



# Business First

Bank of America Conference  
May 2022

**BofA SECURITIES** 

# Forward Looking Statements, Reserves and Resources

## Forward Looking Statements

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## ASX Listing Rules Disclosures

The information in this announcement that relates to the Ore Reserves and Mineral Resources, and production targets of Northern Star has been extracted from the ASX release by Northern Star entitled "Resources, Reserves and Exploration Update" dated 3 May 2022 available at [www.nsrld.com](http://www.nsrld.com) and [www.asx.com](http://www.asx.com) (**Northern Star Announcement**).

Northern Star confirms that it is not aware of any new information or data that materially affects the information included in the Northern Star Announcement and, in relation to the estimates of Northern Star's Ore Reserves and Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the Northern Star Announcement continue to apply and have not materially changed. Northern Star confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from that announcement.

Assumptions made in relation to the Ore Reserves and Mineral Resources underpinning the production targets in that announcement are (in summary):

- Current operational capital and operating cost structures,
- Current mining and metallurgical performance,
- The gold price, exchange rate, dilution allowance and mining recovery rates are as set out in each prior public report referred to in ASX Listing Rule 5.19 disclosures, and
- 5 year gold production profiles are based on 100% current JORC compliant Ore Reserves.

Rounding is applied in this presentation for the percentage comparisons and for the 31 March 2022 Ore Reserves and Mineral Resources figures.

Unless stated otherwise, all currency conversions in this document have been converted at a currency of A\$/US\$ conversion rate of \$0.75.

Authorised to release to the ASX by Stuart Tonkin, Managing Director & CEO.

# World Class Assets in Tier-1 Locations

- We are one of the world's largest gold companies
- Our mission is to generate superior returns for our shareholders, while providing positive benefits for our stakeholders, through operational effectiveness, exploration and active portfolio management
- We are a trusted operator and responsible producer in relation to our stakeholders, including communities, suppliers and host countries

1

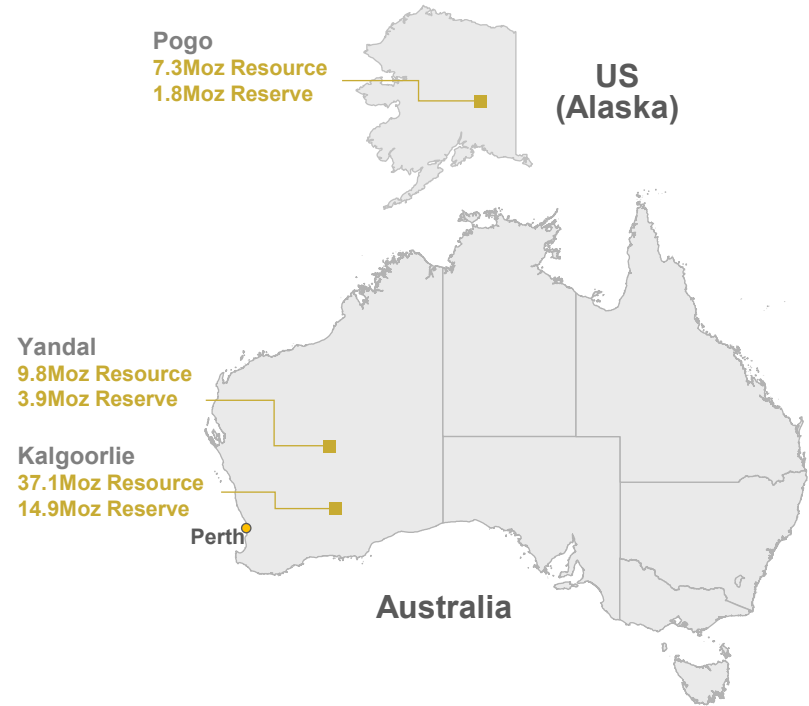
Commodity

2

Countries

3

Production  
Centres



# Living our Values

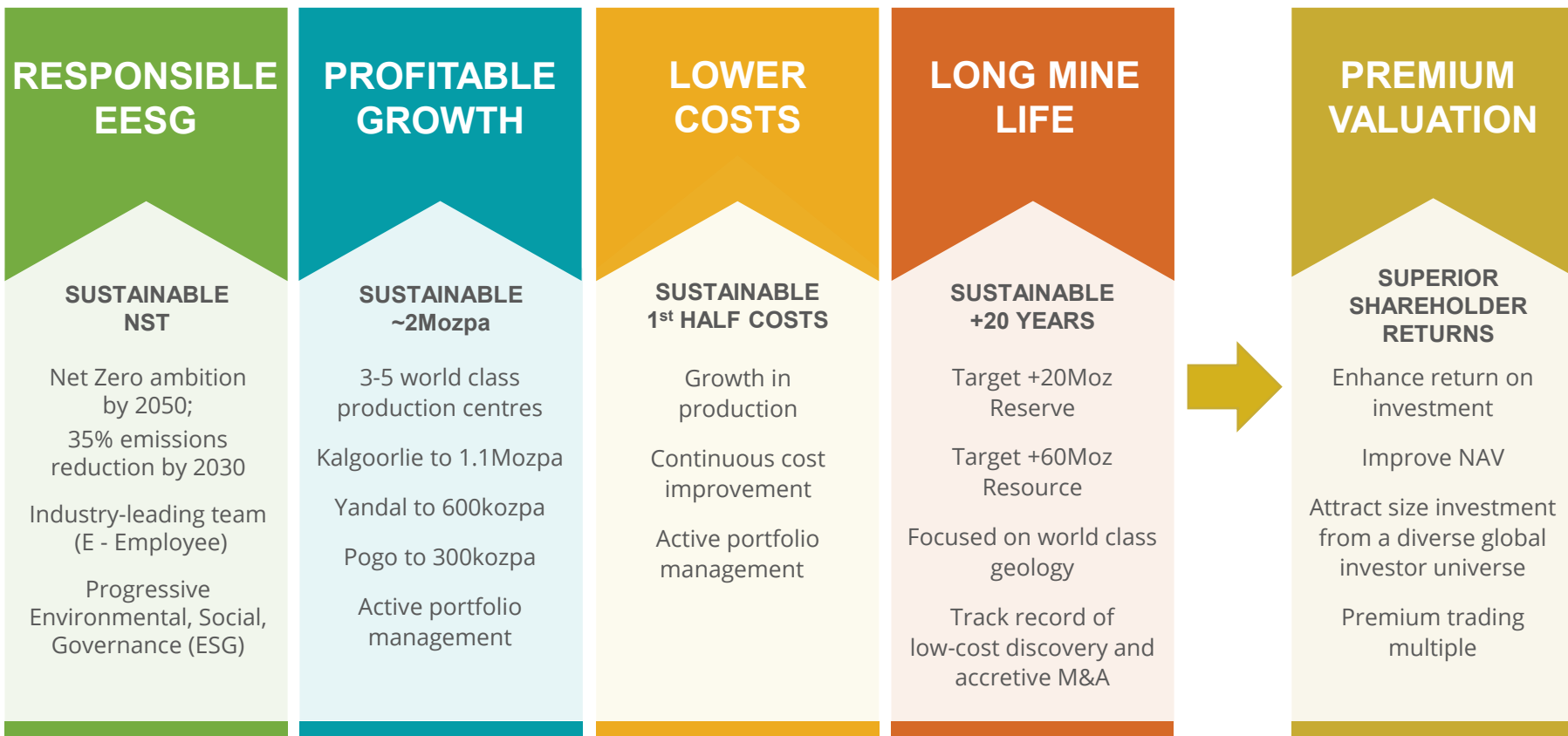


Our **STARR Core Values** are integral to the working lives of all our employees and operations.

They define what it means to work at Northern Star. They are at the heart of our culture and the way we do business.

Along with our Code of Conduct and our Group policies, they are fundamental to the sustainability of our operations.

# Value creation strategy



# 1H FY22 Financials



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A\$ **108<sub>M</sub>**

Underlying NPAT

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A\$ **699<sub>M</sub>**

Underlying EBITDA

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A\$ **430<sub>M</sub>**

Cash Earnings

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A\$ **288<sub>M</sub>**

Net Cash

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**39%**

EBITDA margin

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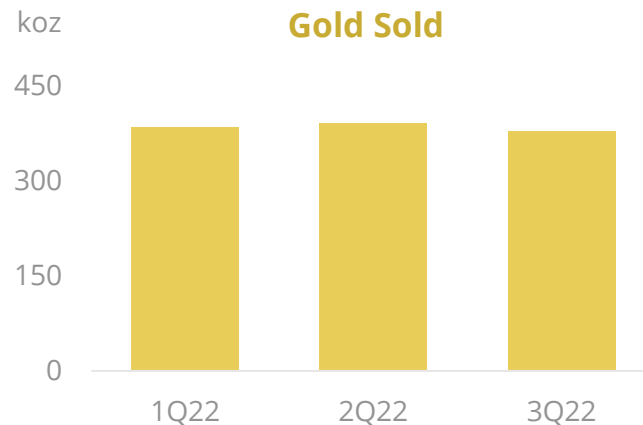
**10**<sub>cps</sub>

Interim Dividend

# FY22 Operational Performance (YTD)

- Forecast 4Q performance improvement versus 3Q
- Australian Operations (Kalgoorlie and Yandal) accounts for 85% of Group production
- Alaskan Operation (Pogo) expected to operate at 2H annual run rate of ~240koz

	YTD	FY22 GUIDANCE
<b>Gold Sold (koz)</b>	<b>1,159</b>	<b>1,550 - 1,650</b>
Kalgoorlie	690	900 - 950
Yandal	322	430 - 450
Pogo	147	205 - 220
<b>AISC (A\$/oz)</b>	<b>1,627</b>	<b>1,600 - 1,640</b>





# Balance Sheet - robust and flexible

## Disciplined capital allocation:

- Balance between re-investment (organic / inorganic), dividends, retained earnings

## Financial metrics

Measure	Target Range	Actual (1H FY22)	
Leverage Ratio (Net Debt / EBITDA)	Leverage ratio less than 1.5x	Less than 0x	✓
Gearing Ratio (Debt / Debt + Equity)	Gearing below 20%	5%	✓
Liquidity	A\$1.0–1.5B (~1/3 in cash & bullion)	A\$1.3B	✓

## Hedging:

- 3 year hedge book of 1.1Moz at A\$2,446/oz
- Sensible risk management ~20% of the next 3 years of gold production



# Dividend Policy

Continued strong cash flows support capital returns

- **Updated Dividend Policy:**

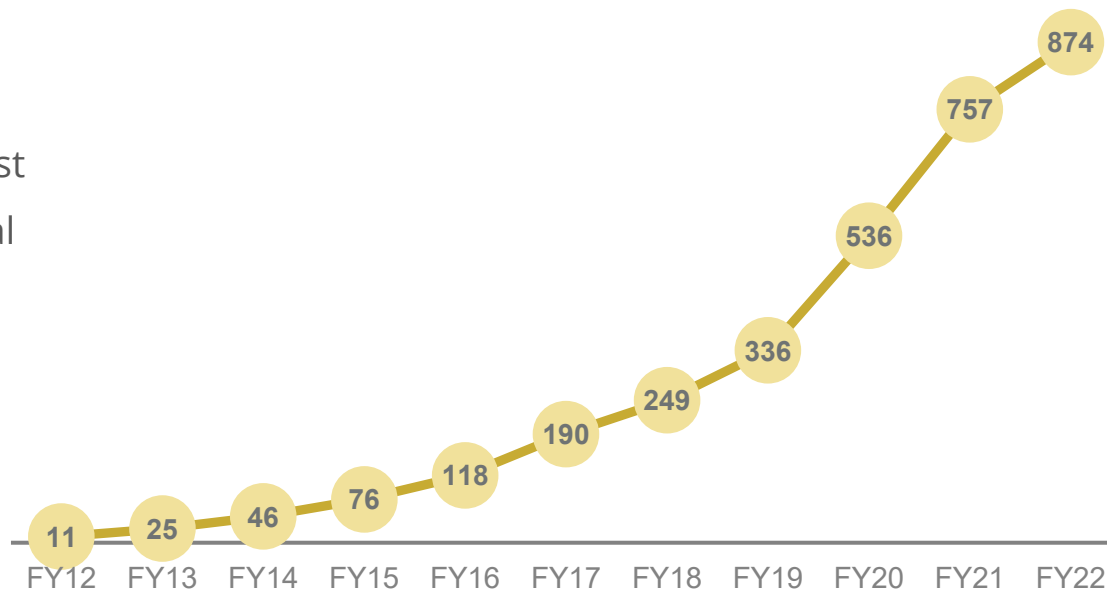
- **20-30% of Cash Earnings**

- **Cash Earnings** defined as  
Underlying EBITDA less net interest  
and tax paid and sustaining capital

- **HY22 dividend A10cps**

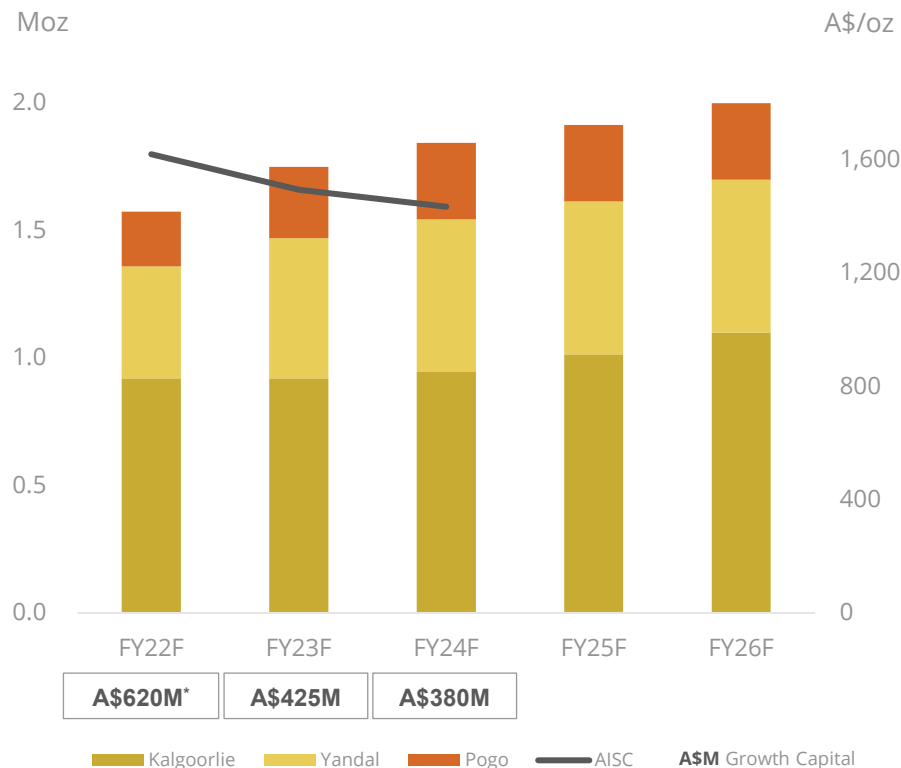
- Reflects 27% of 1H FY22  
Cash Earnings
  - Record interim dividend

**Cumulative Dividends (A\$M)**



# Future growth embedded in existing asset base

## Group production outlook



Production growth to 2Moz per year with declining AISC as quantity/quality of ounces increase

- **Kalgoorlie** to 1.1Moz per year
  - KCGM increasing to 650koz in FY26 and 700koz in FY28
- **Yandal** to 600koz per year
  - Increasing Thunderbox mill (TBO) to 6.0Mtpa
- **Pogo** to 300koz per year
  - Increased mining and milling rates

\*FY22 Growth Capital is presented net of revenue from pre-commercial gold sales (~29,560 ounces)

# Asset timeline

Multiple growth projects to deliver five-year profitable growth plan

					2.0Moz gold
	FY22	FY23	FY24	FY25	FY26
<b>Kalgoorlie</b> FY22e: 900-950koz	KCGM Fleet Delivery	Increase KCGM material movement to 80-100Mtpa Fimiston South ramp up; Increased access to Golden Pike			1,100koz KCGM 650koz
<b>Yandal</b> FY22e: 430-450koz		TBO Mill Expansion (to 6.0Mtpa)	600koz 9Mtpa milling (3Mtpa Jundee, 6Mtpa TBO) Regional processing savings from various ore sources		
<b>Pogo</b> FY22e: 205-220koz	Mill Expansion (to 1.3Mtpa) ✓	300koz Development ~1,500m per month Mining = Milling = 1.3Mtpa			
<b>Studies</b>	KCGM Mill Optimisation – JunQ Exploration Update ✓				

# Exploration underpins further organic growth opportunities

## Developing our three production centres

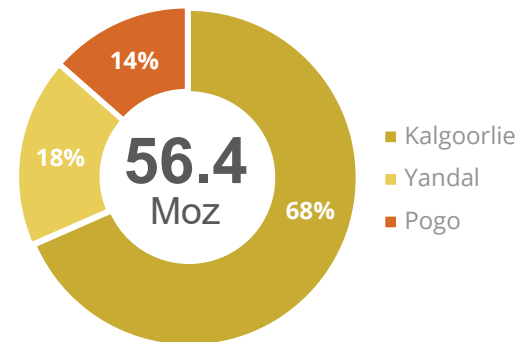
- Kalgoorlie - Fimiston Underground Inferred Mineral Resource increased by 1.0Moz – first glimpse of new world-class system at KCGM
- Pogo - Maiden 1.1Moz Mineral Resource at 10.3g/t defined at Goodpaster, 2km west of Pogo mill – for overall lift in Pogo grade
- Yandal - New discovery identified at “Golden Wonder”

## Mine life extensions

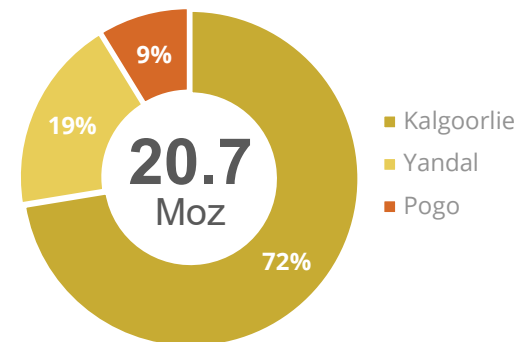
- +10 year reserve backed production profile

Track record of low cost discovery, 2022 Resources added at A\$24/oz

Mineral Resources\*



Ore Reserves\*





# Our Approach to Sustainability



# Our Performance

Delivering superior outcomes for our people, our communities and our planet underpins a sustainable and a profitable outlook for our shareholders.

## Lost time injury frequency rate

Per million hours worked<sup>1</sup>

CY2021 CY2020



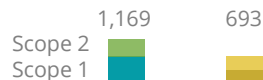
## Total recordable injury frequency rate

Per million hours worked<sup>1</sup>



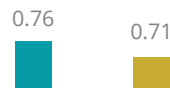
## CO<sub>2</sub> Scope 1 & 2

Thousand tonnes<sup>2</sup>



## Scope 1 & 2 GHG emissions intensity

Tonnes per ounce<sup>2</sup>



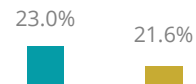
## Total volume of water recycled

Megalitres



## Female employment

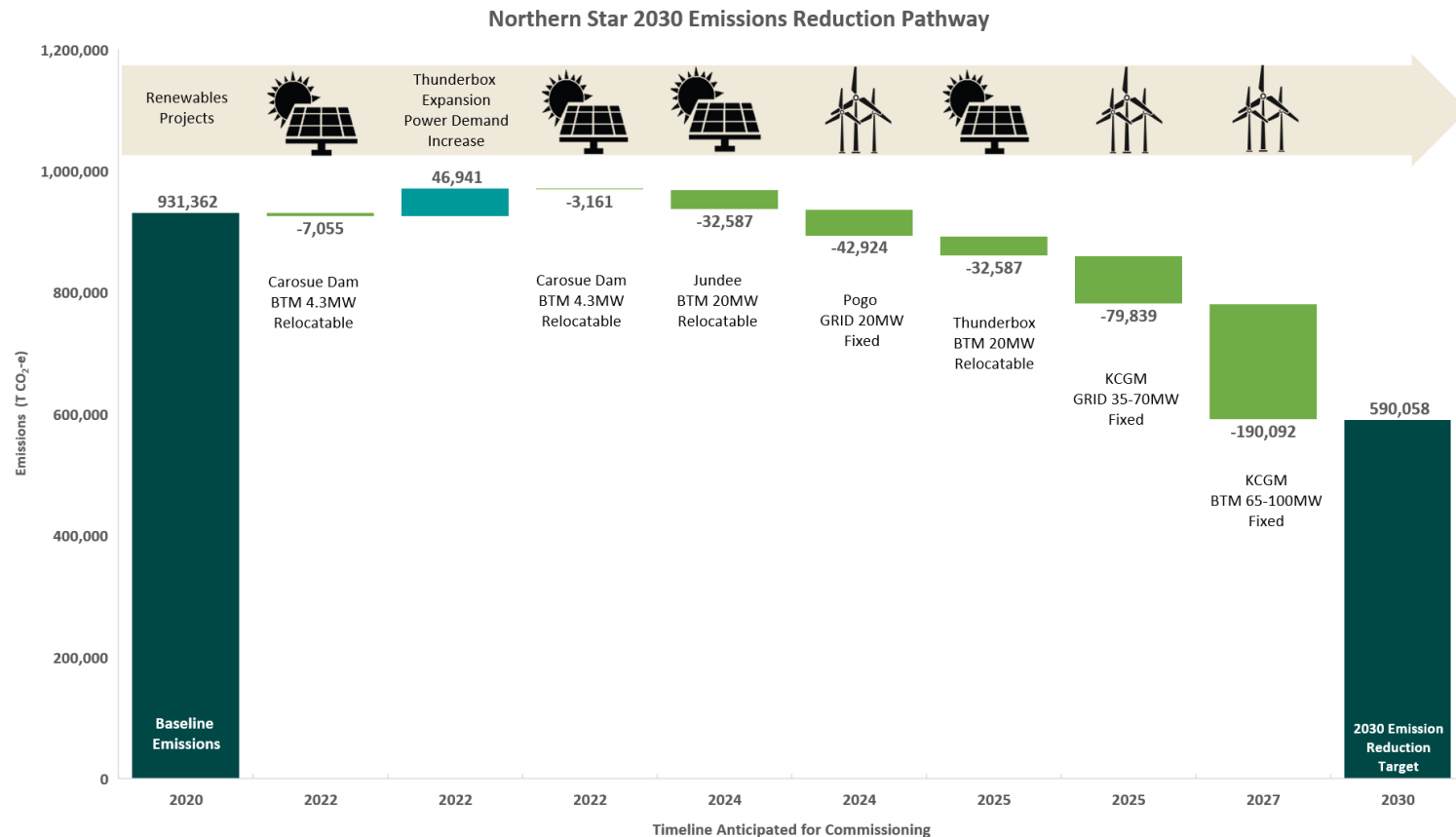
Per Northern Star Employees<sup>2</sup>



<sup>1</sup> Total number of hours worked in CY2021: 13,845,675 (Jan-Dec). Number of recordable injuries per million hours worked. Calculated on a 12-month rolling average.

<sup>2</sup> Figures do not include 100% KCGM and Saracen numbers for CY2020. Kundana and East Kundana assets were divested in August 2021.

# 2030 Pathway to Reduce Emissions by 35%







In Conclusion



# Executing our clearly defined strategy



**RESPONSIBLE  
PRODUCER**



**ORGANIC  
PRODUCTION  
GROWTH**



**STRONG  
CASH FLOW  
GENERATION**



**MINE LIFE  
EXTENSION**



**INCREASING  
CASH RETURNS**

# Northern Star Resources Limited

ASX Code: NST

## Business First.

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