



NORTHERN STAR
RESOURCES LIMITED

Breakthrough results reveal strong potential for next Paulsens

Drilling uncovers high-grade gold in previously disregarded rock unit surrounding existing 900,000-oz structure

Highlights

- ▶ Pivotal drilling to test 'Gabbro' rock surrounding Paulsens returns high-grade intersections of up to 113gpt
- ▶ Initial results point to potential to replicate Paulsens immediately adjacent to existing 900,000-oz structure
- ▶ Surface drilling has defined a zone of quartz in the 'Gabbro Offset' position which extends over 700m
- ▶ Numerous narrow, high-grade zones of quartz-hosted mineralisation intersected 'inside' the Gabbro rock unit
- ▶ The Gabbro rock unit sits either side of Paulsens orebody and has previously been viewed as un-mineralised, now a potential target
- ▶ Latest results highlight potential for the Gabbro to have significant impact on resources, production and mine life
- ▶ Gabbro mineralised intersection is deepest in Paulsens' history, 350m vertically below current production level
- ▶ Significant results include (down hole and uncut);

1.3 m @ 31.8 g/t gold <i>including 0.45m @ 113.0 g/t</i>	441mRL	Gabbro
2.0 m @ 22.9 g/t gold <i>including 0.4m @ 53.5 g/t</i>	414mRL	Gabbro
1.5 m @ 28.7 g/t gold	489mRL	Gabbro
3.0 m @ 17.2 g/t gold	408mRL	Gabbro
1.2 m @ 16.3 g/t gold	382mRL	Gabbro
1.2 m @ 16.0 g/t gold	371mRL	Gabbro
4.0 m @ 10.9 g/t gold	315mRL	Gabbro
0.5 m @ 17.9 g/t gold	483mRL	Gabbro
0.3 m @ 17.2 g/t gold	769mRL	Gabbro
1.0 m @ 10.9 g/t gold	583mRL	Gabbro
1.0 m @ 10.2 g/t gold	549mRL	Gabbro
3.0 m @ 7.1 g/t gold	295mRL	Gabbro
1.0 m @ 6.4 g/t gold	825mRL	Gabbro Offset
2.0 m @ 1.7 g/t gold	550mRL	Gabbro Offset
- ▶ Further assays pending for underground Gabbro drilling
- ▶ Stratigraphic surface hole PD02 intersected anomalous gold values
- ▶ Seismic survey, data review and geological modelling in progress prior to follow up drilling

ASX ANNOUNCEMENT
01 NOVEMBER 2012

Australian Securities Exchange
Code: NST

Board of Directors

Mr Chris Rowe
Non-Executive Chairman

Mr Bill Beament
Managing Director

Mr Michael Fotios
Non-Executive Director

Mr Peter Farris
Non-Executive Director

Mr Peter O'Connor
Non-Executive Director

Ms Karen Brown
Company Secretary

Issued Capital

Shares
424 M

Options 3.5M

Current Share Price
\$1.285

Market Capitalisation
\$540 million

Cash/Bullion and Investments:
30 Sep 12 - \$67 million

Projects

Paulsens
Ashburton
Range
Emull

Commodities

gold
gold
gold, silver
Zn, Cu, gold

Investments

Venturex (15%) Cu, Zn, Ag & gold

Commodities

Northern Star Resources (ASX: NST) is pleased to announce high-grade results from drilling into the previously disregarded Gabbro rock unit surrounding its 900,000-ounce Paulsens orebody in WA.

The results, which are as high as 113gpt, reveal the potential to replicate the existing Paulsens mineralisation with far-reaching benefits for the Project's resources, mine life production and cashflow (see figure 1).

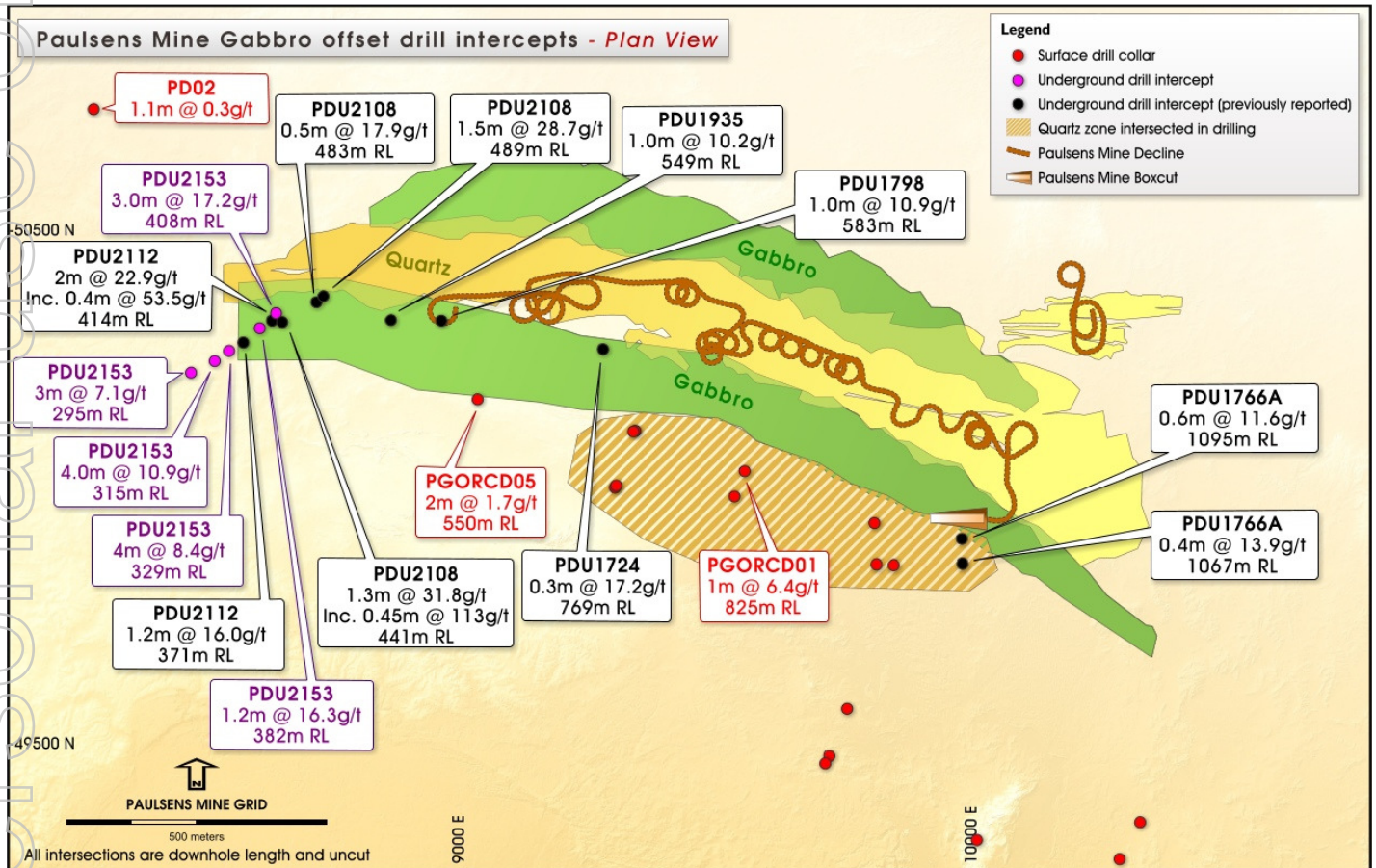


Figure 1 - Plan View of Significant drill results for Gabbro and Offset Mineralisation

This "Gabbro" rock unit sits either side of the Paulsens mineralisation and was seen as a fence, bounding the known orebody. Northern Star, which acquired Paulsens in mid-2010, has recently been drilling to test the geological theory that mineralisation could occur within and on the southern side ("Gabbro Offset") of the Gabbro fence (see figure 2).

These latest results confirm the Company's geological theory with the presence of high-grade mineralisation both in the bounding Gabbro and to the south of this rock unit in the Gabbro Offset position.

Given the high-grade nature of these initial results, the areas deeper and adjacent to the known Paulsens orebody could change the mine's future dramatically.

Of note is the Gabbro result of 3m at 7.1gpt (905m below surface and 350m below current production level) which is the deepest mineralised intersection in Paulsens' history.

These results also mean the Gabbro rock unit on both sides of the Paulsens quartz lode is now a potential target from at least 900m underground and continuing all the way up-plunge to the surface.

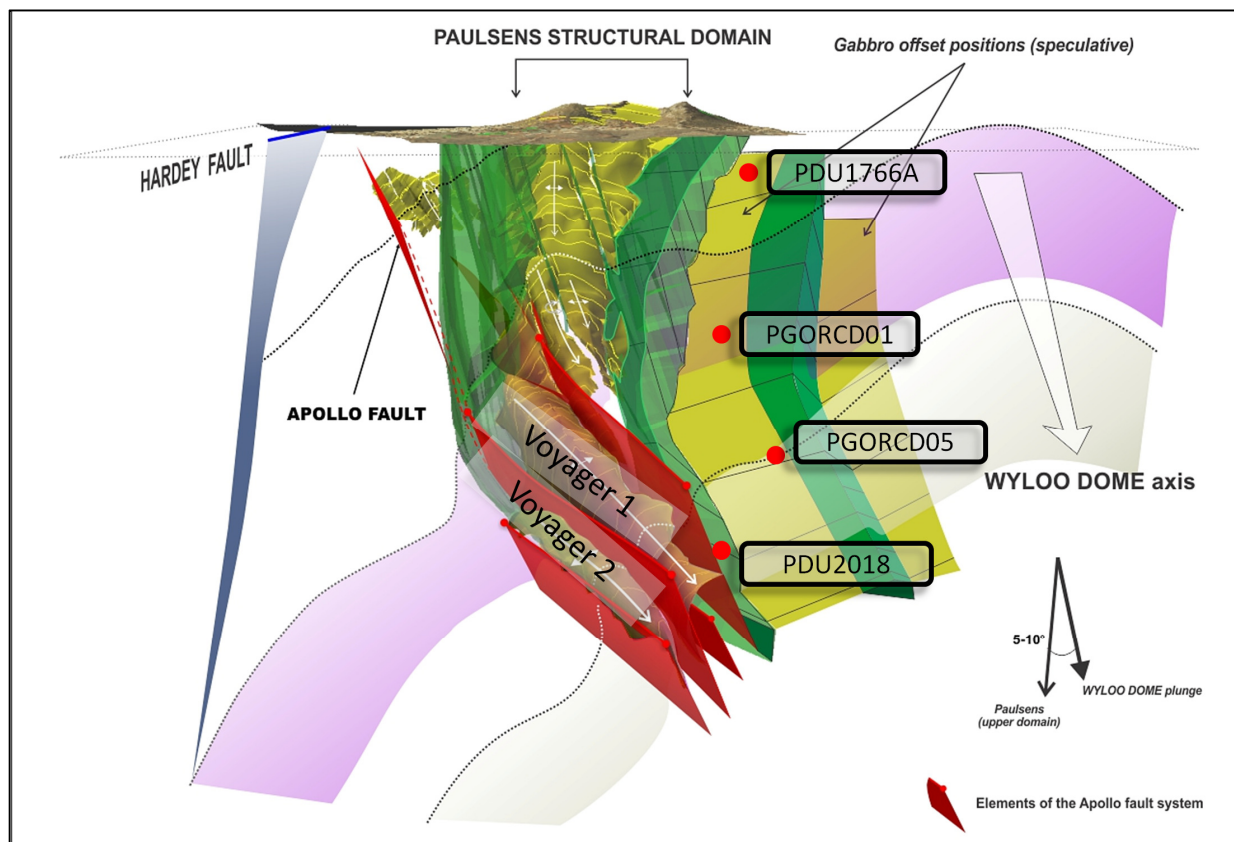


Figure 2 - Oblique View of Gabbro Theory for Mineralisation/Offset positions

"While it is important to note that this is the first round of results from inside the Gabbro, it is already clear that there is significant potential here," Northern Star Managing Director Bill Beament said.

"Given that this Gabbro was considered to be un-mineralised rock, we now know it contains high-grade gold, the potential to alter the economics and life of Paulsens is clearly substantial."

These latest drilling results are excluded from Paulsens' new resource estimate of 403,000oz¹ (see ASX Release 02 August 2012).

In addition to the offset holes, two deep surface exploration holes were drilled to define stratigraphy, structure and controls on mineralisation downplunge from the Paulsens orebody. The first drill hole 'PD01' returned an outstanding intercept of 1.1m at 30.7gpt Au (including 0.4m at 63.5gpt; ASX announcement 15 June 2012), approximately 150m down plunge from the known orebody, greatly extending Paulsens mine life.

On the back of this success, another drill hole 'PD02' was drilled. The focus of this hole was to provide further information on the mine's stratigraphy in a regional context. This hole intersected the main mine structure with anomalous gold values (1.1m @ 0.3gpt). However, it was drilled too far north of the interpreted main lode position (see figure 1). Further cost-effective drilling will be undertaken next year from an underground purpose-built drill platform.

The deeper exploration drilling has resulted in refinement of the geological model in and around Paulsens. This new information is essential for planning the 2D seismic survey trial which is due to commence in November. Seismic surveying is a more cost effective method of defining the stratigraphy and locating host rocks than deep drilling. It will also give us valuable information for targeting this newly discovered Gabbro and Gabbro Offset mineralisation.

Upon the success of the 2D seismic survey, a 3D survey will be undertaken in the first quarter 2013.

Further announcements will be released regarding the ongoing underground diamond drilling as results become available.

Assay results from both underground diamond drilling and surface drilling are listed in the attached tables. Please note that some of these holes have previously been reported however the Company did not understand the geological significance of them until now.

Yours faithfully,



Bill Beament
 Managing Director

	Measured		Indicated		Inferred		Total		
	Tonnes (,000)	Grade (g/t)	Tonnes (,000)	Grade (g/t)	Tonnes (,000)	Grade (g/t)	Tonnes (,000)	Grade (g/t)	Oz Au (,000)
30 June 2012									
Open Pit			573	2.5	169	2.5	742	2.5	61
Paulsens Upper Levels			136	7.1	32	5	168	6.7	36
Voyager 1	277	8.8	75	12.4	44	10.7	395	9.7	123
Voyager 1 Extension			64	20.0	39	33	103	25.0	83
Voyager 2			22	14.3	71	10.5	93	11.4	34
Paulsens Stockpiles									11
Belvedere			45	2.8	123	3.5	168	3.3	18
Merlin					523	1.4	523	1.4	24
Mt Clement JV					226	1.8	226	1.8	13
Total	277	8.8	915	5.5	1227	3.8	2418	5.0	403

¹Table 1 - Paulsens Resources @ 2.5g/t Au Lower Cut-Off Underground and 1.0g/t Au Lower Cut-Off Open Pit

Competent Persons Statements

The information in this announcement that relates to Paulsens Project and Ashburton mineral resource estimation, exploration results, data quality, geological interpretations, potential for eventual economic extraction and estimates of exploration potential, is based on information compiled by or under the supervision of Brook Ekers, (Member AIG), who is a full-time employee of Northern Star Resources Ltd. Mr Ekers 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Ekers consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

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GABBRO MINERALISATION RESOURCE DILLING							
Hole #	Downhole Intersection (m)	Est. True Thickness (m)	Uncut Grade (g/t)	Grade (g/t) cut to (150g/t)	Gram/mts (cut)	Ore zone and comments	RL of intersection
PDU1724	0.3	0.2	17.2	17.2	3.4	Vein in Gabbro	769mRL
PDU2108	1.5	1.2	28.7	28.7	34.4	Vein in Gabbro	489mRL
PDU2108	0.5	0.3	17.9	17.9	5.4	Vein in Gabbro	483mRL
PDU2108	1.3	0.7	31.8	31.8	22.2	Vein in Gabbro	441mRL
including	0.45		113.0				
PDU2112	2.0	1.1	22.9	22.9	25.2	Vein in Gabbro	414mRL
including	0.4		53.5				
PDU2112	1.2	0.6	16.0	16.0	9.6	Vein in Gabbro	371mRL
PDU2153	3.0	0.9	17.2	17.2	15.4	Vein in Gabbro	408mRL
PDU2153	1.2	0.5	16.3	16.3	8.1	Vein in Gabbro	382mRL
PDU2153	4.0	1.2	8.4	8.4	10.1	Vein in Gabbro	329mRL
PDU2153	4.0	3.1	10.9	10.9	33.7	Vein in Gabbro	315mRL
PDU2153	3.0	2.3	7.1	7.1	15.9	Vein in Gabbro	295mRL
GABBRO MINERALISATION EXPLORATION DILLING							
Hole #	Downhole Intersection (m)	Est. True Thickness (m)	Uncut Grade (g/t)	Grade (g/t) cut to (150g/t)	Gram/mts (cut)	Ore zone and comments	RL of intersection
PDU1766A	0.6	0.4	11.6	11.6	4.7	Gabbro offset quartz vein	1095m RL
PDU1766A	0.4	0.3	13.9	13.9	4.0	Gabbro offset quartz vein	1067m RL

At a nominal 3g/t lower cut off and a 150g/t upper cut off

NSR means no significant result

Quality Control – Paulsens, All core is logged and whole core samples (if LTK60 size, NQ2 sized core is cut and half cored) are marked and prepared for shipping at the Paulsens Mine Property and sent to an independent Laboratory for assay. The remaining half core is stored on site. All samples from which information in this document is derived were received by ALS Chemex – Australian Laboratory Services Pty (‘ALS’) Limited in Perth, Western Australia. Samples are weighed and crushed to 70% passing -6mm mesh. The crushed material is split and a portion is pulverised. A 100-gram pulp is sent to ALS Perth, Western Australia for assay. A 30-gram portion of the pulp is treated by fire assay method with atomic absorption finish (Au-AA25). Sample rejects are discarded after 90 days. Limit samples (>100 grams per tonne gold) are re-analysed using ALS’ dilution method (Au-DIL). Northern Star Resources inserts one standard in each hole, and one blank is now inserted in each ore zone. Laboratory standards and blanks are inserted by ALS and several pulp duplicates are also assayed as a determinant of mineralisation variability. ALS has AS/NZS ISO 9001:2000 certification in Perth.

PAULSENS SURFACE EXPLORATION						
Prospect	Drill Hole #	Downhole From (m)	Downhole To (m)	Downhole Intersection (m)	Au (g/t)	Oxide / Transitional / Sulphide
Gabbro Offset	PGORCD0001	375.8	376.8	1.0	6.4	Fresh
Gabbro Offset	PGORCD0005	653	655	2.0	1.7	Fresh
Paulsens Deeps	PPDDD0002A (‘PD02’)	614.3	615.4	1.1	0.3	Fresh

Assays reported using a 0.5g/t Au lower cut off (except for PD02), no upper cut off, minimum intercept value 1g/t (except for PD02), ≤2m maximum internal dilution, minimum interval 1m, rounded to one decimal place.

Quality Control – Paulsens Surface Exploration, All core is orientated, logged then cut for sampling. Half core is sampled and sent to SGS Australia Pty Ltd (‘SGS’) in Perth Western Australia for analysis. The remaining half core is stored at Paulsens. At SGS, samples were dried, crushed and split with a proportion pulverised. A 50-gram portion of the pulp was treated by Fire Assay method with an Atomic Absorption Spectrometry finish. Northern Star Resources inserts on average one standard and blank every 25 samples. Laboratory standards and blanks are inserted by SGS and several pulp duplicates are also assayed as a determinant of mineralisation variability and to their ISO 9001 standard and a NATA Technical certificate.