day	Open ended	3 months	6 months	405,000	None
Michael Mulroney	Open ended	3 months	6 months	380,000	None

5. Non-Executive Director Remuneration

For the 2017 financial year, the Non-Executive Directors were paid base fees associated with their duties as Directors and members of Board Committees.

As part of the reorganisation of the Board in November 2016, the Non-Executive Directors' Fees and the various Committee fees were adjusted. In addition, a Lead Independent Director fee component was introduced to recognise the increased governance responsibilities required with the introduction of an Executive Chairman. The Non-Executive Director fees total $760,000 per annum, and remains well within the current Shareholder approved aggregate limit of $1,250,000.

	From 1 July 2016 to 30 June 2017
Base fees	
Lead Independent Director*	135,000
Other Non-Executive Directors**	125,000
Additional fees	
Audit and Risk Committee - Chair	25,000
Audit and Risk Committee - Member	15,000
Remuneration Committee - Chair**	25,000
Remuneration Committee - Member**	10,000

*Effective from 29 November 2016

** Effective 1 January 2017

Total remuneration paid or payable to Non-Executive Directors for the period ended 30 June 2017 was:

TOTAL NON-EXECUTIVE DIRECTOR REMUNERATION FOR FY2017							
		Base Fee	Audit and Risk Committee	Nomination Committee	Remuneration Committee	Superannuation	Total
	Year	$	$	$	$	$	%
Directors							
Christopher Rowe*,**	**2017**	**144,781**	**6,041**	**-**	**7,479**	**-**	**158,301**
	2016	175,000	15,000	-	5,000	-	195,000
Peter O'Connor***	**2017**	**119,959**	**15,000**	**-**	**2,014**	**-**	**136,973**
	2016	115,000	15,000	-	5,000	-	135,000
John Fitzgerald***	**2017**	**128,292**	**22,831**	**-**	**10,509**	**15,353**	**176,986**
	2016	105,023	22,831	-	11,510	13,240	152,604
Shirley In'tVeld**	**2017**	**91,712**	**8,144**	**-**	**-**	**9,486**	**109,342**
	2016	-	-	-	-	-	-
David Flanagan***	**2017**	**91,712**	**-**	**-**	**12,710**	**9,920**	**114,342**
	2016	-	-	-	-	-	-
Total Non-Executive Director Remuneration	**2017**	**576,455**	**52,016**	**-**	**32,712**	**34,761**	**695,945**
	2016	395,023	52,831	-	21,510	13,240	482,604

* In addition to fees above, Mr Rowe received gifts from the Company totalling $5,676 for services in recognition of his contribution as Chairman for 14 years. Mr Rowe stepped down as Chairman at the AGM on 29 November 2016.

**On 25 November 2016, Christopher Rowe stepped down as a member of the Audit and Risk Committee, and Shirley In'tVeld was appointed as a member of the Audit and Risk Committee.

*** On 25 November 2016, John Fitzgerald stepped down as the Chair of the Remuneration Committee, David Flanagan was appointed as the Chair of the Remuneration Committee and Peter O'Connor stepped down as a member of the Remuneration Committee.

6. Equity Instrument Disclosure Relating to KMP

6.1. Reconciliation of Options and Ordinary Shares held by KMP

The tables on the following pages show the number of:

(a) options over ordinary shares in the Company; and
(b) ordinary shares in the Company

that were held during the financial year by key management personnel of the Group, including their close family members and entities related to them.

(a) Option holdings

2016 Name	Balance at start of the year	Granted as Compensation	Exercised	Other Changes	Balance at end of the year	Vested and exercisable	Unvested
Liza Carpene	250,000	-	(250,000)	-	-	-	-

There were no options granted as equity compensation benefits to KMP during the year ended 30 June 2017.

(b) Ordinary Shareholdings

2017 Name	Balance at start of the year	Received during the year on the exercise of options	Issuance of performance shares	Other changes during the year	Balance at end of the year
Directors					
Christopher Rowe	2,650,000	-	-	(165,000)	2,485,000
Bill Beament*	10,718,588	-	-	25,000	10,743,588
John Fitzgerald	60,000	-	-	-	60,000
Peter O'Connor	500,000	-	-	-	500,000
Shirley In'tVeld	-	-	-	50,000	50,000
Key Management Personnel					
Stuart Tonkin*	1,802,655	-	-	(500,000)	1,302,655
Liza Carpene*	1,125,571	-	-	(193,896)	931,675
Shaun Day*	1,042,916	-	-	-	1,042,916
Michael Mulroney*	300,898	-	-	-	300,898

* Includes unvested FY2015 & FY2016 Performance Shares which are still subject to performance hurdles as at 30 June 2017 and 30 June 2018.

2016 Name	Balance at start of the year	Received during the year on the exercise of options	Issuance of performance shares	Other changes during the year	Balance at end of the year
Directors					
Christopher Rowe	2,900,000	-	-	(250,000)	2,650,000
Bill Beament*	15,228,504	-	597,836	(5,107,662)	10,718,588
John Fitzgerald	60,000	-	-	-	60,000
Peter O'Connor	600,000	-	-	(100,000)	500,000
Key Management Personnel					
Stuart Tonkin*	1,534,406	-	399,877	(131,628)	1,802,655
Liza Carpene*	805,136	179,732	140,703	-	1,125,571
Shaun Day*	722,222	-	320,694	-	1,042,916
Michael Mulroney	-	-	300,898	-	300,898

* Includes unvested FY2014 and FY2015 Performance Shares which are still subject to performance hurdles as at 30 June 2016 and 30 June 2017.

6.2. Long Term Incentive Shares Issued to KMP

On 9 July 2015, 2,810,953 FY2016 performance shares were issued to KMP and other personnel of the Company at an issue price of $2.1818. Corresponding non-recourse loans totalling $6,132,937 were entered into with the KMP and other personnel in accordance with Company's LTI Share Plan as part of their remuneration. During FY2017, 151,363 FY2016 performance shares were forgiven in accordance with the Performance Share Plan and transferred to the Employee Share Trust for subsequent allocation by the Company, reducing total FY2016 performance shares on issue to 2,659,590. As at 30 June 2017, FY2016 non-recourse loans had reduced to $5,492,661.

In FY2015, 4,827,059 FY2015 performance shares were issued to KMP and other personnel of the Company at an issue price of $1.1874 per share, with a further 212,917 shares issued on 30 March 2015 to other personnel of the Company at an issue price of $2.4549 per share. Corresponding limited recourse loans totalling $6,254,338 were entered into with KMP and other personnel in accordance with the Company's LTI Share Plan as part of their remuneration. As at 30 June 2017, FY2015 non-recourse loans had reduced to $5,593,382.

In FY2014, 4,090,000 FY2014 performance shares were issued to KMP and other personnel of the Company at an issue price of $0.7304 per share. Corresponding non-recourse loans totalling $2,987,336 were entered into in accordance with the Company's LTI Share Plan as part of their remuneration. During FY2015, 125,000 FY2014 performance shares were cancelled, reducing the total FY2014 performance shares on issue to 3,965,000. During FY2017, $1,404,853 in non-recourse loans were repaid in relation to the FY2014 issue. As at 30 June 2017, FY2014 non-recourse loans had reduced to $980,514.

Vesting conditions on the respective issues are as follows: (1) achievement of performance hurdles at the end of year three, (2) continued employment, and (3) personal performance reviews must be satisfactory in all years.

The loans are limited recourse and are secured against the performance shares held by the relevant participants.

The Board may, at its discretion, agree to forgive a loan made to a participant. The fair value at grant date is independently determined using a Monte Carlo simulation model (market based vesting conditions) and a Black Scholes Model (non-market vesting conditions) that takes into account the exercise price, the term of the performance share, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free rate for the term of the performance share and the correlations and volatilities of the peer group companies.

6.3. Long Term Incentive Performance Rights Issued to KMPs

On 29 November 2016, 3,000,000 Category A performance rights were approved by Shareholders to be issued to the Executive Chairman of the Company. On 21 December 2016, 9,065,000 Category A (inclusive of the three million to be issued to the Executive Chairman) and 444,500 Category B performance rights were issued to KMP and other senior management of the Company.

On 7 March 2017, 300,000 Category A performance rights lapsed and 15,500 Category B performance rights lapsed. A further 250,000 Category A and 14,500 Category B performance rights were issued on the same date.

On 30 June 2017, 26,350 Category B performance rights lapsed. A further 145,000 Category A performance rights were issued on the same date. The same model inputs as the Category A performance rights issued on 7 March 2017 were used when assessing the fair value of the performance rights issued on 30 June 2017.

The Company may issue performance rights to one or more eligible employees under the Long Term Incentive Plan. A performance right is a conditional right which, upon the satisfaction or waiver of the relevant vesting conditions, and, if required by the Company the exercise of that right, entitles its holder to received one share.

The assessed fair value at the respective grant dates of the performance rights granted during the year ended 30 June 2017 was as follows:

	29 Nov 2016	21 Dec 2016	7 Mar 2017
Fair Value	$1.548	$1.151	$1.887

The fair value at grant date is independently determined using a Monte Carlo simulation model (market based vesting conditions) and a Black Scholes Model (non market vesting conditions) that takes into account the term of the performance rights, the impact of dilution (where material), the share price at grant date and expected volatility of the underlying performance right, the expected dividend yield, the risk-free rate for the term of the performance right and the correlations and volatilities of the peer group companies.

The model inputs for performance rights granted during the year ended 30 June 2017 included:

	29 Nov 2016	21 Dec 2016	7 Mar 2017
(a) Exercise price	Nil	Nil	Nil
(b) Grant date	29-Nov-16	21-Dec-16	7-Mar-17
(c) Expiry date	21-Dec-22	21-Dec-22	21-Dec-22
(d) Share price at grant date	$3.60	$3.15	$3.96
(e) Expected volatility of the company's shares	25%	25%	25%
(f) Expected dividend yield	1.94%	2.22%	1.77%
(g) Risk-free interest rate	1.91%	2.03%	2.00%

The expected volatility is based on the historic volatility (based on the remaining life of the performance rights).

Total performance rights on issue at 30 June 2017 is 9,577,150 (2016: Nil).

6.4. Shares Under Option

(a) Unissued Ordinary Shares

Unissued ordinary shares of Northern Star Resources Limited under option at the date of this report are as follows:

Date Options Granted	Expiry Date	Exercise Price	Number Under Option
9 July 2015	31 July 2018	$2.1818	882,397
			882,397

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

7. Other Transactions with KMP

The Company has in place policies and procedures which govern transactions involving KMPs or related parties, and these policies and procedures restrict the involvement of the KMP or related party in the negotiation, awarding or direct management of the resultant contract. Refer to note 18 for details of related party transactions that occurred during the year ended 30 June 2017.

INSURANCE OF OFFICERS AND INDEMNITIES

During the year the Company has paid a premium to insure the Directors and Officers of the Company and its controlled entities. Details of the premium are subject to a confidentiality clause under the contract of insurance. The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as officers of entities in the Group.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under Section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or Group are important.

Details of the amounts paid or payable to the auditor (Deloitte Touche Tohmatsu) for the audit and non-audit services provided during the year are disclosed in note 20 to the financial statements.

The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001 because none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

AUDITOR INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 28.

ROUNDING

The Company is of a kind referred to ASIC Legislative Instrument 2016/191, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

CORPORATE GOVERNANCE STATEMENT

Northern Star Resources Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Northern Star Resources Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2017 Corporate Governance Statement was approved by the Board on 21 August 2017 and reflects the corporate governance practices in place throughout the 2017 financial year. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at http://www.nsrltd.com/about/corporate-governance/.

Northern Star Resources Limited has elected to publish the 2017 Tax Governance Statement on a voluntary basis as a part of our commitment to tax transparency. The report includes information recommended to be disclosed under the Australian voluntary Tax Transparency Code (TTC). The report can be found on the Company website under Corporate Governance - Rules and Special Reports.

This report is made in accordance with a resolution of Directors.

Bill Beament

BILL BEAMENT
Executive Chairman

Perth, Western Australia
21 August 2017

Deloitte Touche Tohmatsu
ABN 74 490 121 060

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www.deloitte.com.au

The Directors
Northern Star Resources Limited
Level 1, 388 Hay Street
Subiaco WA 6008

21 August 2017

Dear Directors

Auditor's Independence Declaration to Northern Star Resources Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Northern Star Resources Limited and its controlled entities.

As lead audit partner for the audit of the financial report of Northern Star Resources Limited and its controlled entities for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

DNewman

David Newman
Partner
Chartered Accountants

TABLE OF CONTENTS

These financial statements are the consolidated financial statements of the Group consisting of Northern Star Resources Limited and its subsidiaries. A list of subsidiaries is included in note 14.

The financial statements are presented in the Australian currency.

Northern Star Resources Limited is a company limited by shares, incorporated and domiciled in Australia.

Its Registered Office is:
Northern Star Resources Limited
Level 1
388 Hay Street
Subiaco WA 6008

The financial statements were authorised for issue by the Directors on 21 August 2017. The Directors have the power to amend and re-issue the financial statements.

Press releases, financial reports and other information is available at our investor and media section on our website: www.nsrltd.com

For the year ended 30 June 2017	Notes	30 June 2017 $'000	30 June 2016 $'000
Continuing operations			
Sales revenue	3	**849,951**	785,788
Cost of sales	6(a)	**(537,333)**	(512,419)
		312,618	273,369
Other income and expense	5	**6,934**	5,254
Corporate and technical services	6(b)	**(34,647)**	(32,264)
Impairment of assets	6(c)	**(13,723)**	(4,389)
Finance costs	6(d)	**(2,678)**	(4,278)
		2,504	237,692
Profit before income tax			
Income tax expense	7	**(79,607)**	(72,365)
Profit from continuing operations		**188,897**	165,327
Discontinued operations			
Profit from discontinued operation	13(b)	**26,413**	(13,962)
Profit for the year		**215,310**	151,365
Other comprehensive income			
Items that may be reclassified to profit or loss			
Changes in the fair value of available-for-sale financial assets		**2,193**	1,104
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		**45**	-
Income tax relating to these items		**(658)**	(331)
Other comprehensive income for the year, net of tax		**1,580**	773
Total comprehensive income for the year		**216,890**	152,138
Total comprehensive income for the year is attributable to:			
Owners of the Company		**216,890**	152,138
Total comprehensive income for the year attributable to owners of Northern Star Resources Limited arises from:			
Continuing operations		**190,477**	166,100
Discontinued operations		**26,413**	(13,962)
		216,890	152,138
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:		**Cents**	**Cents**
Basic earnings per share	21(a)	**31.5**	27.6
Diluted earnings per share	21(b)	**30.8**	27.4
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share	21(a)	**35.9**	25.2
Diluted earnings per share	21(b)	**35.1**	25.1

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

NORTHERN STAR RESOURCES LIMITED

As at 30 June 2017	Notes	30 June 2017 $'000	30 June 2016 $'000
ASSETS			
Current assets			
Cash and cash equivalents	8(c)	**403,060**	315,341
Trade and other receivables	8(a)	**24,254**	10,521
Inventories	9(e)	**58,851**	59,986
Assets classified as held for sale	13	**-**	54,567
Total current assets		**486,165**	440,415
Non-current assets			
Trade and other receivables	8(a)	**3,508**	2,187
Derivative financial instruments	11(a)	**4,921**	-
Available-for-sale financial assets	8(b)	**11,619**	8,779
Investments accounted for using the equity method	14(c)	**18,779**	-
Property, plant and equipment	9(a)	**104,851**	81,775
Exploration and evaluation assets	9(b)	**137,638**	98,420
Mine properties	9(c)	**157,477**	131,953
Total non-current assets		**438,793**	323,114
TOTAL ASSETS		**924,958**	763,529
LIABILITIES			
Current liabilities			
Trade and other payables	8(d)	**105,465**	78,045
Borrowings	8(e)	**5,541**	9,194
Current tax liabilities	9(d)	**40,811**	35,896
Provisions	9(f)	**23,141**	26,914
		174,958	150,049
Liabilities directly associated with assets classified as held for sale	13	**-**	41,445
Total current liabilities		**174,958**	191,494
Non-current liabilities			
Borrowings	8(e)	**5,677**	4,871
Provisions	9(f)	**79,877**	78,681
Deferred tax liabilities	9(d)	**49,346**	36,569
Total non-current liabilities		**134,900**	120,121
TOTAL LIABILITIES		**309,858**	311,615
NET ASSETS		**615,100**	451,914
EQUITY			
Share capital	10(a)	**217,811**	214,950
Reserves		**13,311**	8,246
Retained earnings		**383,978**	228,718
TOTAL EQUITY		**615,100**	451,914

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

For the year ended 30 June 2017	Notes	Share capital $'000	Available for sale reserve $'000	Share-based payments reserve $'000	Other reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2015		204,925	3,179	1,781	-	113,367	323,252
Profit for the period		-	-	-	-	151,365	151,365
Other comprehensive income		-	773	-	-	-	773
Total comprehensive income for the year		**-**	**773**	**-**	**-**	**151,365**	**152,138**
Transactions with owners in their capacity as owners:							
Contributions of equity, net of transaction costs and tax	10(a)	9,000	-	-	-	-	9,000
Dividends provided for or paid	12(b)	-	-	-	-	(36,014)	(36,014)
Employee share and option plans - value of employee services		955	-	2,147	-	-	3,101
Exercise of employee share options		70	-	(70)	-	-	-
Share plan loan repayment		-	-	436	-	-	436
		10,025	-	2,513	-	(36,014)	(23,477)
Balance at 30 June 2016		**214,950**	**3,952**	**4,294**	**-**	**228,718**	**451,914**
Balance at 1 July 2016		214,950	3,952	4,294	-	228,718	451,914
Profit for the period		-	-	-	-	215,310	215,310
Other comprehensive income		-	1,535	-	45	-	1,580
Total comprehensive income for the year		**-**	**1,535**	**-**	**45**	**215,310**	**216,890**
Transactions with owners in their capacity as owners:							
Dividends provided for or paid	12(b)	-	-	-	-	(60,050)	(60,050)
Employee share and option plans - value of employee services		622	-	3,573	-	-	4,195
Exercise of employee share options		2,239	-	(2,239)	-	-	-
Share plan loan repayment		-	-	2,151	-	-	2,151
		2,861	-	3,485	-	(60,050)	(53,704)
Balance at 30 June 2017		**217,811**	**5,487**	**7,779**	**45**	**383,978**	**615,100**

Nature and purposes of reserves:

Available-for-sale financial assets

Changes in the fair value of investments that are classified as available-for-sale financial assets (e.g. equity securities), are recognised in other comprehensive income and accumulated in a separate reserve within equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired.

Share-based payments

The share based payments reserve relates to shares, performance shares, performance rights and share options granted by the Company to its employees. Further information about share based payments to employees is set out in note 19.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

For the year ended 30 June 2017	Notes	30 June 2017 $'000	30 June 2016 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**878,296**	897,701
Payments to suppliers and employees (inclusive of GST)		**(452,198)**	(506,085)
Interest received		**6,051**	3,850
Interest paid		**(319)**	(1,258)
Income taxes paid		**(73,100)**	(10,873)
Net cash inflow from operating activities	8(c)	**358,730**	383,335
Cash flows from investing activities			
Payments for property, plant and equipment	9(a)	**(40,153)**	(17,918)
Payments for exploration and evaluation	9(b)	**(56,423)**	(61,538)
Payments for mine properties	9(b)	**(135,345)**	(110,184)
Payments for available for-sale-financial assets		**(1,000)**	(152)
Payments from disposal of business	13	**18,089**	-
Proceeds from sale of property, plant and equipment		**547**	69
Proceeds from sale of investments		**9,897**	-
Net cash outflow from investing activities		**(204,388)**	(189,723)
Cash flows from financing activities			
Proceeds from issues of shares and other equity securities		**2,151**	-
Finance lease payments		**(8,724)**	(9,700)
Dividends paid to Company's Shareholders	12(b)	**(60,050)**	(36,014)
Net cash outflow from financing activities		**(66,623)**	(45,714)
Net increase in cash and cash equivalents		**87,719**	147,898
Cash and cash equivalents at the beginning of the financial year		**315,341**	167,443
Cash and cash equivalents at end of year	8(c)	**403,060**	315,341

Details of cash flows related to discontinued operations are presented in note 13.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. CRITICAL ESTIMATES AND JUDGEMENTS

a) Critical accounting estimates and assumptions

(i) Determination of Mineral Resources and Ore Reserves

The Group reports its Mineral Resources and Ore Reserves in accordance with the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves - the JORC Code. The information on Mineral Resources and Ore Reserves is prepared by Competent Persons as defined by the JORC Code.

There are numerous uncertainties inherent in estimating Mineral Resources and Ore Reserves. Assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated. Such changes may impact asset carrying values, depreciation and amortisation rates, deferred development costs and provisions for restoration.

Other critical accounting judgements, estimates and assumptions are discussed in the following notes:

Unit of production method of depreciation/amortisation	note 6(a)
Share-based payments	note 6(b), 19
Exploration and evaluation expenditure	note 9(b)
Recovery of deferred tax assets	note 9(d)
Mine rehabilitation provision	note 9(f)
Impairment of assets	note 24(d); 9(c)

HOW NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the Directors consider most relevant in the context of the operations of the entity, including:

(a) accounting policies that are relevant for an understanding of the items recognised in the financial statements. These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction
(b) analysis and sub-totals, including segment information
(c) information about estimates and judgements made in relation to particular items.

2. SEGMENT INFORMATION

(a) Description of segments and principal activities

The Group's Executive Chairman, Chief Executive Officer, Chief Financial Officer and Chief Geological Officer (Review Committee), examine the Group's performance and have identified five operating segments relating to the continuing operations of the business:

1. Paulsens, WA Australia - Mining and processing of gold

2. Kalgoorlie Operations, WA Australia - Mining and processing of gold

3. Jundee, WA Australia - Mining and processing of gold

4. Tanami, NT Australia – Exploration and evaluation of gold mineralisation

5. Exploration - Exploration and evaluation of gold mineralisation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues or incur expenses. In the prior period, the Group had six segments (Paulsens, Kundana, Kanowna Belle, Jundee, Tanami and Exploration), however following a review by the Review Committee on the Group's strategic direction Kanowna Belle and Kundana has been presented as one segment (Kalgoorlie operations).

Exploration compromises all projects in the exploration, evaluation and feasibility phase of the Group. These include the Mt Olympus, Fortescue JV and Electric Dingo projects as well as ongoing exploration programmes at the Group's respective sites.

During the year the Group completed a sales process in relation to its Plutonic operations in WA, which is consequently classified as a discontinued operation as at 30 June 2017 and 30 June 2016. Further information on Plutonic and the disposal process is included in note 13.

An analysis of segment revenues is presented in note 3.

(b) Segment results

The segment information for the year ended 30 June 2017 is as follows:

2017	Paulsens $'000	Kalgoorlie operations $'000	Jundee $'000	Tanami $'000	Exploration $'000	Total $'000
Segment net operating profit (loss) before income tax	4,218	158,138	143,549	(3,309)	(8,445)	294,151
Depreciation and amortisation	24,952	51,338	68,929	-	-	145,219
Impairment	4,923	-	-	-	8,445	13,368
Finance costs	100	921	769	-	-	1,790
Segment EBITDA	**34,193**	**210,397**	**213,247**	**(3,309)**	**-**	**454,528**
Total segment assets	48,700	188,336	105,079	255	137,638	480,008
Total segment liabilities	(19,039)	(111,100)	(77,593)	(649)	-	(208,381)

The segment information for the year ended 30 June 2016 is as follows:

2016	Paulsens $'000	Kalgoorlie operations $'000	Jundee $'000	Tanami $'000	Exploration $'000	Total $'000
Segment net operating profit (loss) before income tax	32,481	140,496	98,208	(2,099)	(4,375)	264,711
Depreciation and amortisation	32,302	43,233	73,932	-	-	149,467
Impairment	-	-	-	-	4,375	4,375
Finance costs	146	676	1,176	-	-	1,998
Segment EBITDA	**64,929**	**184,405**	**173,316**	**(2,099)**	**-**	**420,551**
Total segment assets	57,506	129,956	103,105	596	98,420	389,583
Total segment liabilities	(21,676)	(84,592)	(69,405)	(834)	-	(176,507)

(c) Segment EBITDA

Segment EBITDA is a non-IFRS measure, being earnings before interest, tax, depreciation and amortisation and is calculated as follows: profit before income tax plus depreciation, amortisation, impairment and finance costs.

Interest income, finance charges, interest expense and acquisition costs are not allocated to the operating segments as this type of activity is driven by the central treasury function which manages the cash position of the Group.

Segment EBITDA reconciles to profit before income tax from continuing operations for the year ended 30 June 2017 as follows:

	30 June 2017 $'000	30 June 2016 $'000
Segment EBITDA	**454,528**	420,551
Other income	**6,934**	5,254
Finance costs	**(2,678)**	(4,278)
Depreciation	**(25,455)**	(24,515)
Amortisation	**(120,066)**	(125,215)
Corporate and technical services	**(26,841)**	(26,615)
Share-based payments	**(4,195)**	(3,101)
Impairment of assets	**(13,723)**	(4,389)
Profit before income tax from continuing operations	**268,504**	237,692

(d) Segment assets

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Operating segments' assets are reconciled to total assets as follows:

	30 June 2017 $'000	30 June 2016 $'000
Segment assets	**480,008**	389,583
Unallocated:		
Assets classified as held for sale	**-**	54,567
Available-for-sale financial assets	**11,619**	8,779
Investment in equity accounted associates	**18,779**	-
Derivative financial instruments	**4,921**	-
Cash and cash equivalents	**390,868**	303,974
Trade and other receivables	**17,687**	4,712
Property, plant and equipment	**1,076**	1,914
Total assets as per the Consolidated Statement of Financial Position	**924,958**	763,529

Investment in equity securities (classified as available-for-sale financial assets) held by the Group are not considered to be segment assets as they are managed by the treasury function.

(e) Segment liabilities

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

Operating segments' liabilities are reconciled to total liabilities as follows:

	30 June 2017 $'000	30 June 2016 $'000
Segment liabilities	**208,381**	176,507
Unallocated:		
Trade and other payables	**4,410**	7,231
Borrowings	**-**	4,585
Provisions	**6,910**	9,382
Current tax liabilities	**40,811**	35,896
Deferred tax liabilities (net)	**49,346**	36,569
Liabilities attributable to assets held for sale	**-**	41,445
Total liabilities as per the Consolidated Statement of Financial Position	**309,858**	311,615

3. REVENUE

Accounting Policy

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Revenue is recognised when there has been a transfer of risks and rewards from the Group to an external party, no further processing is required by the Group, quality and quantity of the goods has been determined with reasonable accuracy, the selling price is fixed or determinable and collectability is probable. The point at which risk and rewards passes for the majority of the Group's commodity sales is when a contract for sale is entered into. If required, adjustments are made for variations in commodity price, assay and weight between the time of dispatch and the time of final settlement.

The Group derives the following types of revenue:

	30 June 2017 $'000	30 June 2016 $'000
Sale of gold	**847,964**	784,072
Sale of silver	**1,987**	1,716
Total revenue from continuing operations	**849,951**	785,788

(a) Segment revenue

The total of revenue, broken down by operating segment, is shown in the following table. All revenue is from external customers and from one geographical location (Australia). No revenues are generated by the Tanami or Exploration operating segments.

	Paulsens $'000	Plutonic* $'000	Kalgoorlie operations $'000	Jundee $'000	Total $'000
2017	**93,564**	**-**	**376,732**	**379,655**	**849,951**
2016	126,703	-	328,482	330,603	785,788

*Plutonic classified as a discontinued operation as at 30 June 2017 and 2016 for comparative purposes.

4. SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

The financial position and performance of the Group was particularly affected by the following events and transactions during the reporting period:

- the sale of the Plutonic Gold operations that was announced in February 2016 was completed with an effective date of 30 September 2016. For details of the sale see note 13 of the financial report.

For a detailed discussion about the Group's performance and financial position please refer to our operating and financial review on pages 3 to 9.

5. OTHER INCOME AND EXPENSE ITEMS

	30 June 2017 $'000	30 June 2016 $'000
Net loss on disposal of property, plant and equipment	**350**	(432)
Interest income	**6,245**	4,250
Other	**339**	1,436
	6,934	5,254

Interest

Interest income is recognised as it accrues using the effective interest method.

Other

Other includes the Group's share of net profit from equity accounted investments (2017: $0.07 million; 2016: Nil).

6. EXPENSES

(a) Cost of sales

	30 June 2017 $'000	30 June 2016 $'000
Mining	**188,273**	163,478
Processing	**71,306**	63,805
Site services	**18,171**	19,062
Employee benefit expenses	**92,940**	99,499
Depreciation	**25,153**	24,253
Amortisation	**120,066**	125,215
Government royalty expense	**20,434**	19,689
Change in inventories	**990**	(2,582)
	537,333	512,419

Depreciation/amortisation method

Items of property, plant and equipment and mine properties are depreciated/amortised over their useful lives. The Group uses the unit-of-production basis when depreciating/amortising mine specific assets which results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining life of mine which is referenced to the estimated economic reserve and resources of the property to which the assets relate. Each item's economic life, which is assessed annually has due regard to both its physical life limitations and to present assessments of economically recoverable reserves and resources of the mine property at which it is located.

Depreciation of non-mine specific property, plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

- Land and buildings 5 - 20 years
- Plant and equipment 2 - 20 years
- Motor Vehicles 4 - 10 years
- Office equipment 2 - 10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Royalties

Royalties under existing royalty regimes are payable on sales and are therefore recognised as the sale occurs.

(b) Corporate and technical services

	30 June 2017 $'000	30 June 2016 $'000
Administration	**16,232**	16,124
Depreciation	**302**	263
Employee benefit expenses	**13,918**	12,776
Share-based payments	**4,195**	3,101
	34,647	32,264

Accounting policy

Share-based compensation benefits are provided to employees via Option and Share Plans as discussed in note 19.

The fair value of shares and options granted under these Plans are recognised as a share based payments expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the shares or options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in assumptions about the number of shares and options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of shares and options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss with a corresponding adjustment to equity.

(c) Impairment of assets

	30 June 2017 $'000	30 June 2016 $'000
Exploration and evaluation assets (note 9(b))	**8,445**	4,375
Mine properties (note 9(c))	**4,923**	-
Available-for-sale financial assets	**355**	14
	13,723	4,389

(d) Finance costs

	30 June 2017 $'000	30 June 2016 $'000
Interest expense	**240**	1,173
Provisions: unwinding of discount	**1,790**	1,998
Finance charges	**648**	1,107
	2,678	4,278

Provision - unwinding of discount

The Group records the present value of the estimated cost of legal and constructive obligations to rehabilitate operating locations in the period in which the obligation is incurred. The unwinding of the effect of discounting the provision is recorded as a finance charge in profit or loss.

Total expenses	**588,381**	**553,350**

7. INCOME TAX EXPENSE

This note provides an analysis of the Group's income tax expense, shows what amounts are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax position.

(a) Income tax expense

	30 June 2017 $'000	30 June 2016 $'000
Current tax		
Current tax on profits for the year	**78,030**	57,542
Adjustments for current tax of prior periods	**(403)**	(27)
Total current tax	**77,627**	57,515
Deferred income tax		
Decrease (increase) in deferred tax assets (note 9(d))	**852**	(1,882)
(Decrease) increase in deferred tax liabilities (note 9(d))	**11,654**	10,748
Total deferred tax expense/(benefit)	**12,506**	8,866
Income tax expense	**90,133**	66,381
Income tax expense/(benefit) is attributable to:		
Profit from continuing operations	**79,607**	72,365
Loss from discontinued operations (note 13)	**10,526**	(5,984)
	90,133	66,381

(b) Accounting policy

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(c) Numerical reconciliation of income tax expense to prima facie tax payable

	30 June 2017 $'000	30 June 2016 $'000
Profit from continuing operations before income tax expense	**268,504**	237,693
Profit/(loss) from discontinuing operations before income tax expense	**36,940**	(19,946)
	305,444	217,746
Tax at the Australian tax rate of 30.0% (2016 - 30.0%)	**91,633**	65,324
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	**473**	754
Sundry items	**107**	3
Recognition of deferred tax assets not recoverable in prior periods	**(1,677)**	327
Adjustment for current tax of prior periods	**(403)**	(27)
Income tax expense	**90,133**	66,381

(d) Amounts recognised directly in equity

	Notes	30 June 2017 $'000	30 June 2016 $'000
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity:			
Deferred tax: available-for-sale financial assets	9(d)	**658**	331

8. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

This note provides information about the Group's financial instruments, including:

- an overview of all financial instruments held by the Group
- specific information about each type of financial instrument
- accounting policies
- information about determining the fair value of the instruments, including judgements and estimation uncertainty involved.

The Group holds the following financial instruments:

	Notes	Assets at FVOCI $'000	Assets at FVPL $'000	Financial assets at amortised cost $'000	Total $'000
Financial assets					
2017					
Cash and cash equivalents	8(c)	**-**	**-**	**403,060**	**403,060**
Trade and other receivables*	8(a)	**-**	**-**	**25,164**	**25,164**
Derivative financial instruments	11(a)	**-**	**4,921**	**-**	**4,921**
Available-for-sale financial assets	8(b)	**11,619**	**-**	**-**	**11,619**
		11,619	**4,921**	**428,224**	**444,764**
2016					
Cash and cash equivalents	8(c)	-	-	315,341	315,341
Trade and other receivables*	8(a)	-	-	9,933	9,933
Available-for-sale financial assets	8(b)	8,779	-	-	8,779
		8,779	-	325,274	334,053

* excluding prepayments

	Notes	Liabilities at amortised cost $'000	Total $'000
Financial liabilities			
2017			
Trade and other payables	8(d)	**105,465**	**105,465**
Borrowings	8(e)	**11,218**	**11,218**
		116,683	**116,683**
2016			
Trade and other payables	8(d)	78,045	78,045
Borrowings	8(e)	14,065	14,065
		92,110	92,110

The Group's exposure to various risks associated with the financial instruments is discussed in note 11. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

(a) Trade and other receivables

Accounting policy

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

	30 June 2017			30 June 2016		
	Current $'000	**Non-current $'000**	**Total $'000**	Current $'000	Non-current $'000	Total $'000
Trade receivables	**16,084**	**-**	**16,084**	2,768	-	2,768
Sundry debtors	**287**	**1,570**	**1,857**	2,166	-	2,166
Goods and services tax recoverable	**5,296**	**-**	**5,296**	3,468	-	3,468
Prepayments	**660**	**1,938**	**2,598**	589	2,187	2,776
Other receivables	**1,927**	**-**	**1,927**	1,530	-	1,530
	24,254	**3,508**	**27,762**	10,521	2,187	12,708

(i) Classification as trade and other receivables

If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are generally due for settlement within 30 days and therefore are all classified as current.

(ii) Fair value of trade and other receivables

As the majority of receivables are short term in nature, their carrying amount is assumed to be the same as their fair value.

(b) Available-for-sale financial assets

Accounting policy

Investments are designated as available-for-sale financial assets if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long-term. Financial assets that are not classified into any of the other categories (at FVTPL, loans and receivables or held-to-maturity investments) are included in the available-for-sale category. Refer to note 24 for further information on accounting policies for financial assets and note 8(f) in relation to fair value measurements.

Available-for-sale financial assets include the following classes of financial assets:

	30 June 2017 $'000	30 June 2016 $'000
Non-current assets		
Listed equity securities	**11,619**	8,779

(i) Classification of financial assets as available-for-sale

The financial assets are presented as non-current assets unless they mature or management intends to dispose of them within 12 months of the end of the reporting period.

(ii) Amounts recognised in profit or loss and other comprehensive income

During the year, the following gains were recognised in profit or loss and other comprehensive income.

	30 June 2017 $'000	30 June 2016 $'000
Gains recognised in other comprehensive income	**2,193**	1,104

(c) Cash and cash equivalents

Accounting policy

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	30 June 2017 $'000	30 June 2016 $'000
Cash at bank and in hand	**223,045**	214,041
Deposits at call	**180,015**	101,300
	403,060	315,341

(i) Reconciliation to the statement of cash flows

Reconciliation of profit after tax to net cash flow from operating activities:

	30 June 2017 $'000	30 June 2016 $'000
Profit for the year	**215,310**	151,365
Adjustment for		
Depreciation and amortisation	**145,519**	173,899
Non-cash employee benefits expense - share-based payments	**4,195**	3,101
Rehabilitation provision - unwinding of discount	**1,926**	2,221
Net (gain) loss on sale of non-current assets	**(353)**	635
Impairment of assets during the period	**13,723**	5,147
Fair value adjustment to derivatives	**25**	-
Share of profits of associates and joint venture	**(72)**	-
Gain on disposal of subsidiary	**(30,418)**	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	**(12,138)**	2,187
(Increase)/decrease in inventories	**3,996**	(3,785)
(Increase) in deferred tax assets	**814**	(1,882)
(Decrease)/increase in trade and other payables	**2,792**	(7,103)
(Decrease)/increase in current tax liability/asset	**4,915**	46,883
Increase in deferred tax liabilities	**11,963**	10,507
Increase in provisions	**(3,467)**	160
Net cash inflow from operating activities	**358,730**	383,335

(ii) Risk exposure

The Group's exposure to interest rate risk is discussed in note 11. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

(d) Trade and other payables

Accounting policy

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

	30 June 2017 $'000	30 June 2016 $'000
Trade payables	**50,417**	41,020
Accruals	**44,305**	28,247
Payroll tax and other statutory liabilities	**1,577**	4,807
Other payables	**9,166**	3,971
	105,465	78,045

The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

(e) Borrowings

Accounting policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised under plant and equipment at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

	30 June 2017			30 June 2016		
	Current $'000	**Non-current $'000**	**Total $'000**	Current $'000	Non-current $'000	Total $'000
Lease liabilities	**5,541**	**5,677**	**11,218**	9,070	4,871	13,941
Other loans	**-**	**-**	**-**	124	-	124
Total secured borrowings	**5,541**	**5,677**	**11,218**	9,194	4,871	14,065

(i) Secured liabilities and assets pledged as security

Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

(ii) Finance leases

The Group has entered into various loan agreements for the purchase of mobile equipment. The interest rates are fixed and payable over a period of up to 36 months from the inception of the lease.

	30 June 2017 $'000	30 June 2016 $'000
Commitments in relation to finance leases are payable as follows:		
Within one year	**5,918**	9,408
Later than one year but not later than five years	**5,981**	4,970
Minimum lease payments	**11,899**	14,378
Future finance charges	**(681)**	(437)
Total lease liabilities	**11,218**	13,941
Representing lease liabilities:		
Current	**5,541**	9,070
Non-current	**5,677**	4,871
	11,218	13,941

(iii) Fair value

For the majority of the borrowings, the fair values are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature. Refer above for differences as at year end.

(iv) Financing arrangements

At the end of the reporting period, the Group had an undrawn $100 million (2016: $100 million) revolving credit facility and a $5 million guarantee facility which was drawn down by $3.9 million (2016: $5 million drawn down by $3.5 million).

(f) Recognised fair value measurements

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Recurring fair value measurements At 30 June 2017 Financial assets	**Level 1 $'000**	**Level 2 $'000**	**Total $'000**
Financial assets			
Australian listed equity securities	**11,619**	**-**	**11,619**
Derivatives			
Derivative financial asset - warrants	**-**	**4,921**	**4,921**
Total financial assets	**11,619**	**4,921**	**16,540**

Recurring fair value measurements At 30 June 2016 Financial assets	**Level 1 $'000**	**Level 2 $'000**	**Total $'000**
Financial assets			
Australian listed equity securities	8,779	-	8,779
Total financial assets	8,779	-	8,779

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Valuation inputs include underlying spot prices, implied volatility, discount curves and time until expiration, expressed as a percent of a year.

9. NON-FINANCIAL ASSETS AND LIABILITIES

This note provides information about the Group's non-financial assets and liabilities, including:

- specific information about the following non-financial assets and non-financial liabilities
  - property, plant and equipment
  - exploration and evaluation assets
  - mine properties assets
  - tax balances
  - inventories
  - provisions
- accounting policies
- information about determining the fair value of the assets and liabilities, including judgements and estimation uncertainty involved.

(a) Property, plant and equipment

Accounting policy

Property, plant and equipment is carried at historical cost less accumulated depreciation and impairment losses. Refer to note 24 for further information on accounting policies associated with impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

	Land & buildings $'000	Plant & equipment $'000	Motor vehicles $'000	Office equipment $'000	Capital work in progress $'000	Total $'000
At 30 June 2016						
Cost or fair value	10,653	140,178	6,006	2,443	2,437	161,717
Accumulated depreciation	(5,795)	(68,584)	(4,278)	(1,285)	-	(79,942)
Net book amount	4,858	71,594	1,728	1,158	2,437	81,775
Year ended 30 June 2016						
Opening net book amount	7,643	82,440	1,685	909	9,886	102,563
Additions	-	-	-	-	25,450	25,450
Disposals	-	(673)	(18)	-	-	(691)
Transfers	977	26,159	1,324	773	(29,233)	-
Transfer to mine properties	-	-	-	-	(2,920)	(2,920)
Reclassification of property, plant and equipment	(44)	(57)	131	(30)	-	-
Assets included in a disposal group classified as held for sale and other disposals	(2,171)	(8,126)	(290)	(65)	(746)	(11,398)
Depreciation charge	(1,352)	(21,753)	(1,001)	(409)	-	(24,515)
Depreciation charge - discontinued operations	(195)	(6,396)	(103)	(20)	-	(6,714)
Closing net book amount	4,858	71,594	1,728	1,158	2,437	81,775

	Land & buildings $'000	Plant & equipment $'000	Motor vehicles $'000	Office equipment $'000	Capital work in progress [$'000	Total $'000
At 30 June 2017						
Cost or fair value	10,691	159,010	7,379	3,083	24,141	204,304
Accumulated depreciation	(6,962)	(85,804)	(4,874)	(1,813)	-	(99,453)
Net book amount	3,729	73,206	2,505	1,270	24,141	104,851
Year ended 30 June 2017						
Opening net book amount	4,858	71,594	1,728	1,158	2,437	81,775
Additions	-	-	-	-	50,202	50,202
Disposals	-	(168)	(25)	-	-	(193)
Transfers	35	24,553	1,731	640	(26,959)	-
Assets included in a disposal group classified as held for sale and other disposals	3	58	-	-	(1,539)	(1,478)
Depreciation charge	(1,167)	(22,831)	(929)	(528)	-	(25,455)
Closing net book amount	3,729	73,206	2,505	1,270	24,141	104,851

(i) Leased assets

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the lease property, or, if lower, the present value of the minimum lease payments.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Plant and equipment includes the following amounts where the Group is a lessee under a finance lease:

	30 June 2017 $'000	30 June 2016 $'000
Cost	**20,969**	32,082
Accumulation depreciation	**(7,091)**	(14,894)
Net book amount	**13,878**	17,188

(b) Exploration and evaluation assets

Accounting policy

Exploration and evaluation assets include the costs of acquiring licences, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditure is capitalised on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the statement of profit or loss and other comprehensive income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either, the expenditures are expected to be recouped through successful development and exploitation of the area of interest or activities in the area of interest have not at the reporting date; reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Once a development decision has been made all past exploration and evaluation expenditure in respect of an area of interest that has been capitalised is transferred to mine properties where it is amortised over the life of the area of interest to which it relates on a unit-of-production basis. No amortisation is charged during the exploration and evaluation phase.

The application of the above accounting policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves will be found. Any such estimates and assumptions may change as new information becomes available, which may require adjustments to the carrying value of assets. Capitalised exploration and evaluation expenditure is assessed for impairment when an indicator of impairment exists, and capitalised assets are written off where required.

	30 June 2017	30 June 2016
	$'000	$'000
Opening balance at 1 July	**98,420**	56,624
Expenditure for the period	**57,809**	50,632
Acquired as part of asset acquisition	**2,917**	20,056
Assets included in a disposal group classified as held for sale	**(560)**	(7,704)
Transfer to mine properties	**(12,503)**	(16,054)
Impairment (i)	**(8,445)**	(4,375)
Impairment - discontinued operations	**-**	(759)
Closing balance	**137,638**	98,420

(i) Impairment

At each reporting date the Group undertakes an assessment of the carrying amount of its exploration and evaluation assets. During the year the Group identified indicators of impairment on certain exploration and evaluation assets under AASB 6 Exploration for and Evaluation of Mineral Resources. As a result of this review, an impairment loss of $8.4 million (2016: $4.4 million) has been recognised in the statement of profit or loss and other comprehensive income in relation to areas of interest where no future exploration and evaluation activities are expected.

(c) Mine properties

Accounting policy

Mine properties includes aggregate expenditure in relation to mine construction, mine development, exploration and evaluation expenditure where a development decision has been made and acquired mineral interests.

Expenditure incurred in constructing a mine by, or on behalf of, the Group is accumulated separately for each area of interest in which economically recoverable reserves and resources have been identified. This expenditure includes direct costs of construction, drilling costs and removal of overburden to gain access to the ore, borrowing costs capitalised during construction and an appropriate allocation of attributable overheads.

Mine development represents expenditure in respect of exploration and evaluation, overburden removal based on underlying mining activities and related mining data and construction costs and development incurred by or on behalf of the Group previously accumulated and carried forward in relation to properties in which mining has now commenced. Such expenditure comprises direct costs and an appropriate allocation of directly related overhead expenditure.

All expenditure incurred prior to commencement of production from each development property is carried forward to the extent to which recoupment out of future revenue from the sale of production, or from the sale of the property, is reasonably assured. When further development expenditure is incurred in respect of a mine property after commencement of commercial production, such expenditure is carried forward as part of the cost of the mine property only when future economic benefits are reasonably assured, otherwise the expenditure is classified as part of the cost of production and expensed as incurred. Such capitalised development expenditure is added to the total carrying value of mine development being amortised.

Mine development costs (as transferred from exploration and evaluation and/or mines under construction) are amortised on a units-of-production basis over the life of mine to which they relate. In applying the units of production method, amortisation is calculated using the expected total contained ounces as determined by the life of mine plan specific to that mine property. For development expenditure undertaken during production, the amortisation rate is based on the ratio of total development expenditure (incurred and anticipated) over the expected total contained ounces as estimated by the relevant life of mine plan to achieve a consistent amortisation rate per ounce. The rate per ounce is typically updated annually as the life of mine plans are revised.

Mineral interests comprise identifiable exploration and evaluation assets, mineral resources and ore reserves, which are acquired as part of a business combination or joint venture acquisition and are recognised at fair value at the date of acquisition. Where possible, mineral interests are attributable to specific areas of interest and are classified within mine properties.

	30 June 2017 $'000	30 June 2016 $'000
Opening balance at 1 July	**131,953**	163,587
Expenditure for the period	**138,010**	111,934
Transfer from exploration and evaluation	**12,503**	16,054
Net transfer from property, plant and equipment	**-**	2,920
Assets included in a disposal group classified as held for sale	**-**	(19,872)
Impairment (i)	**(4,923)**	-
Amortisation	**(120,066)**	(125,215)
Amortisation - discontinued operations	**-**	(17,455)
Closing balance	**157,477**	131,953

(i) Impairment

At each reporting date, the Group assesses whether there is any indication that an asset, or group of assets is impaired. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any) which is the amount by which the assets carrying value exceeds its recoverable amount. Where the asset does not generate cash in-flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount is the higher of 'fair value less costs to sell' (FVLCS) and 'value in use'.

Where an impairment loss subsequently reverses for assets other than goodwill, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

Impairment testing requires assets to be grouped together into the smallest group that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units. The smallest group of assets that generates cash inflows for the Group is defined by the location of the gold processing facility that produces saleable material. Therefore, Jundee operations, Kalgoorlie operations and Paulsens operations represent individual CGUs of the Group.

A reduction in the mineral inventory outlook at Paulsens and the increased focus on resource exploration has led to a reduction in the life-of-mine (LOM) future production profile which represents an indicator of impairment. Consequently, the Group was required to assess the recoverable amount of the Paulsens CGU at 30 June 2017. No other CGUs presented indicators of impairment.

Impairment testing - methodology

The recoverable amount of the Paulsens CGU was determined using a FVLCS approach.

In assessing FVLCS of the Paulsens CGU an income approach was utilised which calculated the estimated future cash flows and discounted them to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The determination of FVLCS are considered to be Level 3 fair value measurements, as they are derived from valuation techniques that include inputs that are not based on observable market data. The Group considers the inputs and the valuation approach to be consistent with the approach taken by market participants.

Significant judgements and assumptions are required in making estimates for FVLCS calculations for the Groups mining assets such as reserves and production estimates, operating costs to produce reserves and future capital expenditure, together with economic factors such as the gold price, foreign currency exchange rates and discount rates. An adverse change in one or more of the assumptions used to estimate FVLCS could result in a reduction in a CGUs recoverable amount. Estimates of quantities of recoverable minerals, production levels, operating costs and capital requirements are sourced from planning process documents, including life of mine LOM plans, one-year approved budgets and/or mining plans that present the highest and best use of the mine operations based on current knowledge.

Significant assumptions used in the FVLCS calculation of the Paulsens CGU include:

- Gold price: US$1,242/oz
- Gold forward pricing: 2% per annum
- AUD:USD rate: 0.77
- Discount rate (post tax): 8.25%

The mine plan is based on current reserves and resources until cessation of mining activities. Operating and capital costs for FY2018 are consistent with historic actuals with all-in-sustaining-costs forecast to be between $1,300-$1,400 per ounce. A reduction in capital and operating costs are forecasted over FY2019 and FY2020 under the mine plan developed for FVLCS calculations.

Following the Group's impairment assessment, an impairment charge of $4.9 million to mine properties was recognised at the Paulsens CGU.

The FVLCS calculations are sensitive to the gold price assumption, gold production rates and operating costs and therefore an increase or decrease in these assumptions could materially change the Paulsens CGU recoverable amount. The following table outlines the impact of a 5% increase/decrease in A$ gold price, a 10% increase/decrease in gold production and 10% increase/decrease operating costs with all other factors remaining constant:

	Gold price		Production		Operating costs	
	(+5%)	(-5%)	(+10%)	(-10%)	(+10%)	(-10%)
Impairment charge/(reversal)($m)	(4.9)	6.3	(4.9)	6.4	8.2	(4.9)

(d) Tax balances

(i) Current tax asset/(liability)

	30 June 2017 $'000	30 June 2016 $'000
Opening balance at 1 July	**(35,896)**	10,987
Tax paid	**73,100**	10,873
Current tax	**(78,030)**	(57,542)
Adjustment for current tax on prior periods	**15**	(214)
Closing balance	**(40,811)**	(35,896)

(ii) Deferred tax assets

	30 June 2017 $'000	30 June 2016 $'000
The balance comprises temporary differences attributable to:		
Employee benefits	**6,357**	8,442
Provisions	**24,549**	31,031
Available-for-sale financial assets	**1,979**	302
Mine Properties	**5,937**	-
	38,822	39,775
Other		
Other	**1,768**	1,629
Total deferred tax assets	**40,590**	41,404
Set-off of deferred tax liabilities pursuant to set-off provisions	**(40,590)**	(41,404)
Net deferred tax assets	**-**	-

Movements	Employee benefits $'000	Provisions $'000	Investments $'000	Mine Properties $'000	Other $'000	Total $'000
At 1 July 2015	7,454	30,143	630	-	1,295	39,522
(Charged)/credited						
- to profit or loss	988	888	(328)	-	334	1,882
At 30 June 2016	8,442	31,031	302	-	1,629	41,404
(Charged)/credited						
- to profit or loss	(2,085)	(6,482)	1,677	5,937	101	(852)
adjustments to prior year	-	-	-	-	38	38
At 30 June 2017	6,357	24,549	1,979	5,937	1,768	40,590

(iii) Deferred tax liabilities

	30 June 2017 $'000	30 June 2016 $'000
The balance comprises temporary differences attributable to:		
Property, plant and equipment	**1,411**	1,554
Inventories	**4,023**	8,102
Exploration and evaluation	**40,405**	25,710
Mine properties	**41,167**	41,036
	87,006	76,402

Other	30 June 2017 $'000	30 June 2016 $'000
Available-for-sale financial assets	**2,229**	1,571
Accrued income	**230**	-
Deferred Consideration received from Plutonic Sale	**471**	-
Sub-total other	**2,930**	1,571
Total deferred tax liabilities	**89,936**	77,973
Set-off of deferred tax liabilities pursuant to set-off provisions	**(40,590)**	(41,404)
Net deferred tax liabilities	**49,346**	36,569

Offsetting within tax consolidated group

Northern Star Resources Limited and its wholly-owned Australian subsidiaries have applied the tax consolidation legislation which means that these entities are taxed as a single entity. As a consequence, the deferred tax assets and deferred tax liabilities of these entities have been offset in the consolidated financial statements.

Movements	Exploration and evaluation $'000	Mine properties $'000	Property, plant and equipment $'000	Inventories $'000	Other $'000	Total $'000
At 1 July 2015	16,867	37,972	1,918	9,139	1,239	67,135
Charged/(credited)						
- profit or loss	8,843	3,301	(360)	(1,037)	1	10,748
- adjustment to prior year	-	(237)	(4)	-	-	(241)
- to other comprehensive income	-	-	-	-	331	331
At 30 June 2016	25,710	41,036	1,554	8,102	1,571	77,973
Charged/(credited)						
- profit or loss	14,695	481	(143)	(4,079)	701	11,655
- adjustment to prior year	-	(350)	-	-	-	(350)
- to other comprehensive income	-	-	-	-	658	658
At 30 June 2017	40,405	41,167	1,411	4,023	2,930	89,936

Recovery of deferred taxes

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets, including those arising from unutilised tax losses (where applicable), require management to assess the likelihood that the Group will comply with the relevant tax legislation and will generate sufficient taxable earnings in future years in order to recognise and utilise those deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and existing tax laws in each jurisdiction. These assessments require the use of estimates and assumptions such as exchange rates, commodity prices and operating performance over the life of the assets. To the extent that cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the deferred tax assets reported at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future years.

(e) Inventories

Accounting policy

Gold bullion, gold in circuit and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realisable value. Cost represents the weighted average cost and includes direct purchase costs and an appropriate portion of fixed and variable production overhead expenditure, including depreciation and amortisation, incurred in converting materials into finished goods.

Materials and supplies are valued at the lower of cost and net realisable value. Any allowance for obsolescence is determined by reference to specific stock items identified. A regular and on-going review is undertaken to establish the extent of surplus items and an allowance is made for any potential loss on their disposal.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Ore stockpiles which are not expected to be processed in the 12 months after the reporting date are classified as non-current inventory. There is a reasonable expectation the processing of these stockpiles will have a future economic benefit to the Group and accordingly values these stockpiles at the lower of cost and net realisable value.

	30 June 2017 $'000	30 June 2016 $'000
Current assets		
Consumable stores	**13,409**	17,831
Ore stockpiles	**27,132**	29,524
Gold in circuit	**18,310**	12,631
	58,851	59,986

(i) Amounts recognised in profit or loss

Write-downs of inventories consumable to net realisable value amounted to $4.3 million (2016 - $3.7 million). These were recognised as an expense during the year ended 30 June 2017 and included in 'cost of sales' in profit or loss.

(f) Provisions

Accounting policy

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Refer to note 24 for further information on accounting policies associated with rehabilitation costs.

	30 June 2017			30 June 2016		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Employee entitlements	**20,595**	**1,247**	**21,842**	22,722	1,245	23,967
Rehabilitation	**-**	**78,630**	**78,630**	-	77,436	77,436
Other	**2,546**	**-**	**2,546**	4,192	-	4,192
	23,141	**79,877**	**103,018**	26,914	78,681	105,595

(i) Employee entitlements - leave obligations

The leave obligations cover the Group's liability for long service leave and annual leave.

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount of the annual leave provision of $12.5 million (2016 - $18.5 million) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. Based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not to be expected to be taken or paid within the next 12 months.

	30 June 2017 $'000	30 June 2016 $'000
Current leave obligations expected to be settled after 12 months	**3,000**	7,063

(ii) Information about individual provisions and significant estimates

Rehabilitation provision

The Group assesses its mine rehabilitation provision annually. Significant judgement is required in determining the provision for mine rehabilitation and closure as there are many factors that will affect the ultimate liability payable to rehabilitate the mine sites, including future disturbances caused by further development, changes in technology, changes in regulations, price increases, changes in timing of cash flows which are based on life of mine plans and changes in discount rates. When these factors change or become known in the future, such differences will impact the mine rehabilitation provision in the period in which the change becomes known.

Long service leave

The liability for long service leave and other long-term benefits is measured at the present value of the estimated future cash

The liability for long service leave and other long-term benefits is measured at the present value of the estimated future cash outflows to be made by the Group for those employees with greater than 5 years' service up to the reporting date. Long-term benefits not expected to be settled within 12 months are discounted using the rates attaching to high quality corporate bonds at the reporting date, which most closely match the terms of maturity of the related liability. In determining the liability for these long-term employee benefits, consideration has been given to expected future increases in wage and salary rates, the Group's experience with staff departures and periods of service. Related on-costs are also included in the liability.

(iii) Movements in provisions

Movements in each class of provision during the financial year, other than employee entitlements, are set out below:

2017	**Rehabilitation $'000**	**Other $'000**
Carrying amount at the start of the year	77,436	4,192
- additional provisions recognised	232	2,295
Amounts used during the year	(828)	(3,941)
- unwinding of discount	1,790	-
Carrying amount at end of year	78,630	2,546
2016		
Carrying amount at the start of the year	97,834	8,147
- additional provisions recognised	473	4,839
- liabilities attributable to assets held for sale	(23,054)	(181)
Amounts used during the year	(39)	(8,613)
- unwinding of discount	1,998	-
- unwinding of discount - discontinued operations	224	-
Carrying amount at end of year	77,436	4,192

10. EQUITY

Accounting policy

Ordinary shares are classified as equity. They entitle the holder to participate in dividends and have no par value.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(a) Share capital

	30 June 2017 Shares	30 June 2016 Shares	**30 June 2017 $'000**	30 June 2016 $'000
Ordinary shares				
Fully paid	**600,542,315**	600,396,469	**217,811**	214,950
Total share capital	**600,542,315**	600,396,469	**217,811**	214,950

(i) Movements in ordinary shares:

Details	**Number of shares**	**Total $'000**
Opening balance 1 July 2015	592,928,376	204,925
Employee Share Plan issues	187,180	955
Equity issue net of transaction costs	4,290,228	9,000
Performance Share Plan issues	2,810,953	-
Exercise of options	179,732	70
Balance 30 June 2016	600,396,469	214,950
Employee Share Plan issues	-	622
Performance Share Plan issues	-	2,161
Exercise of options	145,846	78
Balance 30 June 2017	**600,542,315**	**217,811**

Equity issue

On 31 July 2015, the Company issued 4,290,228 fully paid ordinary shares at an issue price of $2.0978 per share as part of the settlement with Tanami Gold to progressively acquire a 60% joint venture interest in the Central Tanami Project.

Option and Share Plan

Information relating to the Employee Option Plan, Employee Share Plan and LTI Incentive Plan including details of options issued, exercised and lapsed during the financial year, options outstanding at the end of the financial year and shares issued during the year, is set out in note 19.

RISK

This section of the notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.

11. FINANCIAL RISK MANAGEMENT

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

Risk	Exposure arising from	Measurement of risk	How the risk is managed
Market risk - foreign exchange	Future commercial transactions	Cash flow forecasting	Material expenses and revenues are denominated in Australian Dollars.
Market risk – interest rate	Borrowings at variable rates	Sensitivity analysis	Fixed interest rates over term of borrowings on plant and equipment
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Management of equity investments
Market risk - commodity price risk	Fluctuations in the prevailing market prices of gold	Sensitivity analysis	Gold forward contracts
Credit risk	Cash and cash equivalents and trade and other receivables	Aging analysis and credit ratings	Diversification of bank deposits and credit risk
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Management of availability of committed borrowing facilities and maturity

The Board has the overall responsibility for the establishment and oversight of the risk management framework. The Audit and Risk Management Committee is responsible for developing and monitoring risk management policies. The Committee reports regularly to the Board on its activities.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit and Risk Management Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(a) Derivatives

Where derivatives do not meet the hedging criteria, they are classified as 'held for trading' for accounting purposes.

On 23 February 2017, as part of Superior Gold Inc. successful listing on the TSX Venture Exchange, the Company received 14,429,521 warrants as part of the consideration for the sale of the Plutonic operations. The warrants had the following terms, exercisable at USD$1.52 on or before 23 February 2022.

In June 2017, 468,960 warrants were transferred by the Company to the transaction adviser as part of the fee consideration in relation to the Plutonic operations sale. Consequently, as at 30 June 2017 the Company held 13,960,561 warrants.

The assumptions used for the valuation of the warrants received are as follows:

Underlying security spot price	US$0.7702
Strike/exercise price	US$1.5166
Valuation date	30 June 2017
Grant date	23 February 2017
Expected volatility	60%
Expiry date	23 February 2022
Risk free interest rate	2.18%
Fair value of one warrant	US$0.2621
Rate of conversion AUD:USD	$0.7686
Fair value of one warrant (AUD)	$0.3411

A total of A$4.9 million has been included as a derivative financial asset as at 30 June 2017.

	30 June 2017 $'000	30 June 2016 $'000
Movements in derivative asset		
Fair value on issue date	4,946	-
Movements in fair value of warrants	(25)	-
Closing balance	**4,921**	-

(i) Classification of derivatives

Derivatives are classified as held for trading and accounted for at fair value through profit or loss unless they are designated as hedges. They are presented as current assets or liabilities if they are expected to be settled within 12 months after the end of the reporting period.

(ii) Fair value measurements

For information about the methods and assumptions used in determining the fair value of derivatives please refer to note 8(f).

(a) Market risk

(i) Foreign exchange risk

At reporting date the Group has minimal exposure to foreign currency risk. The Group's operations are all located within Australia and material expenses and revenues are denominated in Australian Dollars, the Company's functional currency.

(ii) Cash flow and fair value interest rate risk

At reporting date the Group has minimal exposure to interest rate risk. The majority of the Group's borrowings relate to the purchases of plant and equipment under finance lease arrangements which have fixed interest rates over their term and therefore not subject to interest rate risk as defined in AASB 7.

(iii) Price risk

Exposure

The Group is exposed to the risk of fluctuations in the prevailing market prices for the gold and silver currently produced from its operating mines.

The Group manages this risk through the use of gold forward contracts. These contracts are accounted for as sale contracts with revenue recognised once gold has been physically delivered into the contract. The physical gold delivery contracts are considered a contract to sell a non-financial item and therefore do not fall within the scope of AASB 139 Financial Instruments: Recognition and Measurement. As at reporting date the Group has contractual sale commitments of 365,500 ounces of gold at an average price of A$1,747 per ounce (2016: 297,193 ounces at A$1,737 per ounce).

The Group is also exposed to equity securities price risk arising from investments held by the Group and classified in the statement of financial position as available-for-sale financial assets and investments accounted for using the equity method.

All of the Group's equity investments are publicly traded on the Australian Stock Exchange or TSX Venture Exchange.

Sensitivity

The table below summarises the impact of increases/decreases of the gold price on the Group's post-tax profit for the year. The analysis is based on the assumption that the gold price had increased/decreased by AUD$100 per ounce (2016: increased/decreased by AUD$100 per ounce) with all other variables held constant.

Index	**Impact on post-tax profit**	
	2017	2016
	$'000	$'000
Gold price - increase A$100	**15,703**	19,047
Gold price - decrease A$100	**(15,703)**	(19,047)

(b) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group. Credit risk arises from cash and cash equivalents and credit exposures to gold sales counterparties and financial counterparties.

(i) Risk management

The Group has adopted the policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Cash is deposited only with institutions approved by the Board, typically with a current minimum credit rating of A (or equivalent) as determined by a reputable credit rating agency e.g. Standard & Poor's. Permitted instruments by which the Group hedges gold price risk are entered into with financial counterparties with a minimum credit of A (or equivalent). The Group has established limits on aggregate funds on term deposit or invested in money markets to be placed with a single financial counterparty and monitors credit and counterparty risk using credit default swaps. The Group sells the majority of its unhedged gold and silver to a single counterparty with settlement terms of no more than 2 days. The counterparty currently has an AA+ long term rating and AAA short term rating. The Group does not have any other significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics.

(ii) Credit quality

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	30 June 2017 $'000	30 June 2016 $'000
Trade receivables		
Counterparties with external credit rating		
AA	**14,100**	2,015
*Counterparties without external credit rating **		
Group 1	**1,984**	753
Total trade receivables	**16,084**	2,768
Cash at bank and short-term bank deposits		
AA	**403,060**	315,341

* Group 1 - counterparties with no defaults in the past

(iii) Impaired trade receivables

In determining the recoverability of trade and other receivables, the Group performs a risk analysis considering the type and age of the outstanding receivable and the creditworthiness of the counterparty. If appropriate, an impairment loss will be recognised in profit or loss. The Group does not have any impaired Trade and other receivables as at 30 June 2017 (2016: nil).

(c) Liquidity risk

The Group manages liquidity risk by monitoring immediate and forecasted cash requirements and ensures adequate cash reserves are maintained to pay debts as and when due.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. At the end of the reporting period the Group held deposits at call of $180.0 million (2016: $101.3 million) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit facilities.

Management monitors rolling forecasts of the Group's available cash reserve (comprising the undrawn borrowing facilities below and cash and cash equivalents) on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group. The Group's liquidity management policy involves seeking to maintain a minimum available cash of at least 30 days costs of goods sold plus net interest costs.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

	30 June 2017 $'000	30 June 2016 $'000
Floating rate		
- Expiring beyond one year (financing facility)	**100,000**	100,000
	100,000	100,000

The credit facilities may be drawn at any time.

(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities At 30 June 2017	Less than 6 months $'000	6-12 months $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount liabilities $'000
Trade and other payables	**105,465**	**-**	**-**	**-**	**-**	**105,465**	**105,465**
Finance lease liabilities	**3,398**	**2,521**	**3,258**	**2,722**	**-**	**11,899**	**11,218**
Total non-derivatives	**108,863**	**2,521**	**3,258**	**2,722**	**-**	**117,364**	**116,683**
At 30 June 2016							
Trade and other payables	78,045	-	-	-	-	78,045	78,045
Finance lease liabilities	5,034	4,374	4,023	947	-	14,378	13,941
Other loans	124	-	-	-	-	124	124
Total non-derivatives	83,203	4,374	4,023	947	-	92,547	92,110

The weighted average interest rate on finance lease liabilities was 5.92% (2016: 3.42%)

12. CAPITAL MANAGEMENT

(a) Risk management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for Shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital and maximise returns to Shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to Shareholders, return capital to Shareholders or issue new shares.

Total capital is equity, as shown in the statement of financial position. The Group is not subject to any externally imposed capital requirements.

(b) Dividends

(i) Ordinary shares

	30 June 2017 '000	30 June 2016 $'000
Final dividend for the year ended 30 June 2016 of 4 cents (2015: 3 cents) per fully paid share paid on 13 October 2016 (2015: 2 October 2015)	**24,022**	18,001
Special dividend of 3 cents per fully paid share paid on 2 November 2016 (2016: Nil)	**18,016**	-
	42,038	18,001
Interim dividend for the year ended 30 June 2017 of 3 cents (2016: 3 cents) per fully paid share paid on 6 April 2017 (2016: 5 April 2016)	**18,012**	18,013
	60,050	36,014

(ii) Dividends not recognised at the end of the reporting period

	30 June 2017 $'000	30 June 2016 $'000
In addition to the above dividends, since year end the Directors have recommended the payment of a final dividend of 6 cents per fully paid ordinary share (2016 - 4 cents), fully franked based on tax paid at 30%. The aggregate amount of the proposed dividend expected to be paid on 13 September 2017 out of retained earnings at 30 June 2017, but not recognised as a liability at year end, is:	**36,190**	24,016

(iii) Franking credits

At balance date the value of franking credits available (at 30%) was $73.7 million (2016: $26.3 million)

GROUP STRUCTURE

This section provides information which will help users understand how the Group structure affects the financial position and performance of the Group as a whole. In particular, there is information about:

- changes to the structure that occurred during the year as a result of business combinations and the disposal of a discontinued operation;
- interests in joint operations; and
- Interests in associates.

A list of significant subsidiaries is provided in note 14.

13. DISCONTINUED OPERATION

Accounting policy

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

(a) Description

On 17 February 2016 the Group announced its intention to sell the Plutonic gold mine and initiated an active process to locate a buyer and complete the sale. The Sale and Purchase Agreement in relation to the disposal of the Plutonic operations was executed on 15 August 2016 with the disposal completed with an effective date of 30 September 2016. Consequently the Plutonic operations is reported as a discontinued operation.

Financial information relation to the discontinued operation for the period to the date of disposal and the comparative period are set out below.

(b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the three months ended 30 September 2016 and year ended 30 June 2016.

	30 September 2016 $'000	30 June 2016 $'000
Revenue	33,812	101,629
Expenses	(27,291)	(121,575)
Profit/(loss) before income tax	6,521	(19,946)
Income tax (expense)/benefit	(1,956)	5,984
Profit/(loss) after income tax of discontinued operation	4,565	(13,962)
Gain on sale of the subsidiary after income tax (see (c) below)	21,848	-
Profit/(loss) from discontinued operation	26,413	(13,962)
Net cash inflow from operating activities	9,135	5,628
Net cash (outflow) from investing activities	(4,918)	(14,077)
Net cash (outflow) from financing activities	(975)	-
Net cash outflow from the disposal Group	3,242	(8,449)

(c) Details of the sale of the subsidiary

	30 June 2017 $'000	30 June 2016 $'000
Consideration received or receivable:		
Cash	18,089	-
Equity	28,559	-
Derivative financial assets (note 11(a))	4,946	-
Receivables	533	-
Fair value of contingent consideration	1,570	-
Total disposal consideration	53,697	-
Carrying amount of net assets sold	(23,279)	-
Gain on sale before income tax	30,418	-
Income tax expense on gain	(8,570)	-
Gain on sale after income tax	21,848	-

The consideration in respect of the sale of the Plutonic gold operations was disclosed to the Australian Securities Exchange on 1 August 2016. As previously disclosed, if the purchaser (Superior Gold Inc., parent entity of Billabong Gold Pty Ltd) of the Plutonic Gold operations listed on the Toronto Stock Exchange or TSX Venture Exchange, together referred to as 'TSX', six months after completion of the Sale and Purchase Agreement ('SPA'), it was required to issue shares to the Company to the value of A$25.0 million at the "Go Public" issue price or shares delivering 33% interest to the Company (whichever is greater). On the 23 February 2017, Superior Gold Inc. successfully listed on the TSX Venture Exchange. As apart of the successful listing and pricing of the initial public offering, the Company's equity investment in Superior Gold Inc. was valued at A$28.6 million. representing 33% interest to the Company. On the 28th February 2017, the Company reduced its interest in Superior Gold Inc. to 19.7% by selling 10 million ordinary shares. In June 2017, 512,780 shares were transferred by the Company to the transaction adviser as part of the fee consideration for the Plutonic operations sale. Consequently, as at 30 June 2017 the Company held 18,346,261 shares, representing 19.2% interest to the Company.

In addition, on completion of the listing process, the Company received one 5 year warrant for every two shares issued to the Company exercisable at a 100% premium of the IPO price. This equated to 14,429,521 warrants with a valuation of A$4.9 million. In June 2017, 468,960 warrants were transferred by the Company to the transaction adviser as part of the fee consideration in relation to the Plutonic operations sale. Consequently, as at 30 June 2017 the Company held 13,960,561 warrants.

A further element of consideration relates to a milestone payment capped at A$10.0 million where A$2.5 million is payable for each additional 250,000 ounces of NI 43-101 compliant indicated resources (or better) identified by Billabong Gold Pty Ltd on the Project tenements as at 23 February 2016 in excess of 1,694,000 ounces JORC 2012 measured, indicated or inferred Mineral Resources. As at 30 June 2017 the Company has recognised a receivable of A$1.6 million in respect of this contingent consideration element. The valuation and recoverable amount of this element of consideration will be assessed at each reporting date.

The carrying amounts of assets and liabilities as at the date of sale (30 September 2016) were:

	30 September 2016 $'000
Property, plant and equipment	12,875
Inventories	11,920
Exploration & evaluation assets	7,992
Mine properties	20,832
Total assets	53,619
Employee benefits obligations	(5,916)
Rehabilitation provision	(23,189)
Borrowings	(1,235)
Total liabilities	(30,340)
Net assets	23,279

14. INTERESTS IN OTHER ENTITIES

(a) Material Subsidiaries

The Group's principal subsidiaries at 30 June 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group 2017 %	2016 %
Northern Star Mining Services Pty Ltd	Australia	**100.0**	100.0
Northern Star (Kanowna) Pty Ltd	Australia	**100.0**	100.0
Kundana Gold Pty Ltd	Australia	**100.0**	100.0
Gilt-Edged Mining Pty Ltd	Australia	**100.0**	100.0
EKJV Management Pty Ltd	Australia	**100.0**	100.0
Kanowna Mines Pty Ltd	Australia	**100.0**	100.0
GKL Properties Pty Ltd	Australia	**100.0**	100.0
Northern Star (Tanami) Pty Ltd	Australia	**100.0**	100.0

All subsidiaries listed above have been granted relief from the necessity to prepare financial reports in accordance with Class Order 98/1418 issued by the Australian Securities and Investments Commission. For further information refer to note 22.

(b) Joint arrangements

Name of entity	Principal Activities	Ownership interest held 2017 %	2016 %
FMG JV	Exploration	**65.24**	64.43
Mt Clement JV	Exploration	**20.00**	20.00
East Kundana Production JV	Exploration & Development	**51.00**	51.00
Kanowna West JV	Exploration	**83.92**	75.42
Kalbara JV	Exploration	**62.97**	62.58
West Kundana JV	Exploration	**75.50**	75.50
Zebina JV	Exploration	**80.00**	80.00
Acra JV	Exploration	**20.00**	0.00
Robertson JV	Exploration	**40.00**	40.00
Cheroona JV	Exploration	**49.00**	49.00

The joint arrangements listed above are classified as joint operations and are not separate legal entities. They are contractual arrangements between participants for the sharing of costs and outputs and do not themselves generate revenue and profit. The joint operations are of the type where initially one party contributes tenements with the other party earning a specified percentage by funding exploration activities; thereafter the parties often share exploration and development costs and output in proportion to their ownership of joint venture assets. The joint operations are accounted for in accordance with the Group's accounting policy set out in note 24.

(c) Interests in associates and joint ventures

Set out below are the associates of the Group as at 30 June 2017 which, in the opinion of the Directors, are material to the Group. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business/country of incorporation	% of ownership interest 2017 %	% of ownership interest 2016 %	Nature of relationship	Measurement method	Quoted fair value 2017 %	Quoted fair value 2016 %	Carrying amount 2017 %	Carrying amount 2016 %
Superior Gold Inc.	Canada	**19.2**	-	Associate [1]	Equity method	**18,896**	-	**18,779**	-
Total equity accounted investments								**18,779**	-

[1] Superior Gold Inc. is a gold producer that operates the Plutonic gold mine in Western Australia. The Company completed the sale of the Plutonic gold operations with an effective date of 30 September 2016. Refer to note 13 for further details.

Although the Group holds less than 20% of the equity shares of Superior Gold Inc. and has less than 20% of the voting power at shareholder meetings, the Group exercises significant influence through the appointment of a Director on the board of the company.

(i) Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those joint ventures and associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not the Company's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	Superior Gold Inc.	
Summarised balance sheet	**30 June 2017 $'000**	30 June 2016 $'000
Current assets	**55,883**	-
Non-current assets	**72,637**	-
Current liabilities	**(20,091)**	-
Non-current liabilities	**(37,315)**	-
Net assets	**71,114**	-
Reconciliation to carrying amounts:		
Opening net assets 23 February 2017	**66,028**	-
Profit/(loss) for the period	**364**	-
Other comprehensive income	**226**	-
Closing net assets	**66,618**	-
Group's share in %	**19.2%**	-%
Group's share in $	**13,091**	-
Acquisition fair value adjustment	**5,688**	-
Carrying amount	**18,779**	-

Summarised statement of comprehensive income	**30 June 2017 $'000**	30 June 2016 $'000
Revenue	**43,592**	-
Profit from continuing operations	**364**	-
Profit for the period	**364**	-
Other comprehensive income	**226**	-
Total comprehensive income	**590**	-

UNRECOGNISED ITEMS

This section of the notes provides information about items that are not recognised in the financial statements as they do not (yet) satisfy the recognition criteria.

15. CONTINGENT LIABILITIES

(a) Contingent liabilities

The Group had contingent liabilities at 30 June 2017 in respect of:

On 31 July 2015, Northern Star Resources Limited, completed settlement with Tanami Gold NL ("TAM") to progressively acquire a 60% joint venture interest in the Central Tanami Project ("CTP").

As part of the acquisition, Northern Star has granted TAM two put options to sell the remaining 40% interest in the CTP following completion. The first put option will grant TAM the right to sell 15% of CTP for A$20 million in cash or Northern Star shares at TAM's election, at any time from completion up until three years after the completion of the initial acquisition. If commercial production is achieved more than three years after completion, TAM may exercise this option at any time up to 30 calendar days following achievement of Commercial Production. The second put option will grant TAM the right to sell 25% of CTP for A$32 million in cash or Northern Star shares at TAM's election at any time from completion up to six calendar months after the achievement of commercial production.

The total undiscounted amount of payments that the Group could be required to make to TAM upon the exercise of the two put options is A$52 million.

16. COMMITMENTS

(a) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	30 June 2017 $'000	30 June 2016 $'000
Property, plant and equipment	**27,242**	16,018

(b) Non-cancellable operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The Company leases its corporate office under an operating lease, expiring within three years. The lease commenced 11 June 2017, with the end date being 10 June 2020. Lease payments are typically escalated annually reflecting market conditions and inflation.

The Company has also entered into an operating lease for the operation and maintenance of a power station for the Jundee mine site. The lease term is 10 years.

	30 June 2017 $'000	30 June 2016 $'000
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	**4,648**	4,058
Later than one year but not later than five years	**16,029**	13,398
Later than five years	**14,235**	17,584
	34,912	35,040

Rental expense relating to operating leases

	30 June 2017 $'000	30 June 2016 $'000
Minimum lease payments	**3,306**	1,442

(c) Gold delivery commitments

	Gold for physical delivery (Ounces)	**Weighted average contracted sales price (A$)**	**Value of committed sales ($'000)**
Within one year	178,000	1,751	311,738
Later than one year but not later than five years	187,500	1,743	326,726

17. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Subsequent to the period ended 30 June 2017 the Company announced:

- a final fully franked dividend of 6 cents per share to Shareholders on the record date of 30 August 2017, payable on 13 September 2017.

OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

18. RELATED PARTY TRANSACTIONS

(a) Subsidiaries

Interests in subsidiaries are set out in note 14(a).

(b) Key Management Personnel compensation

	30 June 2017	30 June 2016
	$	$
Short-term employee benefits	**3,414,079**	3,241,869
Employee entitlements	**226,469**	214,474
Post-employment benefits	**184,761**	163,240
Share-based payments	**2,190,093**	916,939
	6,015,402	4,536,522

Detailed remuneration disclosures are provided in the remuneration report on pages 18 to 27.

(c) Transactions with other related parties

(i) Purchases from entities controlled by KMP

The Company has in place policies and procedures which govern transactions involving KMP or related parties. These policies and procedures restrict the involvement of the KMP or related party in the negotiation, awarding or direct management of the resultant contract.

The following transactions occurred with related parties:

John Fitzgerald is a Director, and:

- is a board member and has a beneficial interest in a shareholding in Optimum Capital Pty Ltd. No amount was paid to Optimum Capital Pty Ltd during the year (2016: $10,000).

Following a review of the relationship between Mr Beament and Australian Underground Drilling Pty Ltd and Premium Mining Personnel Pty Ltd it has been concluded that he does not have significant influence over these entities. Consequently Australian Underground Drilling Pty Ltd and Premium Mining Personnel Pty Ltd are not considered related parties of the Company during the current year. The disclosure below pertains to the prior year.

Bill Beament is a Director:

- has a beneficial minority interest in a shareholding of Australian Underground Drilling Pty Ltd. During FY2016, $14,940,849 was paid to this business for drilling services at normal commercial rates; and
- has a beneficial minority interest in a shareholding in Premium Mining Personnel Pty Ltd. During FY2016, $4,488,261 was paid to this business for supplying specialist mining labour at commercial rates.

Shirley Int'Veld is a Director; and:

- is a board member of CSIRO. During the year, a revenue amount of $96,492 was paid to this business for consulting services provided at normal commercial rates (2016: Nil).

(d) Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	30 June 2017	30 June 2016
	$	$
Current payables (purchases of goods and services)		
Related entities of KMP	**2,602,599**	2,072,390

19. SHARE-BASED PAYMENTS

(a) Employee Option Plan

Set out below are summaries of options granted under the Employee Option Plan:

	2017 Average exercise price per share option	2017 Number of options	2016 Average exercise price per share option	2016 Number of options
As at 1 July	**1.88**	**3,495,147**	1.17	2,956,815
Granted during the year	**-**	**-**	2.18	1,319,279
Exercised during the year	**1.56**	**(204,342)**	1.05	(250,000)
Lapsed during the year	**1.59**	**(617,167)**	1.73	(530,947)
As at 30 June	**1.58**	**2,673,638**	1.88	3,495,147

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Share options 30 June 2017	Share options 30 June 2016
19 November 2014	Expiring 31 July 2017	1.28	1,791,241	2,338,132
9 July 2015	Expiring 31 July 2018	2.18	882,397	1,157,015
Total			2,673,638	3,495,147

(b) Employee Share Plan

Under the Employee Share Plan, eligible employees may be granted up to $1,000 of fully paid ordinary shares in the Company annually for no cash consideration. The number of shares issued to participants in the scheme is the offer amount divided by the weighted average price at which the Company's shares are traded on the ASX during the week up to and including the date of grant. The fair value of shares issued during the year was $4.74 (2016: $5.09) per share.

	2017	2016
Number of shares issued under the plan to participating employees on 26 June 2017 (2016: 29 June)	**131,250**	187,180

(c) Performance Share Plan

On 9 July 2015, 2,810,953 FY2016 performance shares were issued to KMP and other personnel of the Company at an issue price of $2.1818. Corresponding non-recourse loans totalling $6,132,937 were entered into with the KMP and other personnel in accordance with Company's LTI Share Plan as part of their remuneration. During FY2017, 151,363 FY16 performance shares were forgiven in accordance with the Performance Share Plan and transferred to the Employee Share Trust for subsequent allocation by the Company, reducing total FY2016 performance shares on issue to 2,659,590. As at 30 June 2017, FY2016 non-recourse loans had reduced to $5,492,661.

The loans offered are limited recourse and are secured against the performance shares held by the relevant participants. The Board may, at its discretion, agree to forgive a loan offered to a participant.

No performance shares were issued in FY2017

Total performance shares on issue at 30 June 2017 is 9,409,586 (2016: 11,815,929), with a corresponding total non-recourse loan value of $12,066,557 (2016: $14,533,048).

(d) Performance Rights Plan

On 29 November 2016, 3,000,000 Category A performance rights were approved by Shareholders to be issued to the Executive Chairman of the Company. On 21 December 2016, 9,065,000 Category A (inclusive of the three million to be issued to the Executive Chairman) and 444,500 Category B performance rights were issued to KMP and other senior management of the Company.

On 7 March 2017, 300,000 Category A performance rights lapsed and 15,500 Category B performance rights were modified. A further 250,000 Category A and 14,500 Category B performance rights were issued on the same date.

On 30 June 2017, 12,400 Category B performance rights lapsed and 13,950 were modified. A further 145,000 Category A performance rights were issued on the same date. The same model inputs as the Category A performance rights issued on 7 March 2017 were used when assessing the fair value of the performance rights issued on 30 June 2017.

The Company may issue performance rights to one or more eligible employee under the Long Term Incentive Plan. A performance right is a conditional right which, upon the satisfaction or waiver of the relevant vesting conditions, and, if required by the Company the exercise of that right, entitles its holder to received one share.

The assessed fair value at the respective grant dates of the performance rights granted during the year ended 30 June 2017 was as follows:

	29 Nov 2016	21 Dec 2016	7 Mar 2017
Fair Value	$1.548	$1.151	$1.887

The fair value at grant date is independently determined using a Monte Carlo simulation model (market based vesting conditions) and a Black Scholes Model (non market vesting conditions) that takes into account the term of the performance rights, the impact of dilution (where material), the share price at grant date and expected volatility of the underlying share, the expected dividend yield, the risk-free rate for the term of the performance right and the correlations and volatilities of the peer group companies.

The model inputs for performance rights granted during the year ended 30 June 2017 included:

	29 Nov 2016	21 Dec 2016	7 March 2017
(a) exercise price	Nil	Nil	Nil
(b) grant date	29-Nov-16	21-Dec-16	7-Mar-17
(c) expiry date	21-Dec-22	21-Dec-22	21-Dec-22
(d) share price at grant date	$3.60	$3.15	$3.96
(e) expected volatility of the Company's shares	25%	25%	25%
(f) expected dividend yield	1.94%	2.22%	1.77%
(g) risk-free interest rate	1.91%	2.03%	2.00%

The expected volatility is based on the historic volatility (based on the remaining life of the performance rights).

Total performance rights on issue at 30 June 2017 is 9,577,150 (2016: Nil).

Total share based payments expense for the year ended 30 June 2017 was $4.2 million (2016: $3.1 million).

20. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

(a) Deloitte Touche Tohmatsu

(i) Audit and other assurance services

	2017 $	2016 $
Audit and other assurance services		
Audit and review of financial statements	**270,222**	226,002
Other assurance services		
Due diligence services	**-**	21,000
Total remuneration for audit and other assurance services	**270,222**	247,002

(ii) Taxation services

	2017 $	2016 $
Taxation services		
Tax consulting services	**-**	55,650
Total remuneration for taxation services	**-**	55,560

(iii) Other services

	2017 $	2016 $
Total remuneration for other services	**-**	-
Total remuneration of Deloitte Touche Tohmatsu	**270,222**	302,652
Total auditors' remuneration	**270,222**	302,652

It is the Group's policy to employ Deloitte Touche Tohmatsu on assignments additional to their statutory audit duties where Deloitte Touche Tohmatsu expertise and experience with the Group are important. These assignments are principally tax advice and due diligence reporting on acquisitions, or where Deloitte Touche Tohmatsu is awarded assignments on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

21. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average numbers of ordinary shares outstanding during the financial year, excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(a) Basic earnings per share

	30 June 2017 Cents	30 June 2016 Cents
From continuing operations attributable to the ordinary equity holders of the company	**31.5**	27.6
From discontinued operation	**4.4**	(2.4)
Total basic earnings per share attributable to the ordinary equity holders of the Company	**35.9**	25.2

(b) Diluted earnings per share

	30 June 2017 Cents	30 June 2016 Cents
From continuing operations attributable to the ordinary equity holders of the company	**30.8**	27.4
From discontinued operation	**4.3**	(2.3)
Total diluted earnings per share attributable to the ordinary equity holders of the Company	**35.1**	25.1

(c) Reconciliation of earnings used in calculating earnings per share

	30 June 2017 $'000	30 June 2016 $'000
Basic earnings per share		
Profit/(loss) attributable to the ordinary equity holders of the Company used in calculating basic earnings per share:		
From continuing operations	**188,897**	165,327
From discontinued operation	**26,413**	(13,962)
	215,310	151,365
Diluted earnings per share		
Profit from continuing operations attributable to the ordinary equity holders of the Company		
Used in calculating basic earnings per share	**188,897**	165,327
Loss from discontinued operation	**26,413**	(13,962)
Profit attributable to the ordinary equity holders of the company used in calculating diluted earnings per share	**215,310**	151,365

(d) Weighted average number of shares used as the denominator

	2017 Number	2016 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	**600,533,924**	599,659,912
Adjustments for calculation of diluted earnings per share:		
Options	**2,673,638**	3,495,147
Performance rights	**9,577,150**	-
Weighted average number of ordinary and potential ordinary shares used as the denominator in calculating diluted earnings per share	**612,784,712**	603,155,059

22. DEED OF CROSS GUARANTEE

Northern Star Resources Limited and the following entities are parties to a deed of cross guarantee under which each company guarantees the debts of the others:

Closed Group:

- Northern Star Mining Services Pty Ltd;
- Northern Star (Kanowna) Pty Ltd;
- Kanowna Mines Pty Ltd;
- Gilt-Edged Mining Pty Ltd; and
- Northern Star (Tanami) Pty Ltd.

Extended Closed Group:

- GKL Properties Pty Ltd;
- Kundana Gold Pty Ltd; and
- EKJV Management Pty Ltd.

By entering into a deed, the wholly-owned entities have been relieved from the requirement to prepare a financial report and directors' report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

The above companies represent an 'extended closed group' for the purposes of the Class Order, which represent the entities who are parties to the deed of cross guarantee and which are controlled by Northern Star Resources Limited.

The consolidated statement of profit or loss and other comprehensive income and statement of financial position for the closed Group is materially consistent with those of the consolidated entity.

23. PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

	30 June 2017 $'000	30 June 2016 $'000
Balance sheet		
Current assets	**432,932**	322,211
Non-current assets	**261,541**	269,537
Total assets	**694,472**	591,748
Current liabilities	**(97,735)**	(104,588)
Non-current liabilities	**(390,548)**	(294,452)
Total liabilities	**(488,283)**	(399,040)
Shareholders' equity		
Issued capital	**217,811**	214,950
Reserves		
Available-for-sale financial assets	**5,201**	3,952
Share-based payments	**7,778**	4,294
Retained earnings	**(24,601)**	(30,488)
	206,189	192,708
Profit for the year	**65,605**	13,098
Total comprehensive income	**67,186**	13,872

(b) Guarantees entered into by the parent entity

Refer to note 22 for details of guarantees entered into by the parent entity in relation to the debts of its subsidiaries.

(c) Contingent liabilities of the parent entity

Refer to note 15 for details of contingent liabilities relating to the parent entity as at 30 June 2017 or 30 June 2016. For information about guarantees given by the parent entity, please see above.

(d) Contractual commitments for the acquisition of property, plant or equipment

Refer to note 16 for commitments of the Group for the acquisition of property, plant and equipment as at 30 June 2017 or 30 June 2016.

(e) Determining the parent entity financial information

The financial information for the parent entity, Northern Star Resources Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of Northern Star Resources Limited.

(ii) Tax consolidation legislation

Northern Star Resources Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation.

The head entity, Northern Star Resources Limited, and the controlled entities in the tax consolidated Group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated Group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, Northern Star Resources Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated Group.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate Northern Star Resources Limited for any current tax payable assumed and are compensated by Northern Star Resources Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Northern Star Resources Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities

24. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of all significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Northern Star Resources Limited and its subsidiaries.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Northern Star Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group complies with international financial reporting standards (IFRS).

(ii) Historical cost convention

These financial statements have been prepared under the historical cost basis, except for the following:

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments); and
- assets held for sale - measured at the lower of cost and fair value less cost of disposal.

(iii) New and amended standards adopted by the Group

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact of the accounting policies of the Group from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

(iv) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below.

Title of standard	Nature of change	Impact	Mandatory application date/ Date of adoption by Group
AASB 9 *Financial Instruments*	AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.	While the Group has yet to undertake a detailed assessment of the classification and measurement of financial assets, debt instruments currently classified as available-for-sale (AFS) financial assets would appear to satisfy the conditions for classification as at fair value through other comprehensive income (FVOCI) and hence there will be no change to the accounting for these assets. The other financial assets in held by the Group include: ▪ equity instruments currently classified as AFS for which a FVOCI election is available; and ▪ equity investments currently measured at fair	Must be applied for financial years commencing on or after 1 January 2018. Based on the transitional provisions in the completed AASB 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety. Expected date of adoption by the Group: 1 July 2018

Title of standard	Nature of change	Impact	Mandatory application date/ Date of adoption by Group
		value through profit or loss (FVPL) which would likely continue to be measured on the same basis under AASB 9. Accordingly, the Group does not expect the new guidance to have a significant impact on the classification and measurement of its financial assets. There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed. The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as is the case under AASB 139. It applies to financial assets classified at amortised cost, debt instruments measured at FVOCI, contract assets under AASB 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts. While the Group has not yet undertaken a detailed assessment of how its impairment provisions would be affected by the new model, it may result in an earlier recognition of credit losses. The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.	
AASB 15 *Revenue from Contracts with Customers*	The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers revenue arising from the sale of goods and the rendering of services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.	Management is currently assessing the effects of applying the new standard on the Group's financial statements At this stage, the Group is not able to estimate the effect of the new rules on the Group's financial statements. The Group will make more detailed assessments of the effect over the next twelve months.	Mandatory for financial years commencing on or after 1 January 2018, but available for early adoption. Expected date of adoption by the Group: 1 July 2018.
AASB 16 *Leases*	AASB 16 was issued in February 2016. It will result in almost all leases being recognized on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognized. The exceptions are short-term and low-value leases.	The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of $34,912,054, see note 15. However, the Group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit and classification of cash flows. Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under AASB 16.	Mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(b) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated.

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Northern Star Resources Limited ('Company' or 'parent entity') as at 30 June 2017 and the results of all subsidiaries for the year then ended. Northern Star Resources Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

(ii) Joint arrangements

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Northern Star Resources Limited has only joint operations. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control

Joint operations

Northern Star Resources Limited Limited recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. Details of the joint operation are set out in note 14(b).

(iii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Northern Star Resources Limited.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars ($), which is Northern Star Resources Limited's functional and presentation currency

(d) Impairment of assets

At each reporting date, the Group reviews the carrying amounts of its tangible and other intangible assets to determine whether there is any indication that those assets might be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any) which is the amount by which the assets carrying value exceeds its recoverable amount. Where the asset does not generate cash in-flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell (FVLCS) and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

Where an impairment loss subsequently reverses for assets other than goodwill, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

Estimates of quantities of recoverable minerals, production levels, operating costs and capital requirements are sourced from out planning process, including the LOM plans, five-year plans, one-year budgets and CGU-specific studies.

The determination of FVLCS for each CGU are considered to be Level 3 fair value measurements in both years, as they are derived from valuation techniques that include inputs that are not based on observable market data. The Group considers the inputs and the valuation approach to be consistent with the approach taken by market participants.

(e) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss;
- loans and receivables;
- held-to-maturity investments; and
- available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period. See note 8 for details about each type of financial asset.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months, otherwise they are classified as non-current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables and receivables in the Statement of Financial Position.

Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long-term.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:

- for 'financial assets at fair value through profit or loss' - in profit or loss within other income or other expenses;
- for available for sale financial assets that are monetary securities denominated in a foreign currency - translation differences related to changes in the amortised cost of the security are recognised in profit or loss and other changes in the carrying amount are recognised in other comprehensive income; and
- for other monetary and non-monetary securities classified as available for sale - in other comprehensive income.

Dividends on financial assets at fair value through profit or loss and available-for-sale equity instruments are recognised in profit or loss as part of revenue from continuing operations when the Group's right to receive payments is established.

Interest income from financial assets at fair value through profit or loss is included in the net gains/(losses). Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of revenue from continuing operations.

(iii) Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(f) Provision for rehabilitation

Rehabilitation costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with the requirements of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology.

Rehabilitation costs are recognised in full at present value as a non-current liability. An equivalent amount is capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to its present location. The capitalised cost is amortised over the life of the project and the provision is accreted periodically as the discounting of the liability unwinds. The unwinding of the discount is recorded as a finance cost.

Any changes in the estimates for the costs or other assumptions against the cost of relevant assets are accounted for on a prospective basis. In determining the costs of site restoration there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation.

(g) Rounding of amounts

The Company is of a kind referred to ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

DIRECTORS' DECLARATION

In the Directors' opinion:

1. (a) the financial statements and notes set out on pages 29 to 69 are in accordance with the Corporations Act *2001*, including:

   i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

   ii. giving a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

   (c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 22 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 22.

Note 24(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of Directors.

Bill Beament

BILL BEAMENT
Executive Chairman

Perth, Western Australia
21 August 2017

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Independent Auditor's Report to the members of Northern Star Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Northern Star Resources Limited (the Company) and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Deloitte.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Accounting for mine properties As at 30 June 2017 the carrying value of mine properties amounts to $157.5 million as disclosed in Note 9 (c). During the year the group incurred $138.0 million of capital expenditure related to mine properties and recognised related amortisation expenses of $120.1 million. The accounting for underground mining operations includes a number of significant estimates and judgements, including: • the allocation of mining costs between operating and capital expenditure; and • determination of the units of production used to amortise mine properties. A key driver of the allocation of costs between operating and capital expenditure is the physical mining data associated with the different underground mining activities including the development of declines, lateral and vertical development, as well as capital non-sustaining costs.	In respect of the allocation of mining costs our procedures included, but were not limited to: • obtaining an understanding of the key controls management has in place in relation to the capitalisation of underground mining expenditure and the production of physical underground mining data; • testing the mining costs through agreeing to source data on a sample basis and analytical procedures; • assessing the appropriateness of the allocation of costs between operating and capital expenditure based on the nature of the underlying activity, and recalculating the allocation based on the underlying physical data; and • testing on a sample basis the underlying capitalisation models for mathematical accuracy. In respect of the group's unit of production amortisation calculations our procedures included but were not limited to: • obtaining an understanding of the key controls management has in place in relation to the calculation of the unit of production amortisation rate; • testing the mathematical accuracy of the rates applied; and • agreeing the inputs to source documentation, including: - the allocation of contained ounces to the specific mine properties; - the contained ounces to the applicable reserves statement; and - the anticipated development expenditure to life of mine models, which were assessed for reasonableness compared to historical development expenditure for the respective operations. We also assessed the appropriateness of the related disclosures included in Note 9 (c) to the financial statements.

Deloitte.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Carrying value of Paulsens operations As disclosed in note 9 (c), an impairment trigger existed with respect to the Paulsens operations. Consequently, the recoverable value of these operations was assessed using a life of mine discounted cash flow model. The assessment of the recoverable value requires management to exercise significant judgement, including the application of assumptions related to: • forecast production quantities; • gold prices; • foreign currency exchange rates; • operating and capital expenditure; and • the discount rate.	Our procedures, performed in conjunction with our valuation experts, included but were not limited to: • assessing key macroeconomic and corporate tax assumptions with reference to external evidence. These assumptions comprise gold price, exchange rates, and corporate tax rates; • assessing management's underlying mine plan including forecast operating and capital expenditures for reasonableness compared to historical actual expenditures; • assessing the competence and independence of management's external experts; • obtaining assessments from external experts as to the reasonableness of management's underlying mine plan, and related key assumptions; • comparing ore to be mined and processed in the mine plan to the Mineral Resources and Ore Reserves Statements prepared by the Company in accordance with Joint Ore Reserves Committee (JORC) requirements; and • performing sensitivity analysis of the recoverable value to changes in the key assumptions. We also assessed the appropriateness of the related disclosures included in Note 9 (c) to the financial statements.
Rehabilitation provision As at 30 June 2017 a rehabilitation provision of $78.6 million has been recognised as disclosed in Note 9 (f). Significant judgement is exercised in the determination of the rehabilitation provision, which involves assumptions relating to the manner in which rehabilitation will be undertaken, scope and quantum of costs, and the timing of the rehabilitation activities.	Our procedures included, but were not limited to: • evaluating and testing the key controls management has in place to estimate the rehabilitation provision; • agreeing rehabilitation cost estimates to underlying support, including reports from external experts; • assessing the independence, competence and objectivity of experts used by management; • confirming the closure and related rehabilitation dates are consistent with the latest estimates of life of mines; • comparing the inflation and discount rates to available market information; and • testing the mathematical accuracy of the rehabilitation provision. We also assessed the appropriateness of the related disclosures included in Note 9 (f) to the financial statements.

Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Deloitte.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 18 to 27 of the Directors' Report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Northern Star Resources Limited, for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

David Newman
Partner
Chartered Accountants
Perth, 21 August 2017

The following additional information required by the ASX Listing Rules is current as at 16 August 2017

EQUITY SECURITIES HOLDER INFORMATION

Ordinary Shares

603,171,969 quoted fully paid ordinary shares (NST). All ordinary shares carry one vote per share.

Distribution of Fully Paid Ordinary Shares	No of Holders	No of Shares	% of Issued Capital
1 - 1,000	4,615	2,397,060	0.40
1,001 - 5,000	5,646	15,071,364	2.50
5,001 - 10,000	1,599	12,405,237	2.06
10,001 - 100,000	1,872	52,557,481	8.71
100,000+	206	520,740,827	86.33
Total Holders	**13,938**	**603,171,969**	**100.00**

418 Shareholders held less than a marketable parcel (<$500) of ordinary fully paid shares.

Twenty Largest Holders of Ordinary Fully Paid Shares		No of Shares	% Issued Capital
1.	HSBC Custody Nominees (Australia) Limited	288,031,570	47.75
2.	J P Morgan Nominees Australia Limited	66,420,553	11.01
3.	Citicorp Nominees Pty Limited	51,846,886	8.60
4.	National Nominees Limited	14,938,340	2.48
5.	BNP Paribas Nominees Pty Ltd <Agency Lending DRP A/C>	11,947,931	1.98
6.	Mr William James Beament <The Beament Family A/C>	7,637,709	1.27
7.	BNP Paribas Noms Pty Ltd <DRP>	5,411,012	0.90
8.	National Nominees Limited <DB A/C>	3,311,253	0.55
9.	William James Beament	2,952,003	0.49
10.	HSBC Custody Nominees (Australia) Ltd <NT-Comnwlth Super A/C>	2,520,811	0.42
11.	Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	2,117,676	0.35
12.	Mr Hendrius Petrus Indrisie	2,011,628	0.33
13.	Wyllie Group Pty Ltd	2,000,000	0.33
14.	Mr Christopher Kenneth George Rowe	1,500,000	0.25
15.	RBC Investor Services Australia Nominees Pty Limited <BKMINI A/C>	1,319,511	0.22
16.	Stuart Peter Tonkin	1,302,655	0.22
17.	Mr John Gerard Farrell	1,264,628	0.21
18.	AMP Life Limited	1,234,901	0.20
19.	Shaun Gregory Day	1,042,916	0.17
20.	Leejames Nominess Pty Ltd	1,000,000	0.17
TOTAL		**469,811,983**	**77.89**

Options

882,397 unlisted options with below exercise price and expiry date. Options do not carry a right to vote. Voting rights will be attached to the unissued shares when the options have been exercised.

Expiry Date	No of Options	Exercise Price	No of Holders	Holding >20%
31/7/2018	882,397	$2.1818	23	Issued under employee incentive scheme

Performance Rights

9,577,150 performance rights with below expiry dates. Performance rights do not carry a right to vote. Voting rights will be attached to the unissued shares when the performance rights have been exercised.

Expiry Date	No of Rights	Exercise Price	No of Holders	Holding >20%
21/12/2022	9,160,000	-	20	Issued under employee incentive scheme
21/12/2022	417,150	-	29	Issued under employee incentive scheme

Substantial Shareholders

The substantial Shareholders as disclosed in the substantial shareholding notices received by the Company are:

Name	No of Shares	Holding
BlackRock Group	101,282,142	16.79%
Van Eck Associates Corporation	65,024,151	10.78%

Restricted Securities

The following securities are held in escrow:

Ordinary Shares: 12,383,186
Unlisted Options: 882,397
Performance Rights: 9,577,150

On-Market Buy-Back

Currently there is no on-market buy-back of the Company's securities.

Tenement	Interest	Project and Location	NST Status
E27/278	20%	Acra - Kalgoorlie	Holder & Earning-In
E27/438	20%	Acra - Kalgoorlie	Holder & Earning-In
E27/491	20%	Acra - Kalgoorlie	Holder & Earning-In
E27/520	20%	Acra - Kalgoorlie	Holder & Earning-In
E27/548	20%	Acra - Kalgoorlie	Holder & Earning-In
E27/579	20%	Acra - Kalgoorlie	Holder & Earning-In
E28/1746	20%	Acra - Kalgoorlie	Holder & Earning-In
E28/2483	20%	Acra - Kalgoorlie	Holder & Earning-In
E08/2472	100%	Ashburton - Ashburton	Holder
E08/2474	100%	Ashburton - Ashburton	Holder
E08/2475	100%	Ashburton - Ashburton	Holder
E08/2499	100%	Ashburton - Ashburton	Holder
E08/2659	100%	Ashburton - Ashburton	Holder
E08/2701	100%	Ashburton - Ashburton	Holder
E08/2749	100%	Ashburton - Ashburton	Holder
E08/2760	100%	Ashburton - Ashburton	Holder
E47/3305	100%	Ashburton - Ashburton	Holder
L08/103	100%	Ashburton - Ashburton	Holder
P08/653	100%	Ashburton - Ashburton	Holder
EL24177	100%	Boulder Ridge - Tanami	Holder
EL25171	100%	Boulder Ridge - Tanami	Holder
EL27590	100%	Boulder Ridge - Tanami	Holder
EL29595	100%	Boulder Ridge - Tanami	Holder
EL24174	100%	Browns Range - Tanami	Holder
EL24193	100%	Browns Range - Tanami	Holder
EL26270	100%	Browns Range - Tanami	Holder
EL26286	100%	Browns Range - Tanami	Holder
EL26498	100%	Browns Range - Tanami	Holder
EL26541	100%	Browns Range - Tanami	Holder
EL26635	100%	Browns Range - Tanami	Holder
EL29592	100%	Browns Range - Tanami	Holder
L16/57	100%	Carbine Zuleika - Kalgoorlie	Holder
L16/75	100%	Carbine Zuleika - Kalgoorlie	Holder
M16/188	100%	Carbine Zuleika - Kalgoorlie	Holder
M16/239	100%	Carbine Zuleika - Kalgoorlie	Holder
M16/27	100%	Carbine Zuleika - Kalgoorlie	Holder
M16/411	100%	Carbine Zuleika - Kalgoorlie	Holder
M16/548 (A)	100%	Carbine Zuleika - Kalgoorlie	Holder
P16/2508	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4602	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4629	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4630	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4688	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4760	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4761	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4762	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4763	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4807	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4814	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4815	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4889	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4890	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4891	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4894	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4895	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4898	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4899	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4907	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4964 (A)	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/4965 (A)	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/5022	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/5121	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/5122	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/5123	100%	Carbine Zuleika - Kalgoorlie	Holder
P24/5124	100%	Carbine Zuleika - Kalgoorlie	Holder
M24/319	100%	Carnage - Kalgoorlie	Holder
M24/972 (A)	100%	Carnage - Kalgoorlie	Holder
P24/4409	100%	Carnage - Kalgoorlie	Holder
P24/4565	100%	Carnage - Kalgoorlie	Holder
P24/4566	100%	Carnage - Kalgoorlie	Holder
P24/4603	100%	Carnage - Kalgoorlie	Holder
P24/4637	100%	Carnage - Kalgoorlie	Holder
P24/4681	100%	Carnage - Kalgoorlie	Holder
P24/4682	100%	Carnage - Kalgoorlie	Holder
P24/4683	100%	Carnage - Kalgoorlie	Holder
P24/4684	100%	Carnage - Kalgoorlie	Holder
P24/4685	100%	Carnage - Kalgoorlie	Holder
P24/4686	100%	Carnage - Kalgoorlie	Holder
P24/4687	100%	Carnage - Kalgoorlie	Holder
EL10355	25%	Cave Hill - Tanami	Holder & Earning-in
EL10411	25%	Cave Hill - Tanami	Holder & Earning-in
EL22229	25%	Cave Hill - Tanami	Holder & Earning-in
EL22378	25%	Cave Hill - Tanami	Holder & Earning-in
EL23342	25%	Cave Hill - Tanami	Holder & Earning-in
EL9763	25%	Cave Hill - Tanami	Holder & Earning-in
EL26925	25%	Central - Tanami	Holder & Earning-in
EL26926	25%	Central - Tanami	Holder & Earning-in
EL28474	25%	Central - Tanami	Holder & Earning-in
EL8797	25%	Central - Tanami	Holder & Earning-in
MLS119	25%	Central - Tanami	Holder & Earning-in
MLS120	25%	Central - Tanami	Holder & Earning-in
MLS121	25%	Central - Tanami	Holder & Earning-in
MLS122	25%	Central - Tanami	Holder & Earning-in
MLS123	25%	Central - Tanami	Holder & Earning-in
MLS124	25%	Central - Tanami	Holder & Earning-in
MLS125	25%	Central - Tanami	Holder & Earning-in
MLS126	25%	Central - Tanami	Holder & Earning-in
MLS127	25%	Central - Tanami	Holder & Earning-in
MLS128	25%	Central - Tanami	Holder & Earning-in
MLS129	25%	Central - Tanami	Holder & Earning-in
MLS130	25%	Central - Tanami	Holder & Earning-in
MLS131	25%	Central - Tanami	Holder & Earning-in
MLS132	25%	Central - Tanami	Holder & Earning-in
MLS133	25%	Central - Tanami	Holder & Earning-in
MLS153	25%	Central - Tanami	Holder & Earning-in
MLS167	25%	Central - Tanami	Holder & Earning-in
MLS168	25%	Central - Tanami	Holder & Earning-in
MLS180	25%	Central - Tanami	Holder & Earning-in
E08/2839	100%	Cheela Plains - Ashburton	Holder
E51/1391	100%	Cheroona - East Murchison	Holder & Farm-Out

Tenement	Interest	Project and Location	NST Status
M15/1413	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M15/993	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M16/181	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M16/182	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M16/308	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M16/309	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M16/325	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M16/326	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M16/421	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M16/428	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
M24/924	51%	East Kundana JV - Kalgoorlie	Holder & Production JV
E08/1650	100%	Electric Dingo - Ashburton	Holder
EL22061	25%	Farrands Hill - Tanami	Holder & Earning-in
EL9843	25%	Farrands Hill - Tanami	Holder & Earning-in
E08/1915	65.19%	FMG JV - Ashburton	Earning-In
E08/2000	65.19%	FMG JV - Ashburton	Earning-In
E08/2065	65.19%	FMG JV - Ashburton	Earning-In
E08/2067	65.19%	FMG JV - Ashburton	Earning-In
E08/2114	65.19%	FMG JV - Ashburton	Earning-In
E47/1773	65.19%	FMG JV - Ashburton	Earning-In
E47/2236	65.19%	FMG JV - Ashburton	Earning-In
E52/2786	65.19%	FMG JV - Ashburton	Earning-In
EL23932	100%	Gardiner - Tanami	Holder
EL25009	100%	Gardiner - Tanami	Holder
EL27367	100%	Gardiner - Tanami	Holder
EL29593	100%	Gardiner - Tanami	Holder
ML22934	25%	Groundrush - Tanami	Holder & Earning-in
E53/1872	100%	Jundee - East Murchison	Holder
E53/1922	100%	Jundee - East Murchison	Holder
E53/1923 (A)	100%	Jundee - East Murchison	Holder
E53/1938 (A)	100%	Jundee - East Murchison	Holder
E53/1939 (A)	100%	Jundee - East Murchison	Holder
G53/20	100%	Jundee - East Murchison	Holder
L53/100	100%	Jundee - East Murchison	Holder
L53/102	100%	Jundee - East Murchison	Holder
L53/112	100%	Jundee - East Murchison	Holder
L53/113	100%	Jundee - East Murchison	Holder
L53/117	100%	Jundee - East Murchison	Holder
L53/136	100%	Jundee - East Murchison	Holder
L53/137	100%	Jundee - East Murchison	Holder
L53/138	100%	Jundee - East Murchison	Holder
L53/142	100%	Jundee - East Murchison	Holder
L53/143	100%	Jundee - East Murchison	Holder
L53/153	100%	Jundee - East Murchison	Holder
L53/169	100%	Jundee - East Murchison	Holder
L53/174	100%	Jundee - East Murchison	Holder
L53/52	100%	Jundee - East Murchison	Holder
L53/60	100%	Jundee - East Murchison	Holder
L53/68	100%	Jundee - East Murchison	Holder
L53/69	100%	Jundee - East Murchison	Holder
L53/70	100%	Jundee - East Murchison	Holder
L53/71	100%	Jundee - East Murchison	Holder
L53/72	100%	Jundee - East Murchison	Holder
L53/73	100%	Jundee - East Murchison	Holder
L53/75	100%	Jundee - East Murchison	Holder
L53/99	100%	Jundee - East Murchison	Holder
M53/155	100%	Jundee - East Murchison	Holder
M53/156	100%	Jundee - East Murchison	Holder
M53/182	100%	Jundee - East Murchison	Holder
M53/191	100%	Jundee - East Murchison	Holder
M53/192	100%	Jundee - East Murchison	Holder
M53/196	100%	Jundee - East Murchison	Holder
M53/197	100%	Jundee - East Murchison	Holder
M53/198	100%	Jundee - East Murchison	Holder
M53/199	100%	Jundee - East Murchison	Holder
M53/221	100%	Jundee - East Murchison	Holder
M53/226	100%	Jundee - East Murchison	Holder
M53/228	100%	Jundee - East Murchison	Holder
M53/229	100%	Jundee - East Murchison	Holder
M53/230	100%	Jundee - East Murchison	Holder
M53/235	100%	Jundee - East Murchison	Holder
M53/236	100%	Jundee - East Murchison	Holder
M53/237	100%	Jundee - East Murchison	Holder
M53/245	100%	Jundee - East Murchison	Holder
M53/246	100%	Jundee - East Murchison	Holder
M53/247	100%	Jundee - East Murchison	Holder
M53/248	100%	Jundee - East Murchison	Holder
M53/249	100%	Jundee - East Murchison	Holder
M53/250	100%	Jundee - East Murchison	Holder
M53/326	100%	Jundee - East Murchison	Holder
M53/347	100%	Jundee - East Murchison	Holder
M53/372	100%	Jundee - East Murchison	Holder
M53/412	100%	Jundee - East Murchison	Holder
M53/413	100%	Jundee - East Murchison	Holder
M53/414	100%	Jundee - East Murchison	Holder
M53/441	100%	Jundee - East Murchison	Holder
M53/446	100%	Jundee - East Murchison	Holder
M53/451	100%	Jundee - East Murchison	Holder
M53/452	100%	Jundee - East Murchison	Holder
M53/461	100%	Jundee - East Murchison	Holder
M53/477	100%	Jundee - East Murchison	Holder
M53/478	100%	Jundee - East Murchison	Holder
M53/479	100%	Jundee - East Murchison	Holder
M53/480	100%	Jundee - East Murchison	Holder
M53/492	100%	Jundee - East Murchison	Holder
M53/535	100%	Jundee - East Murchison	Holder
M53/536	100%	Jundee - East Murchison	Holder
M53/537	100%	Jundee - East Murchison	Holder
M53/538	100%	Jundee - East Murchison	Holder
M53/539	100%	Jundee - East Murchison	Holder
M53/540	100%	Jundee - East Murchison	Holder
M53/541	100%	Jundee - East Murchison	Holder
M53/552	100%	Jundee - East Murchison	Holder
M53/588	100%	Jundee - East Murchison	Holder
M53/589	100%	Jundee - East Murchison	Holder
M53/611	100%	Jundee - East Murchison	Holder
M53/707	100%	Jundee - East Murchison	Holder
M53/708	100%	Jundee - East Murchison	Holder
M53/711	100%	Jundee - East Murchison	Holder
M53/712	100%	Jundee - East Murchison	Holder

NORTHERN STAR RESOURCES LIMITED

Tenement	Interest	Project and Location	NST Status
M53/836	100%	Jundee - East Murchison	Holder
M53/874	100%	Jundee - East Murchison	Holder
M53/895	100%	Jundee - East Murchison	Holder
M53/911	100%	Jundee - East Murchison	Holder
M53/929	100%	Jundee - East Murchison	Holder
M53/935	100%	Jundee - East Murchison	Holder
M53/940	100%	Jundee - East Murchison	Holder
M53/966	100%	Jundee - East Murchison	Holder
P53/1672 (A)	100%	Jundee - East Murchison	Holder
M27/181	62.97%	Kalbara JV - Kalgoorlie	Holder & Earning-In
E27/457	100%	Kanowna - Kalgoorlie	Holder
E27/542	100%	Kanowna - Kalgoorlie	Holder
E27/557	100%	Kanowna - Kalgoorlie	Holder
E27/587	100%	Kanowna - Kalgoorlie	Holder
E27/589 (A)	100%	Kanowna - Kalgoorlie	Holder
E31/1159 (A)	100%	Kanowna - Kalgoorlie	Holder
L26/198	100%	Kanowna - Kalgoorlie	Holder
L27/49	100%	Kanowna - Kalgoorlie	Holder
L27/50	100%	Kanowna - Kalgoorlie	Holder
L27/51	100%	Kanowna - Kalgoorlie	Holder
L27/60	100%	Kanowna - Kalgoorlie	Holder
L27/61	100%	Kanowna - Kalgoorlie	Holder
L27/62	100%	Kanowna - Kalgoorlie	Holder
L27/83	100%	Kanowna - Kalgoorlie	Holder
L27/87	100%	Kanowna - Kalgoorlie	Holder
M24/640	100%	Kanowna - Kalgoorlie	Holder
M27/103	100%	Kanowna - Kalgoorlie	Holder
M27/122	100%	Kanowna - Kalgoorlie	Holder
M27/123	100%	Kanowna - Kalgoorlie	Holder
M27/127	100%	Kanowna - Kalgoorlie	Holder
M27/128	100%	Kanowna - Kalgoorlie	Holder
M27/133	100%	Kanowna - Kalgoorlie	Holder
M27/157	100%	Kanowna - Kalgoorlie	Holder
M27/159	100%	Kanowna - Kalgoorlie	Holder
M27/164	100%	Kanowna - Kalgoorlie	Holder
M27/175	100%	Kanowna - Kalgoorlie	Holder
M27/18	100%	Kanowna - Kalgoorlie	Holder
M27/182	100%	Kanowna - Kalgoorlie	Holder
M27/191	100%	Kanowna - Kalgoorlie	Holder
M27/197	100%	Kanowna - Kalgoorlie	Holder
M27/198	100%	Kanowna - Kalgoorlie	Holder
M27/202	100%	Kanowna - Kalgoorlie	Holder
M27/219	100%	Kanowna - Kalgoorlie	Holder
M27/22	100%	Kanowna - Kalgoorlie	Holder
M27/228	100%	Kanowna - Kalgoorlie	Holder
M27/23	100%	Kanowna - Kalgoorlie	Holder
M27/232	100%	Kanowna - Kalgoorlie	Holder
M27/245	40%	Kanowna - Kalgoorlie	Holder
M27/272	100%	Kanowna - Kalgoorlie	Holder
M27/287	100%	Kanowna - Kalgoorlie	Holder
M27/37	100%	Kanowna - Kalgoorlie	Holder
M27/378	100%	Kanowna - Kalgoorlie	Holder
M27/406	100%	Kanowna - Kalgoorlie	Holder
M27/420	100%	Kanowna - Kalgoorlie	Holder
M27/438	100%	Kanowna - Kalgoorlie	Holder
M27/49	100%	Kanowna - Kalgoorlie	Holder
M27/496 (A)	100%	Kanowna - Kalgoorlie	Holder
M27/53	100%	Kanowna - Kalgoorlie	Holder
M27/57	100%	Kanowna - Kalgoorlie	Holder
M27/63	100%	Kanowna - Kalgoorlie	Holder
M27/92	100%	Kanowna - Kalgoorlie	Holder
P24/4498	100%	Kanowna - Kalgoorlie	Holder
P24/4499	100%	Kanowna - Kalgoorlie	Holder
P24/4500	100%	Kanowna - Kalgoorlie	Holder
P24/4501	100%	Kanowna - Kalgoorlie	Holder
P24/4502	100%	Kanowna - Kalgoorlie	Holder
P24/4503	100%	Kanowna - Kalgoorlie	Holder
P24/4538	100%	Kanowna - Kalgoorlie	Holder
P24/4818	100%	Kanowna - Kalgoorlie	Holder
P24/4819	100%	Kanowna - Kalgoorlie	Holder
P24/4820	100%	Kanowna - Kalgoorlie	Holder
P24/4995	100%	Kanowna - Kalgoorlie	Holder
P26/3769	100%	Kanowna - Kalgoorlie	Holder
P26/3788	100%	Kanowna - Kalgoorlie	Holder
P26/4061	100%	Kanowna - Kalgoorlie	Holder
P26/4062	100%	Kanowna - Kalgoorlie	Holder
P26/4063	100%	Kanowna - Kalgoorlie	Holder
P26/4064	100%	Kanowna - Kalgoorlie	Holder
P26/4065	100%	Kanowna - Kalgoorlie	Holder
P26/4123 (A)	100%	Kanowna - Kalgoorlie	Holder
P26/4125 (A)	100%	Kanowna - Kalgoorlie	Holder
P26/4127	100%	Kanowna - Kalgoorlie	Holder
P26/4129	100%	Kanowna - Kalgoorlie	Holder
P26/4132	100%	Kanowna - Kalgoorlie	Holder
P26/4156	100%	Kanowna - Kalgoorlie	Holder
P27/1847	100%	Kanowna - Kalgoorlie	Holder
P27/1878	100%	Kanowna - Kalgoorlie	Holder
P27/1880	100%	Kanowna - Kalgoorlie	Holder
P27/1881	100%	Kanowna - Kalgoorlie	Holder
P27/1882	100%	Kanowna - Kalgoorlie	Holder
P27/2024	100%	Kanowna - Kalgoorlie	Holder
P27/2025	100%	Kanowna - Kalgoorlie	Holder
P27/2026	100%	Kanowna - Kalgoorlie	Holder
P27/2099	100%	Kanowna - Kalgoorlie	Holder
P27/2100	100%	Kanowna - Kalgoorlie	Holder
P27/2101	100%	Kanowna - Kalgoorlie	Holder
P27/2102	100%	Kanowna - Kalgoorlie	Holder
P27/2222	100%	Kanowna - Kalgoorlie	Holder
P27/2223	100%	Kanowna - Kalgoorlie	Holder
P27/2302 (A)	100%	Kanowna - Kalgoorlie	Holder
P27/2303 (A)	100%	Kanowna - Kalgoorlie	Holder
M27/114	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/196	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/41	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/414	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/415	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/47	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/493	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/494	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/495	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In

Tenement	Interest	Project and Location	NST Status
M27/59	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/72	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
M27/73	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-In
P27/1826	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-in
P27/1827	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-in
P27/1828	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-in
P27/1829	83.92%	Kanowna West JV - Kalgoorlie	Holder & Earning-in
E24/151	80%	KRGP - Kalgoorlie	Holder
E27/343	80%	KRGP - Kalgoorlie	Holder
M27/497 (A)	80%	KRGP - Kalgoorlie	Holder
P24/4146	80%	KRGP - Kalgoorlie	Holder
P24/4149	80%	KRGP - Kalgoorlie	Holder
P26/3979	80%	KRGP - Kalgoorlie	Holder
P26/3980	80%	KRGP - Kalgoorlie	Holder
P26/3981	80%	KRGP - Kalgoorlie	Holder
P26/3982	80%	KRGP - Kalgoorlie	Holder
P26/3983	80%	KRGP - Kalgoorlie	Holder
P27/1743	80%	KRGP - Kalgoorlie	Holder
E24/152	100%	Kundana - Kalgoorlie	Holder
E24/153	100%	Kundana - Kalgoorlie	Holder
E24/206	100%	Kundana - Kalgoorlie	Holder
E26/140	100%	Kundana - Kalgoorlie	Holder
E26/194	100%	Kundana - Kalgoorlie	Holder
E26/198	100%	Kundana - Kalgoorlie	Holder
E26/199	100%	Kundana - Kalgoorlie	Holder
E26/200	100%	Kundana - Kalgoorlie	Holder
L16/104	100%	Kundana - Kalgoorlie	Holder
L16/105	100%	Kundana - Kalgoorlie	Holder
L16/106	100%	Kundana - Kalgoorlie	Holder
L16/28	100%	Kundana - Kalgoorlie	Holder
L16/38	100%	Kundana - Kalgoorlie	Holder
L16/39	100%	Kundana - Kalgoorlie	Holder
L16/69	100%	Kundana - Kalgoorlie	Holder
L24/205	100%	Kundana - Kalgoorlie	Holder
M15/1351	100%	Kundana - Kalgoorlie	Holder
M15/669	100%	Kundana - Kalgoorlie	Holder
M16/157	100%	Kundana - Kalgoorlie	Holder
M16/260	100%	Kundana - Kalgoorlie	Holder
M16/366	100%	Kundana - Kalgoorlie	Holder
M16/367	100%	Kundana - Kalgoorlie	Holder
M16/408	100%	Kundana - Kalgoorlie	Holder
M16/436	100%	Kundana - Kalgoorlie	Holder
M16/438	100%	Kundana - Kalgoorlie	Holder
M16/440	100%	Kundana - Kalgoorlie	Holder
M16/441	100%	Kundana - Kalgoorlie	Holder
M16/72	100%	Kundana - Kalgoorlie	Holder
M16/73	100%	Kundana - Kalgoorlie	Holder
M16/74	100%	Kundana - Kalgoorlie	Holder
M16/75	100%	Kundana - Kalgoorlie	Holder
M16/87	100%	Kundana - Kalgoorlie	Holder
M16/97	100%	Kundana - Kalgoorlie	Holder
M24/142	100%	Kundana - Kalgoorlie	Holder
M24/435	100%	Kundana - Kalgoorlie	Holder
M24/606	100%	Kundana - Kalgoorlie	Holder
M24/626	100%	Kundana - Kalgoorlie	Holder
M26/680	100%	Kundana - Kalgoorlie	Holder
M26/681	100%	Kundana - Kalgoorlie	Holder
M26/687	100%	Kundana - Kalgoorlie	Holder
M26/688	100%	Kundana - Kalgoorlie	Holder
P16/2575	100%	Kundana - Kalgoorlie	Holder
P16/3032	100%	Kundana - Kalgoorlie	Holder
P24/4969	100%	Kundana - Kalgoorlie	Holder
P24/4970	100%	Kundana - Kalgoorlie	Holder
P24/4971	100%	Kundana - Kalgoorlie	Holder
P24/4972	100%	Kundana - Kalgoorlie	Holder
M08/191	20%	Mt Clement - Ashburton	Free-Carried Interest
M08/192	20%	Mt Clement - Ashburton	Free-Carried Interest
M08/193	20%	Mt Clement - Ashburton	Free-Carried Interest
E52/1941	100%	Mt Olympus - Ashburton	Holder
E52/3024	100%	Mt Olympus - Ashburton	Holder
E52/3025	100%	Mt Olympus - Ashburton	Holder
E52/3026	100%	Mt Olympus - Ashburton	Holder
M52/639	100%	Mt Olympus - Ashburton	Holder
M52/640	100%	Mt Olympus - Ashburton	Holder
M52/734	100%	Mt Olympus - Ashburton	Holder
M52/735	100%	Mt Olympus - Ashburton	Holder
E08/1649	100%	Paulsens - Ashburton	Holder
E08/1744	100%	Paulsens - Ashburton	Holder
E08/1745	100%	Paulsens - Ashburton	Holder
E08/1845	100%	Paulsens - Ashburton	Holder
E08/2251	100%	Paulsens - Ashburton	Holder
E08/2252	100%	Paulsens - Ashburton	Holder
E08/2555	100%	Paulsens - Ashburton	Holder
E08/2556	100%	Paulsens - Ashburton	Holder
E08/2558	100%	Paulsens - Ashburton	Holder
E08/2559	100%	Paulsens - Ashburton	Holder
E08/2560	100%	Paulsens - Ashburton	Holder
E08/2655	100%	Paulsens - Ashburton	Holder
E08/2716	100%	Paulsens - Ashburton	Holder
E08/2791	100%	Paulsens - Ashburton	Holder
E47/1134	100%	Paulsens - Ashburton	Holder
E47/1553	100%	Paulsens - Ashburton	Holder
E47/3396	100%	Paulsens - Ashburton	Holder
L08/113	100%	Paulsens - Ashburton	Holder
L08/12	100%	Paulsens - Ashburton	Holder
L08/13	100%	Paulsens - Ashburton	Holder
L08/14	100%	Paulsens - Ashburton	Holder
L08/148	100%	Paulsens - Ashburton	Holder
L08/15	100%	Paulsens - Ashburton	Holder
L08/81	100%	Paulsens - Ashburton	Holder
L08/91	100%	Paulsens - Ashburton	Holder
L08/92	100%	Paulsens - Ashburton	Holder
M08/196	100%	Paulsens - Ashburton	Holder
M08/222	100%	Paulsens - Ashburton	Holder
M08/515 (A)	100%	Paulsens - Ashburton	Holder
M08/99	100%	Paulsens - Ashburton	Holder
P08/565	100%	Paulsens - Ashburton	Holder
P47/1637	100%	Paulsens - Ashburton	Holder
E52/2509	100%	Peak Hill	Holder & Farm-Out
EL28282	25%	Suplejack - Tanami	Holder & Earning-in

Tenement	Interest	Project and Location	NST Status
EL23933 (A)	100%	Tanami	Holder
EL23935 (A)	100%	Tanami	Holder
EL24179 (A)	100%	Tanami	Holder
EL24941 (A)	100%	Tanami	Holder
EL24947 (A)	100%	Tanami	Holder
EL25003 (A)	100%	Tanami	Holder
EL25004 (A)	100%	Tanami	Holder
EL25157 (A)	100%	Tanami	Holder
EL25158 (A)	100%	Tanami	Holder
EL25159 (A)	100%	Tanami	Holder
EL25160 (A)	100%	Tanami	Holder

Tenement	Interest	Project and Location	NST Status
EL25172 (A)	100%	Tanami	Holder
EL28613 (A)	25%	Tanami	Holder & Earning-in
EL28868 (A)	100%	Tanami	Holder
EL29619 (A)	100%	Tanami	Holder
EL29621 (A)	100%	Tanami	Holder
EL30132 (A)	100%	Tanami	Holder
M16/213	75.50%	West Kundana JV - Kalgoorlie	Holder & Earning-In
M16/214	75.50%	West Kundana JV - Kalgoorlie	Holder & Earning-In
M16/218	75.50%	West Kundana JV - Kalgoorlie	Holder & Earning-In
M16/310	75.50%	West Kundana JV - Kalgoorlie	Holder & Earning-In