



NORTHERN STAR
RESOURCES LIMITED

ASX Code: NST



Northern Star Resources

An Australian gold miner – for global investors

2015 Full - Year Results

August 2015

Competent Persons Statements

- * The information in this announcement that relates to exploration results, data quality, geological interpretations and Mineral Resource estimations for the Company's Kanowna, EKJV, Kundana and Carbine Project areas is based on information compiled by Darren Cooke and fairly represents this information. Mr Cooke is a Member of the Australian Institute of Geoscientists who is a full-time employee of Northern Star Resources Limited who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Cooke consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.
- * The information in this announcement that relates to exploration results, data quality, geological interpretations and Mineral Resource estimations for the Company's Jundee, Plutonic and Paulsens Project areas is based on information compiled by Brook Ekers and fairly represents this information. Mr Ekers is a Member of the Australian Institute of Geoscientists who is a full-time employee of Northern Star Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Ekers consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.
- * The information in this announcement that relates to Ore Reserve estimations for the Company's Project areas is based on information compiled by Jeff Brown and fairly represents this information. Mr Brown is a Member of the Australian Institute of Mining and Metallurgy who is a full-time employee of Northern Star Resources Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Brown consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.
- * The information in this announcement that relates to Mineral Resource estimations for the Central Tanami Project is extracted from the Tanami Gold NL ASX announcement entitled "Quarterly Report for the Period Ending 31 March 2014" released on 1 May 2014 and is available to view on www.tanami.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.
- * The information in this announcement that relates to Mineral Resource estimations for the Groundrush Project is extracted from the Tanami Gold NL ASX announcement entitled "Groundrush Deposit Update - Significant Growth In Measured and Indicated Mineral Resource and Increase In Resource Grade At Groundrush" created on 7 January 2013 and is available to view on www.tanami.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statements

- * Northern Star Resources Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Northern Star Resources Limited, its directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.
- * All currency conversions in this presentation have been converted at a currency of AUD/USD conversion rate of A\$0.725.

Footnotes:

- (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.
- (2) Underlying EBITDA is calculated as follows: EBITDA plus one off acquisition and restructure expenses (A\$12.8 million and A\$4.2 million).
- (3) Net Profit is calculated as net profit after taxation.
- (4) Underlying Net Profit is calculated as Net Profit plus one off acquisition and restructure expenses (A\$12.8 million and A\$4.2 million).
- (5) Free Cash Flow is calculated as operating cash flow minus investing cash flow
- (6) Underlying Free Cash Flow is calculated as flows: Free cash flow plus Jundee gold mine (A\$90.7 million) and Hermes acquisitions (A\$1.95 million), plus one off acquisition and restructure expenses (A\$12.8 million and A\$4.2 million), less working capital adjustment (A\$43.6 million).



Key Financial Outcomes

Underlying NPAT up 198% to A\$108.9M; Return on Equity 32%

FY15 Dividends increased by 43% to 5c per share

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

Key Resource Outcomes

Total Resources increased by 44% to 8.9Moz

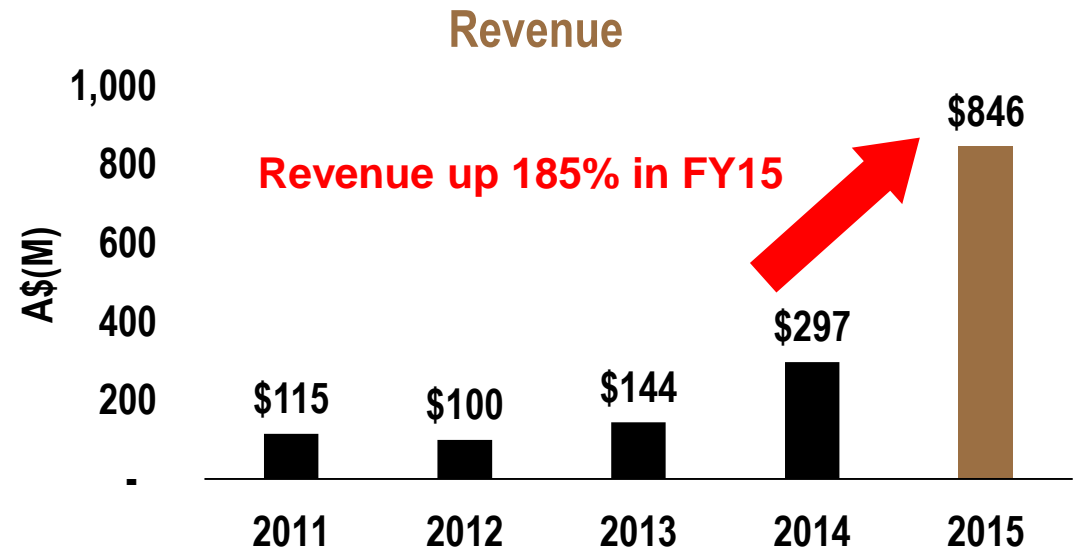
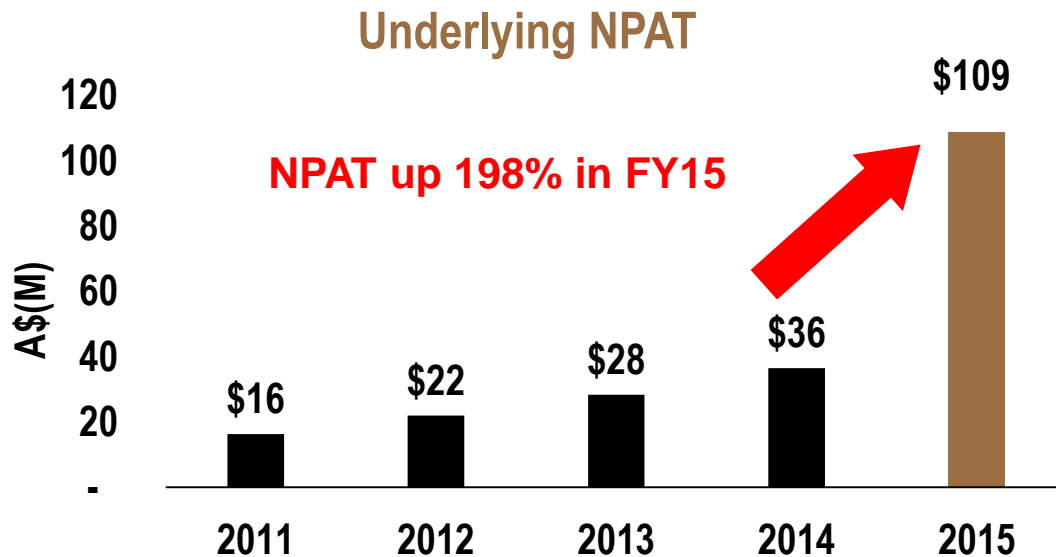
Measured and Indicated Resources increased by 42%

2.7Moz addition to Resource base at cost of A\$19/oz

Financial Highlights for the FY2015

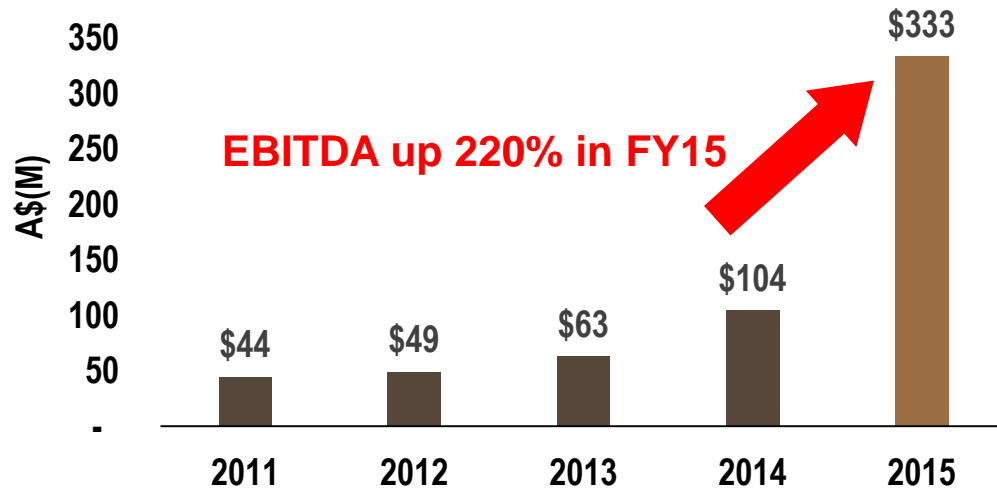


- ✦ Sales revenue: A\$845.6m up 185% on FY14
- ✦ Underlying Net Profit: A\$108.8m up 198%, including one offs of acquisition costs A\$12.8m and restructuring expenses of A\$4.2m for a statutory net profit after tax of A\$91.9m
- ✦ Underlying EBITDA of A\$331.1m up 220% on FY14
- ✦ Cash flow from operating activities of A\$359m, generating record underlying free cash flow of A\$185.6m
- ✦ Dividend: Final 3¢ fully franked, taking full-year payout to 5¢, up 43% from FY14
- ✦ Cash and Equivalents on hand at 30 June: \$178m, no bank debt

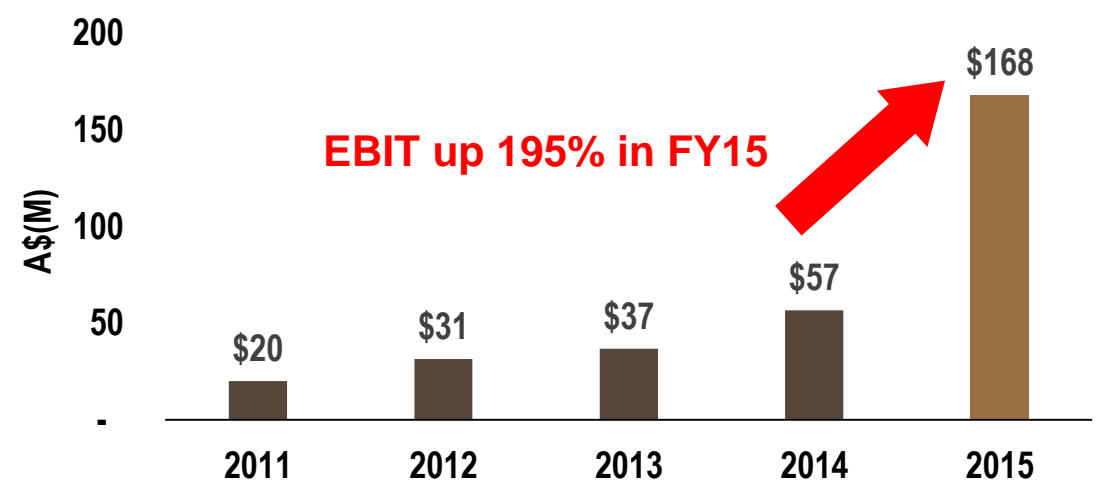


Financial Highlights for the FY2015

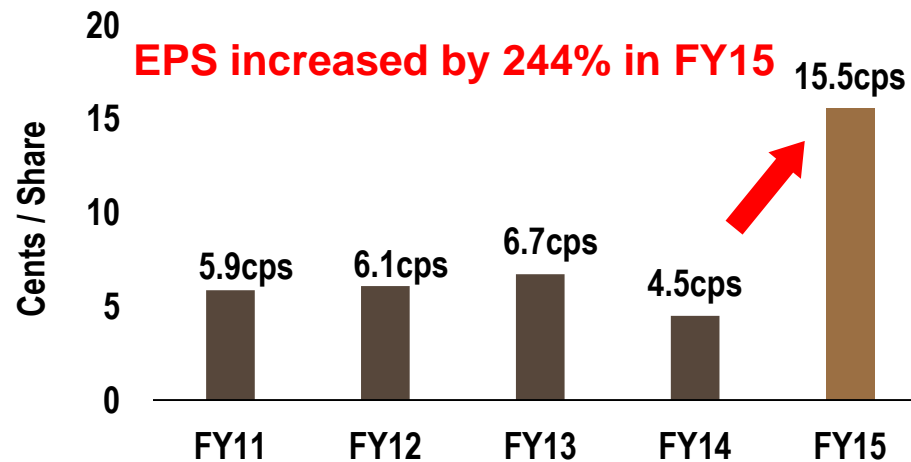
Underlying EBITDA



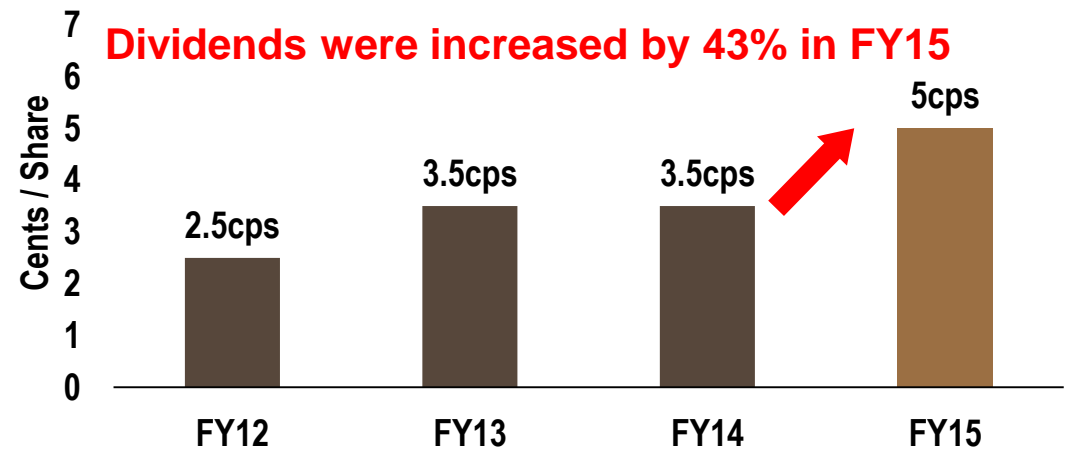
Underlying EBIT



EPS



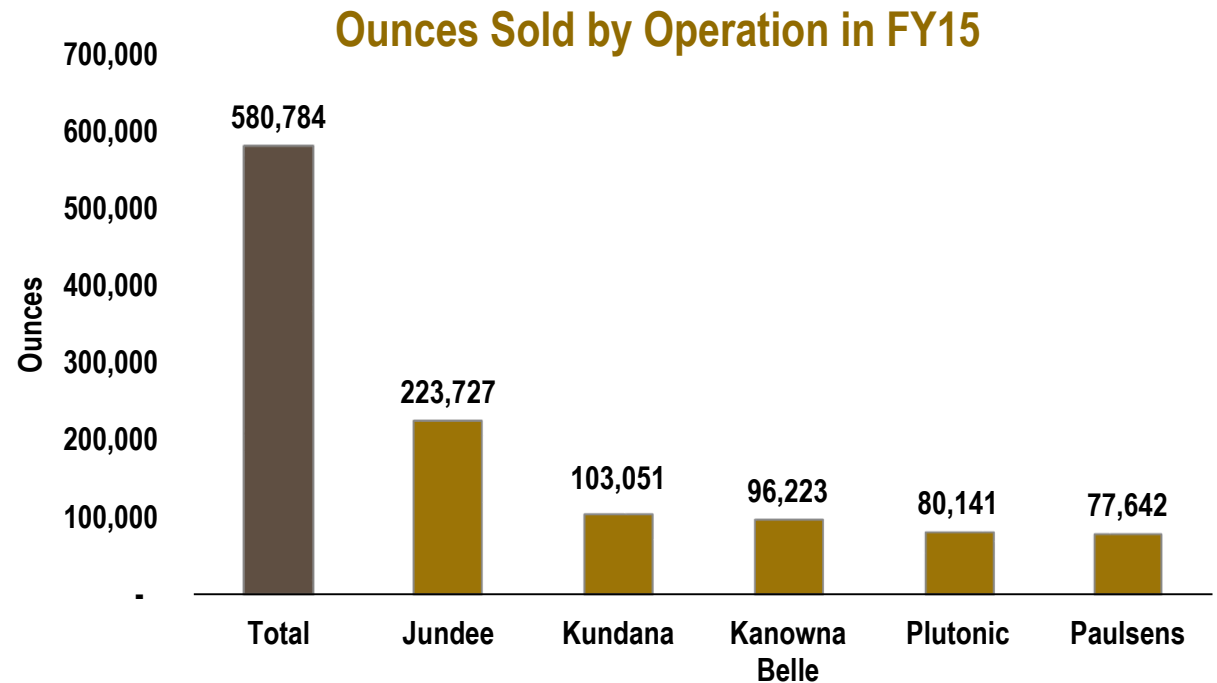
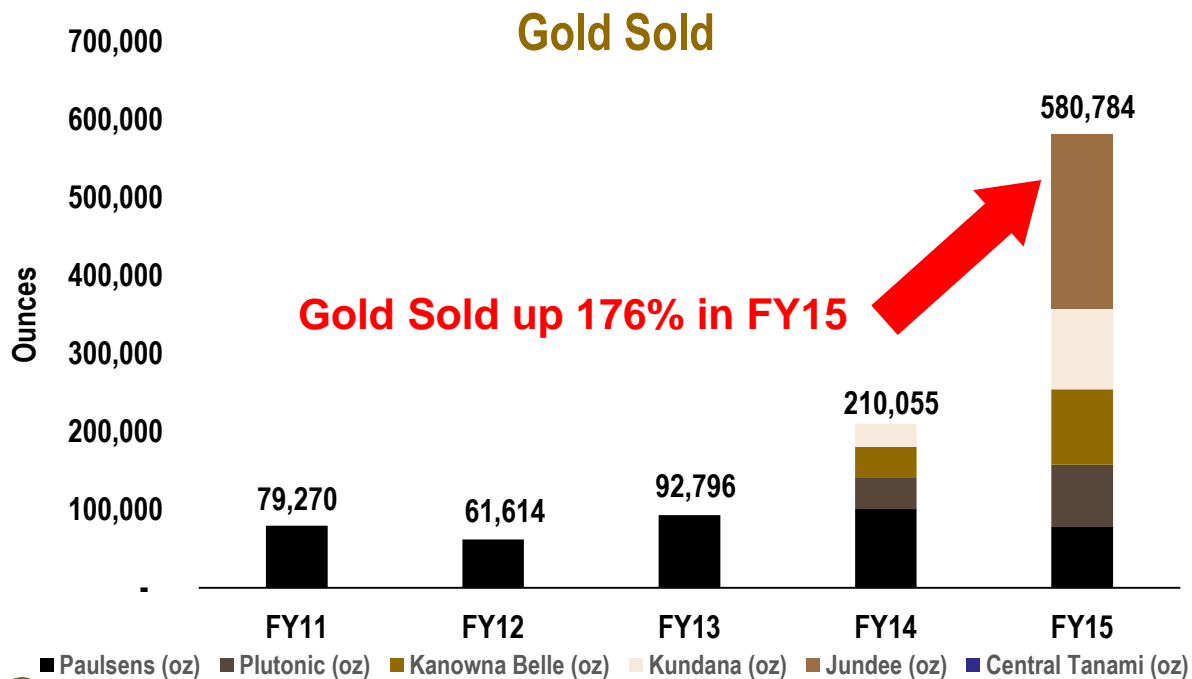
Dividends Per Share



The Profit Centres in FY2015



- ✦ FY15 ounces sold was up 176% to 580,784oz at AISC A\$1,065/oz
- ✦ Jundee: gold sold of 223,727oz at an AISC of A\$1,008/oz
- ✦ Kundana: gold sold of 103,051oz at an AISC of A\$711/oz
- ✦ Kanowna Belle: gold sold of 96,223oz at an AISC of A\$1,021/oz
- ✦ Plutonic: gold sold of 80,141oz at an AISC of A\$1,550/oz
- ✦ Paulsens: gold sold of 77,642oz at an AISC of A\$1,264/oz



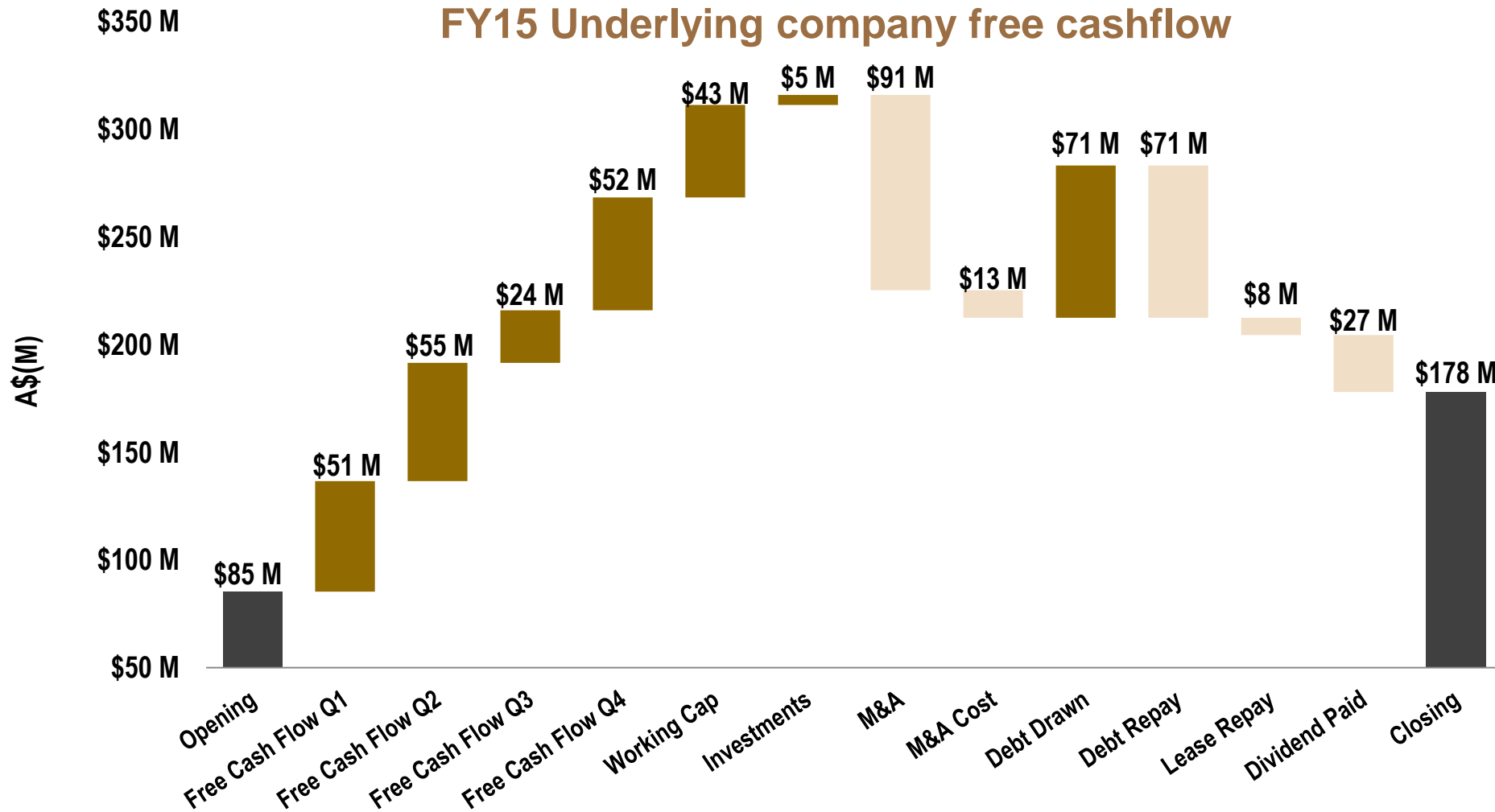
Details of Financials

	Year End 30 June 2015 (\$000's)	Year End 30 June 2014 (\$000's)	Change (\$000's)	Change (%)
Revenue	845,653	296,976	548,677	185%
EBITDA⁽¹⁾	316,142	89,598	226,544	253%
Underlying EBITDA⁽²⁾	333,122	104,225	228,897	220%
Net profit⁽³⁾	91,902	21,871	70,031	320%
Underlying net profit⁽⁴⁾	108,882	36,498	72,384	198%
Cash flow from operating activities				
Cash flow from operating activities	359,009	80,059	278,950	348%
Cash flow used in Investing activities				
Cash flow used in Investing activities	(239,458)	(157,339)	(82,119)	52%
Sustaining capital	(104,747)	(37,392)	(67,355)	180%
Non sustaining capital	(9,301)	-	(9,301)	n/a
Exploration	(35,619)	(13,149)	(22,470)	171%
Acquisition of businesses	(90,729)	(107,373)	16,644	(15%)
Other investing	938	575	363	63%
Free cash flow⁽⁵⁾	119,551	(77,280)	196,831	(255%)
Underlying free cash flow⁽⁶⁾	185,628	44,720	140,908	315%
Average gold price per ounce (A\$)				
Average gold price per ounce (A\$)	1,453	1,410	43	3%
Gold production (ounces)	621,691	245,082	376,609	154%
Gold sold (ounces)	580,784	210,055	370,729	176%
All-in sustaining cost (AISC) per ounce sold (A\$)	1,065	1,094	29	(3%)
Cash and cash equivalents(\$ million)	167	82	85	104%
Earnings per share (cents)				
Earnings per share (cents)	15.5	4.5	11	244%

NST generating record underlying free cashflow

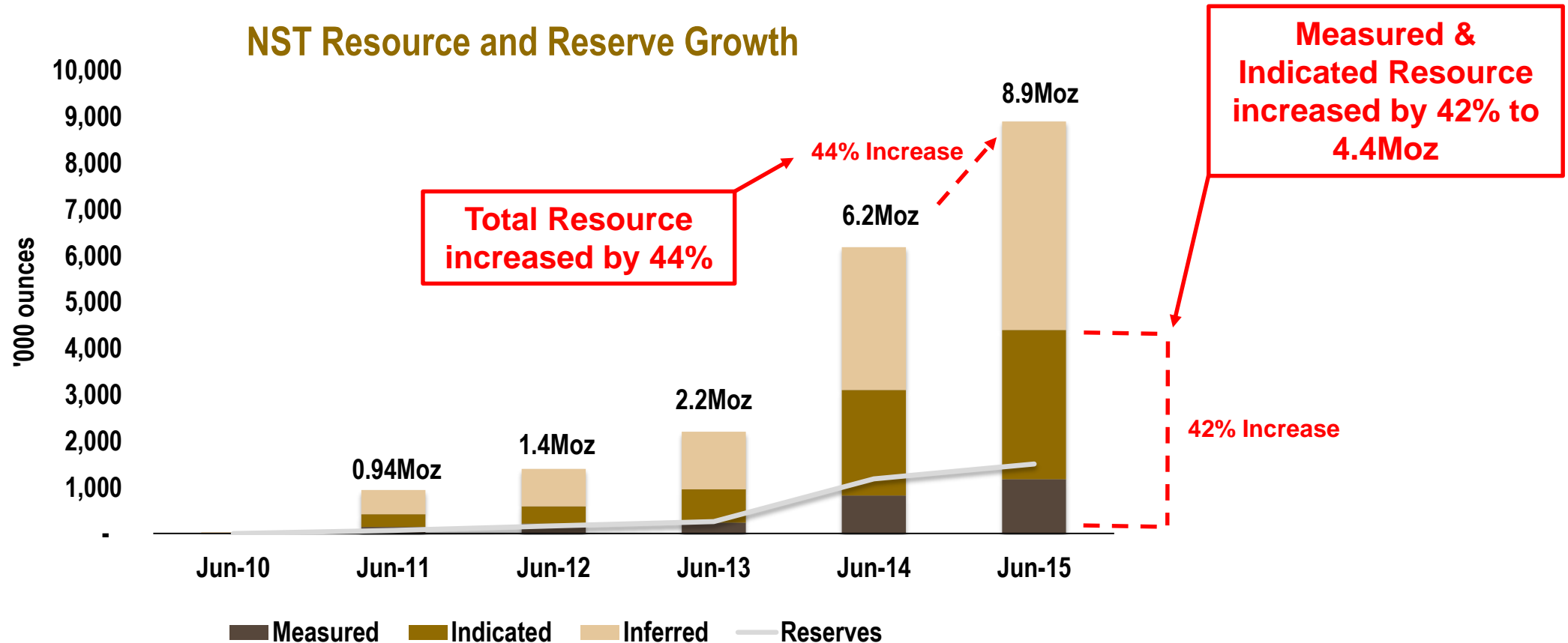


* NST generated a record underlying free cashflow figure of A\$186m up from 315% from FY14



Resource additions for the Year to 30 June 2015

- ✦ The FY15 A\$50m exploration spend achieved a 2.7Moz Resource increase at a discovery cost of A\$19/oz
- ✦ Total Resource increased by 44% to 8.9Moz, even after mining 622,000oz
- ✦ The Measured and Indicated Resource increased by 42% to 4.4Moz greatly extending mine life



* Refer ASX Announcement released 4 August 2015

Asset by Asset exploration highlights



- ✦ NST remains poised to continue growing mine lives across all its assets
- ✦ Jundee: Resources increased by 59% to 1.35Moz
 - ✦ *Gateway lode increased by 150koz and remains open in every direction*
 - ✦ *410kcozs of open pit ounces identified to provide potential additional oxide feed*
- ✦ Kalgoorlie Operations: Total Resource base increased by 71%
 - ✦ *Maiden 658kcozs at 6gpt added on 100% NST owned tenements at Kundana*
 - ✦ *51% Kundana JV Resources increased by 39% to 950koz at 11.3gpt*
- ✦ Paulsens: continues consistent Resource replacement to 441koz at 6.1gpt
 - ✦ *Voyager lodes increase to 278koz at 10.4gpt*
- ✦ Plutonic: grows Resource base to 1.7Moz at 4.6gpt
 - ✦ *Further drilling of the Hermes deposit sees a new Resource of 224koz*
- ✦ Central Tanami Project: Recent Acquisition adds 668kcozs to the Resources
- ✦ Eight new discoveries were made across the asset base at:
 - ✦ *Only one of the eight discoveries was included in the FY15 Resources, estimations to occur on the other seven discoveries in FY16*

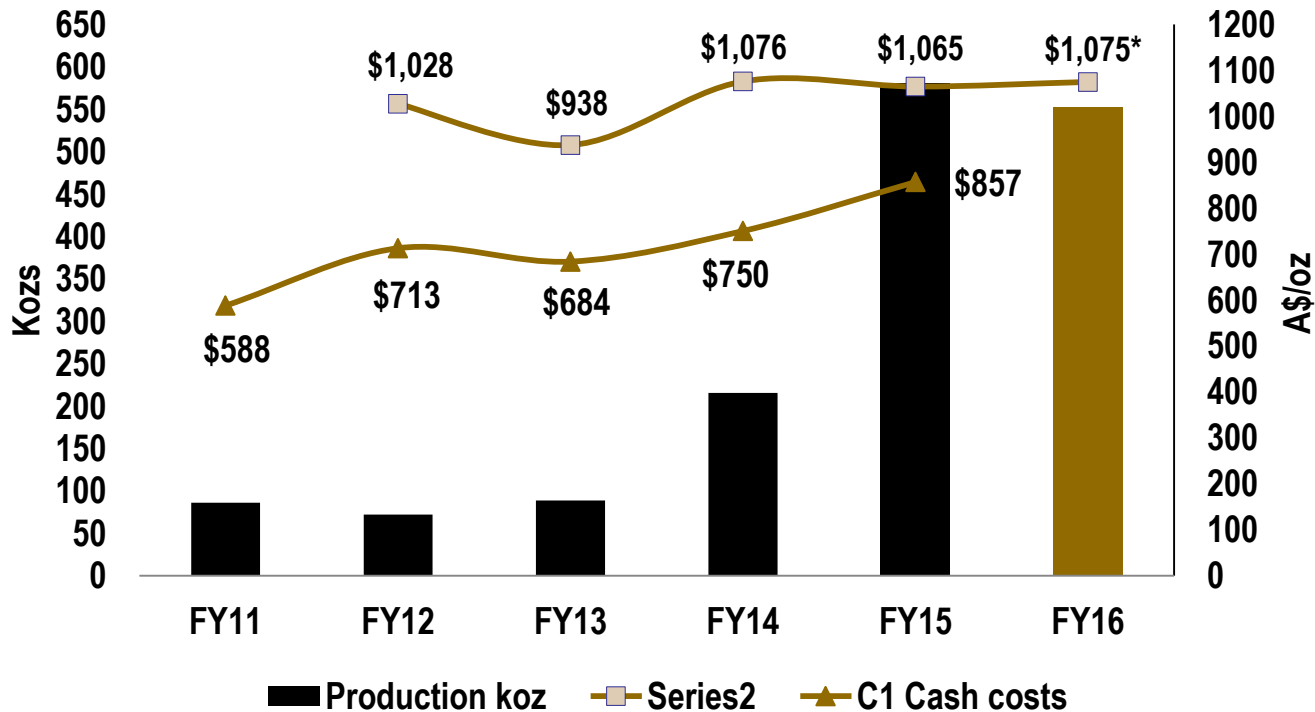
* Refer ASX Announcement released 4 August 2015

FY2016 - Production Guidance

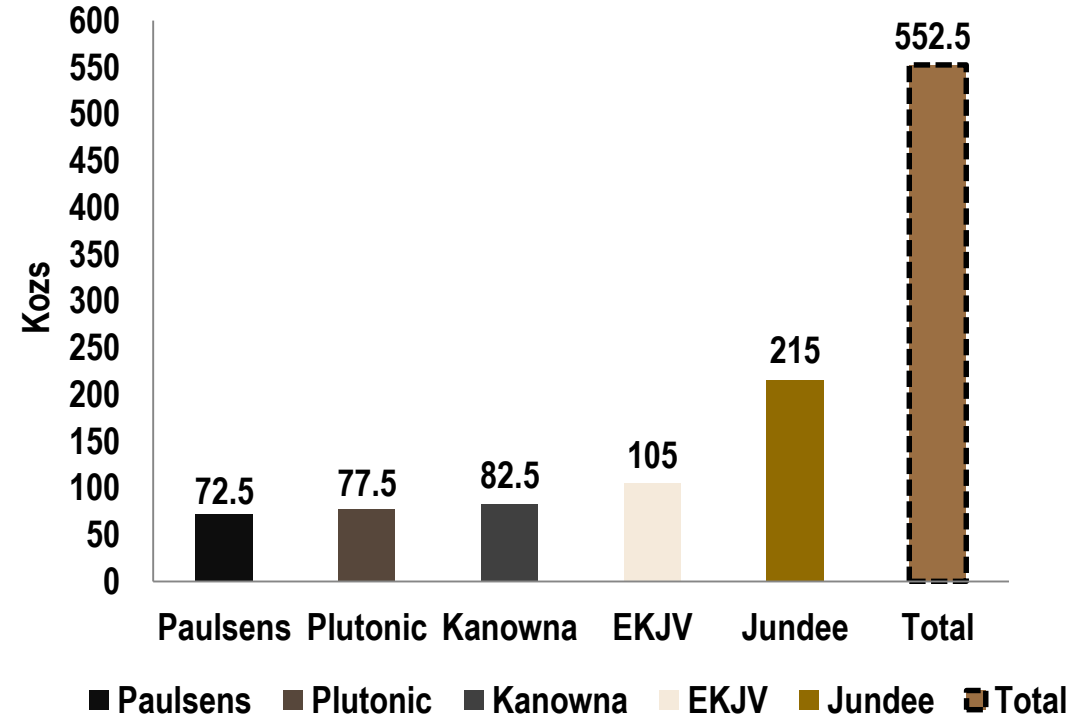


- * FY16 Forecast of 535koz-570koz at an AISC of A\$1,050-A\$1,100/oz (US\$760-US\$800/oz)
- * NST stands to benefit from A\$22m in annual procurement savings, the majority realised from CY16

FY16 Guidance 535-570koz at A\$1,050-A\$1,100/oz



Mid point of FY16 Production by site



* Based on the mid-point of cost FY16 Guidance

FY2016: Investing in expansion capital and targetted drilling

- ✦ NST will invest a combined A\$74m in FY16 into expansion capital across its assets; A\$39m on expansion capital to unlock over 1.5Moz for future mining and A\$35m on targetted drilling following up on FY15 success
- ✦ A\$35m of targetted drilling includes;
 - Jundee: A\$14.5m will be spent on exploring the lateral and depth extents of the Jundee ore body;
 - *Exploration will focus on the main ore systems that have hosted over 5.3Moz in the first 600m below surface ~A\$6m*
 - *3D Seismic studies, in mine & regional exploration ~A\$7.5m*
 - Kalgoorlie Operations: A\$14m will be focussed on advancing the additional 1.2Mozs attributable to NST that were added in FY15
 - *A\$4.5m on 100% NST Kundana: Millennium, Christmas, Pope John, Moonbeam*
 - *Kanowna Belle: A\$4.5m in mine and regional targets, Six Mile, Paradigm*
 - Paulsens: A\$2m on in mine exploration and regional; Belvedere, Ashburton
 - Plutonic: A\$3m on in mine and regional targets; Pacific East, Area 114





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Northern Star Resources
An Australian Mid Cap gold miner – for global investors

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