



NORTHERN STAR
RESOURCES LIMITED

ASX Code: NST

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Superior financial returns from high-grade Australian gold mines

THE PLUTONIC ACQUISITION

Transforming Northern Star into a 200,000ozpa producer

Competent Persons Statements

- The information in this announcement that relates to Paulsens and Ashburton mineral resource estimations, exploration results, data quality, geological interpretations, potential for eventual economic extraction and estimates of exploration potential, is based on and fairly represents information compiled by or under the supervision of Brook Ekers, who is an AIG member who is a full-time employee of Northern Star Resources Limited. 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 2012 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.
- Information in this announcement that relates to the Paulsens Project Ore Reserves has been compiled by or under the supervision of Darren Stralow, General Manager – Paulsens Gold Mine, who is a full-time employee of Northern Star Resources Ltd. Mr Stralow 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 Stralow is a Member of the Australasian Institute of Mining and Metallurgy and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- Information in this announcement that relates to the Ashburton Ore Reserves has been compiled by Shane McLeay, Principal Engineer – Entech Pty Ltd, who has sufficient experience 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". Shane McLeay is a Member of the Australasian Institute of Mining and Metallurgy and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
- Information in this announcement that relates to the Plutonic Gold Project Ore Reserves and Mineral Resources has been taken from Barrick Gold Corporation's Annual Information Form for the year ended December 31, 2012 filed with the Canadian Securities Administrators.

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.

An opportunity to repeat the Paulsens success story

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Company Transforming Acquisition

- ✓ Northern Star has agreed to acquire the Plutonic gold mine (“**Plutonic**”) from Barrick Gold Corporation (“**Barrick**”) for A\$25M funded via existing cash reserves
- ✓ Transaction will double Northern Star’s existing production levels for consideration equating to less than 10% of NST’s market capitalisation
- ✓ Lifts the Company’s Resources and Reserves by 80% to 4.0Moz and 0.5Moz respectively

Established, Quality Asset

- ✓ Plutonic is a successful mining operation with continuous production since 1990 of ~5.24Moz
- ✓ Plutonic produces in-excess of 100,000 ounces per annum
- ✓ Strong history of resource to reserve conversion maintaining and extending mine-life

Plutonic Has Potential To Replicate Paulsens Success

- ✓ Very similar production profile and operation to Paulsens
- ✓ High grade asset that has been capital starved
- ✓ Currently owner operator which mirrors NST business model
- ✓ Multiple orebodies that have been constrained due to lack of drilling

Proven Management Team to Achieve Operational Improvements and Greatly Extend Mine-life

- ✓ Northern Star’s management team has a proven track record in extracting significant value from underground mining operations
 - ✓ Acquired Paulsens for A\$40M in 2010
- ✓ Majority of Northern Star’s management team have worked extensively at Plutonic and have a deep understanding of the asset and its prospectivity
- ✓ A range of initiatives are planned to substantially improve mine-life, operational performance and reduce costs

The new Northern Star

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Paulsens

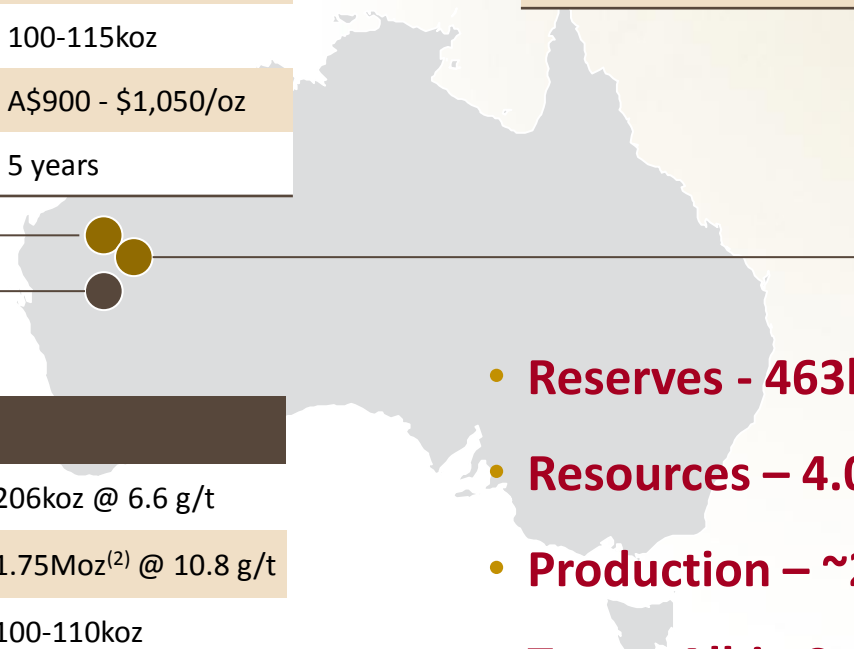
Reserves	204koz @ 5.3 g/t
Resources	555koz @ 5.7 g/t
FY14F Production	100-115koz
FY14F All-in sustaining costs ⁽¹⁾	A\$900 - \$1,050/oz
Mine Life	5 years

Ashburton

Reserves	53koz @ 3.7 g/t
Resources	1,668koz @ 2.4 g/t

Plutonic

Reserves	206koz @ 6.6 g/t
Resources	1.75Moz ⁽²⁾ @ 10.8 g/t
FY14F Production	100-110koz
All-in sustaining costs ⁽³⁾	A\$1050 - \$1,200/oz
Mine Life	~5-7 years



- **Reserves - 463koz⁽⁴⁾**
- **Resources – 4.0Moz⁽⁵⁾**
- **Production – ~200,000oz per annum**
- **Target All-in Sustaining Cost <A\$1,100/oz**
- **Significant growth potential**

⁽¹⁾ Inclusive of royalties

⁽²⁾ Includes measured and Indicated resource of 780,000oz and Inferred resource of 970,000oz. Resources are exclusive of reserves as at 31 December 2012.

⁽³⁾ Predicted all-in sustaining costs after implementing Northern Star efficiency measures

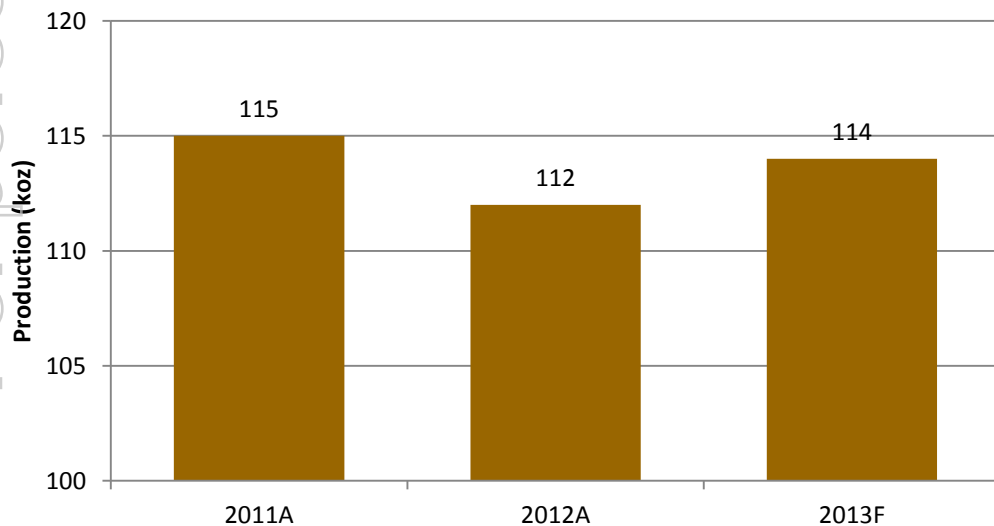
⁽⁴⁾ Combined Northern Star Reserve @ 31st Dec 2012, Barrick Reserve @ 31st Dec 2012 sourced from Barrick's 2012 40-F Filing

⁽⁵⁾ Combined Northern Star Resource @ 30th Jun 2013, Barrick Resource @ 31st Dec 2012 sourced from Barrick's 2012 40-F Filing

A leading Australian gold mine with an outstanding future

- Located 180km north of Meekatharra in Western Australia and is the nearest gold mine to Paulsens
- Underground mine operation with simple longhole open stoping mining method
- High-grade Resources of 1.75Moz at 10.8gpt and Reserves of 206koz at 6.6gpt
- 1.8Mtpa Primary CIL processing plant and a decommissioned 1.2Mtpa Oxide CIL processing plant
- Forecast production of 114 koz in 2013⁽¹⁾
- Northern Star has a number of initiatives to optimise the operation and substantially reduce costs

Ounces Produced (Koz)



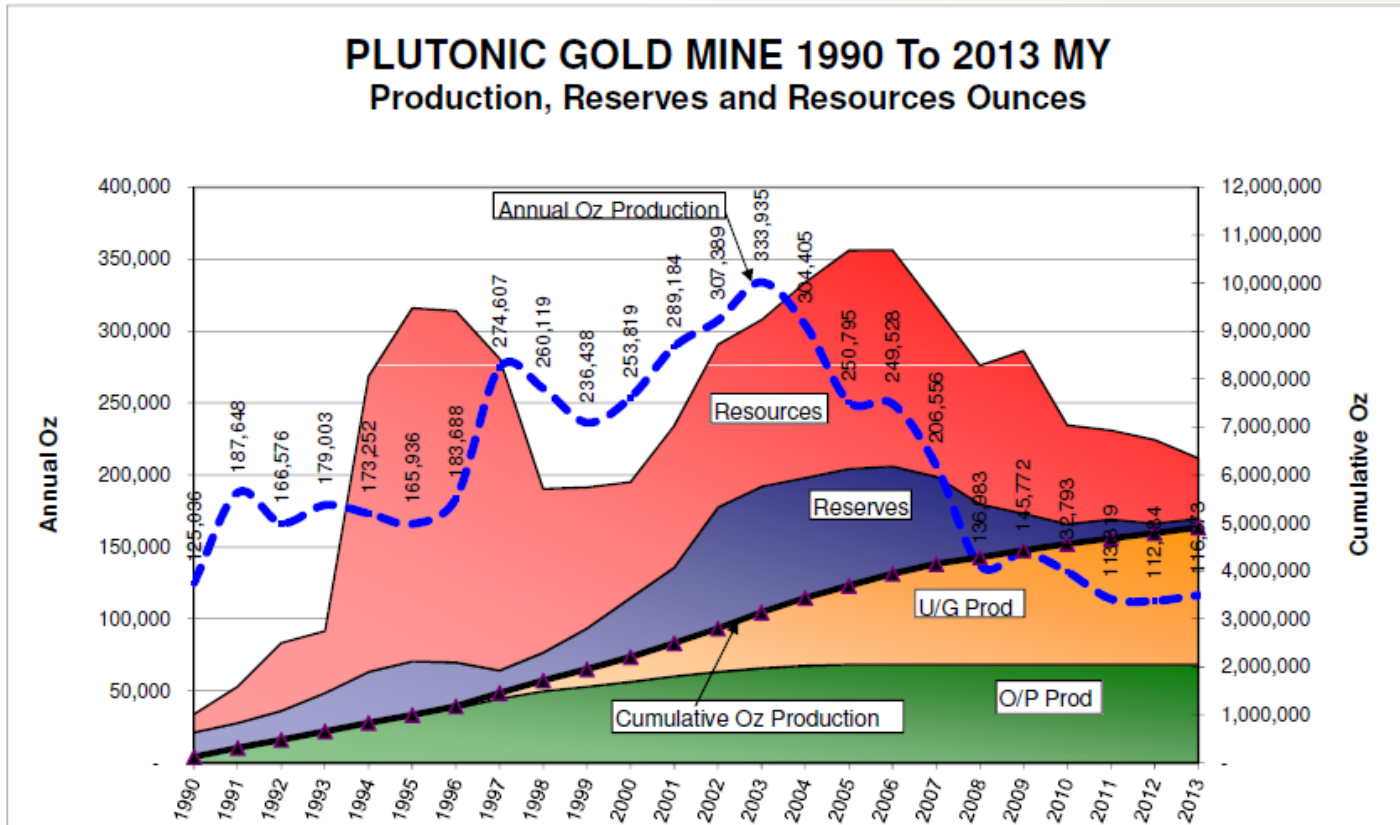
(1) Annualised production based on actuals for 10 months to 31 October 2013



Plutonic – Mine Performance and Geology

Plutonic has maintained continuous production for +20 years, ~5.24Moz mined to date

- Operation has consistently produced well in-excess of 100,000oz per annum
- Historically ~50% of resources have converted to reserves providing substantial opportunity to convert the large high-grade resource of 1.75Moz into further mine life
- Historically ~20% of mined ounces are extracted outside of the known mineral resource

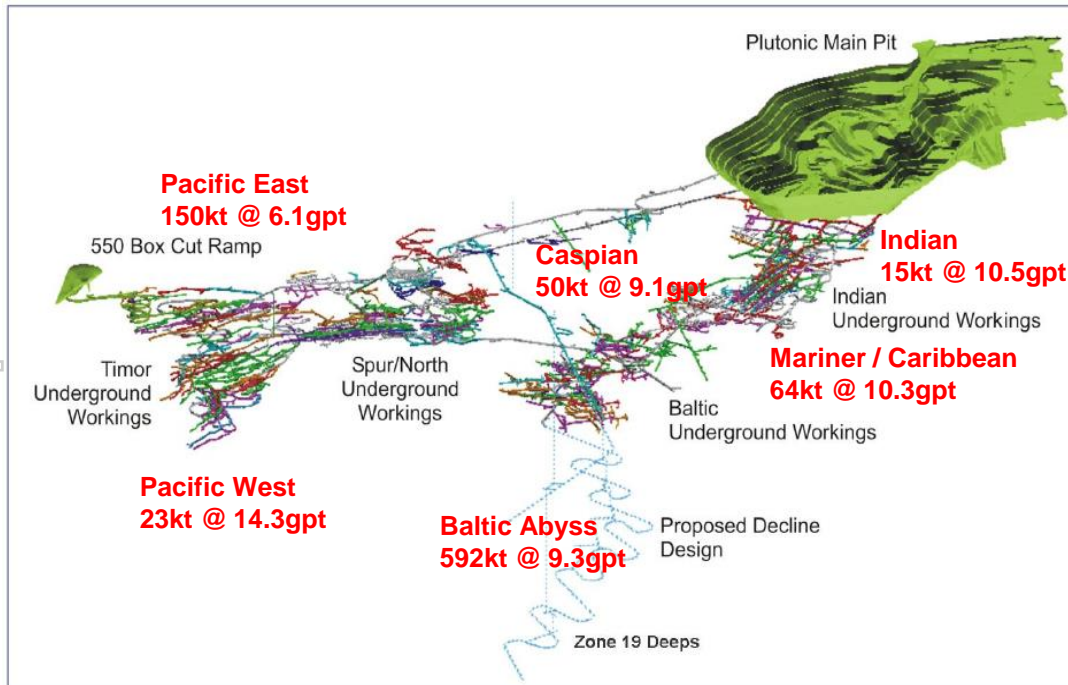


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Plutonic – the growth story

A number of highly prospective new mine targets have been identified at Plutonic

- Significant opportunity exists to convert in-mine deposits into production with minimal capital
- Deposits shown below currently sit outside the known resource base
- Northern Star is highly confident these will report to the resource with further drilling
- The high-grade Baltic Abyss deposit represents the most prospective target identified to date



	Tonnes (000's)	Grade (gpt)	Ounces (000's)
Baltic Abyss	592	9.3	177
Pacific East	150	6.1	29
Mariner / Caribbean	64	10.3	21
Caspian	50	9.1	15
Pacific West	23	14.3	11
Indian	15	10.5	5
Total	894	9.0	258

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Northern Star to take its efficiency drive to Plutonic



Northern Star plans to undertake the following initiatives to improve performance at Plutonic and create significant value for shareholders

Initiative	Description
Pay-off Acquisition	<ul style="list-style-type: none"> Maximise operational cashflow to recover acquisition purchase price and strengthen balance sheet for future growth
Optimise Operations	<ul style="list-style-type: none"> Increase productivity levels and mining physicals as demonstrated at Paulsens Rationalise and standardise fleet, personnel and assets across the Company Optimise mine design, mining dilution and mill through-put to maximise profits
Improve Financial Metrics	<ul style="list-style-type: none"> Review all supply contracts and leverage off combined Company buying power Implement strategies to reduce the total site cost per ounce
Extend Mine Life	<ul style="list-style-type: none"> Convert more resources into reserves and extend known resources through drilling Re-evaluate known deposits that are currently not in a resource category
Upside Opportunities	<ul style="list-style-type: none"> Increase gold production profile Mine additional deposits , in-mine &/or satellite Review remanent areas in the mine

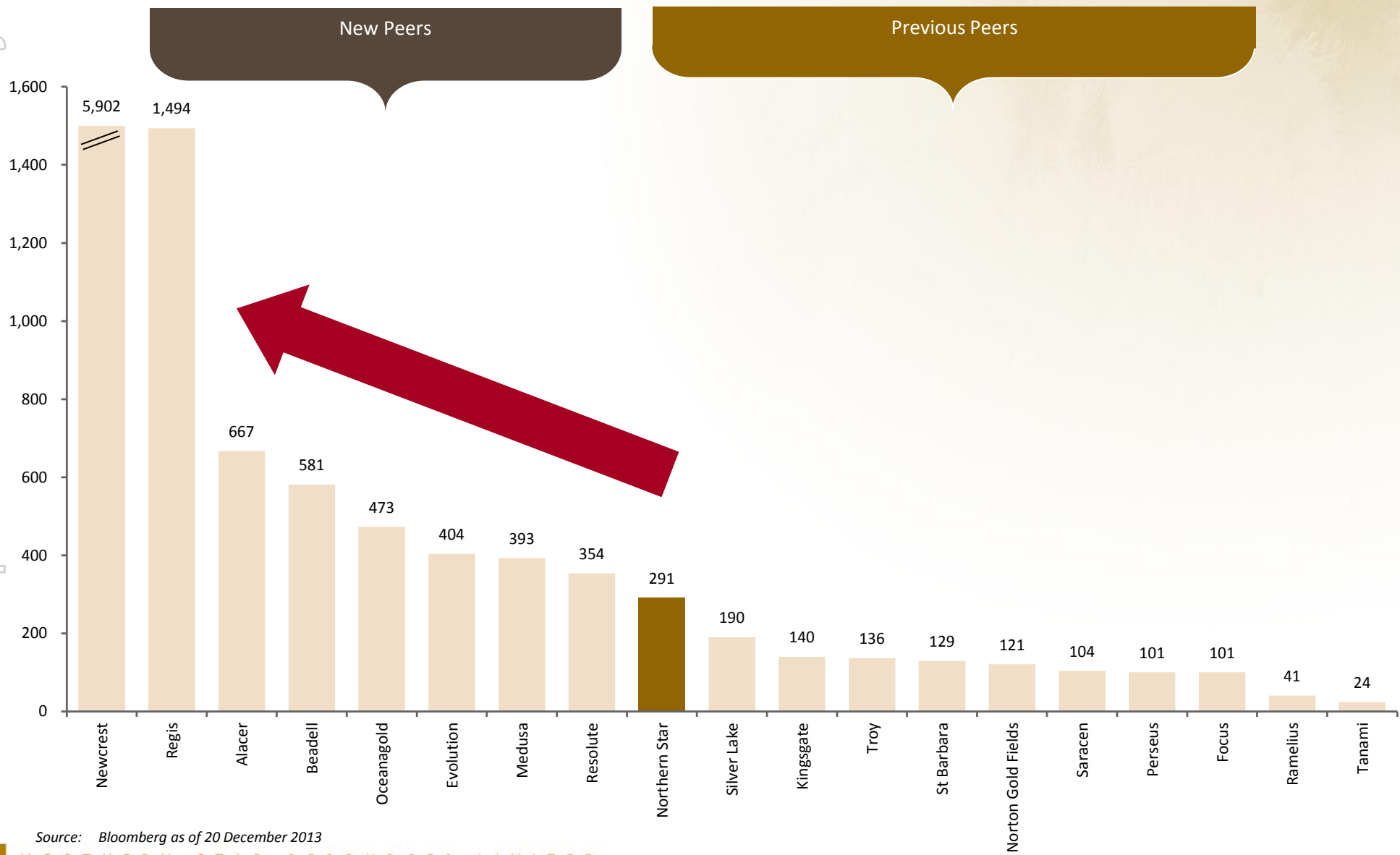
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Most of Northern Star's Executive and Senior management team have worked at Barrick sites;

- Bill Beament (Managing Director) – GM Operations at Barmingo working and overseeing the underground mining at Plutonic, Granny Smith, Lawlers, EKJV and Kanowna - 8.5 years
- Stuart Tonkin (Chief Operating Officer) – COO at Barmingo, contracting for 4 years at Kanowna, Lawlers, Granny Smith and EKJV. Project Manager, Plutonic 2 years.
- Bernie Sostak (GM Bus Development) – Director of Resource & Reserves Strategy, Barrick 12 Years including 8 years at Plutonic as Chief Geologist
- Craig Jones (Principal Mining Engineer) – UG Manager, Lawlers 3 years
- Darren Stralow (General Manager Paulsens) – Mining Engineer, Lawlers 3 years
- Matt Bellamy (Underground Manager Paulsens) – Mining Engineer, Darlot 3 years
- Paul Twine (Mining Services Project Manager) – Operations at Lawlers, 3 years
- Paul Nilsson (Mining Services Project Manager) – Project Manager Granny Smith and Kanowna, 3 years

Enhanced Scale & Market Positioning

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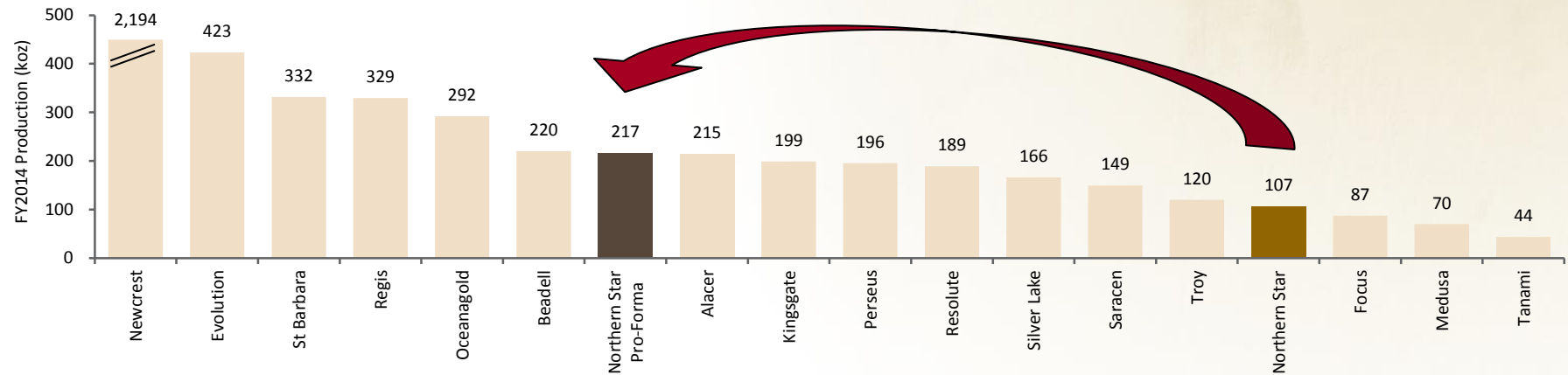
Source: Bloomberg as of 20 December 2013

Leading Australian Gold Producer

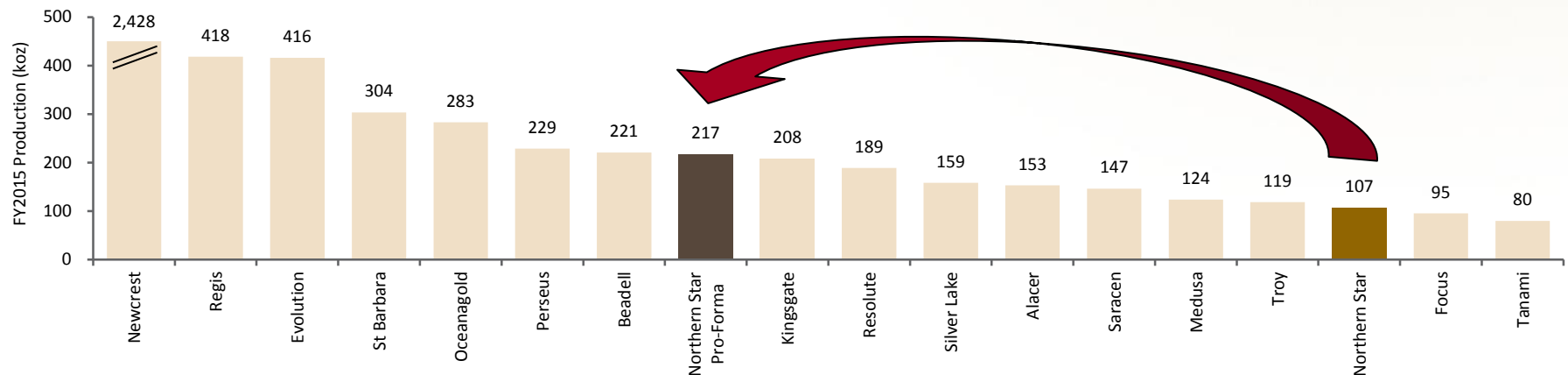
Northern Star will double its production to becoming a leading Australian gold producer

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FY2014 Production⁽¹⁾



FY2015 Production⁽²⁾



Source: Broker consensus (based on available broker reports)

(1) Northern Star FY2014 and FY2015 Pro-Forma production is existing broker consensus forecast plus 110kozpa (upper range of guidance) from Plutonic acquisition

Key reasons to invest in Northern Star

- ASX200 gold producer with all operations in Australia
- Plutonic Gold Mine acquired for \$25 million which equates to just \$14 per resource ounce, funded via existing cash reserves
- Northern Star Executives have substantial management experience at Plutonic
- Acquisition lifts group production to in-excess of 200,000oz per annum and offers greater leverage to gold price and exchange rate
- Multiple operations de-risk the previous single asset revenue stream
- Outstanding opportunities to grow mine life and cut costs
- Acquisition has increased the Company's Resources and Reserves by 80% to 4.0Moz and 0.5Moz respectively, underpinning mine-life +5 years
- Strong cash generation from high-grade and high-margin ounces
- Strong Company platform to capitalise on future growth opportunities





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Proving that low costs pay dividends

12,178gpt intersection at Paulsens

- Contact Details:
- Bill Beament – Managing Director +61 8 6188 2100
- Email – info@nsr ltd.com
- Website – www.nsr ltd.com

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GOLD MINERAL RESOURCES ¹													
As at 30 June 2013													
Based on attributable ounces	MEASURED (M)			INDICATED (I)			INFERRED (Inf)			TOTAL (M&Inf)			Cut Off Grade
	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)	
PAULSENS GOLD PROJECT													
Surface													
Paulsens	-	-	-	573	2.5	47	169	3	14	742	2.5	61	1.0 gpt Au
Belvedere	-	-	-	168	3.6	19	99	5	16	267	4.2	35	1.0 gpt Au
Merlin	-	-	-	-	-	-	523	1	24	523	1.4	24	1.0 gpt Au
Mt Clement (20%)	-	-	-	-	-	-	226	2	13	226	1.8	13	0.5 gpt Au
Underground													
Upper Paulsens	63	9.7	20	98	13.1	41	119	8	31	280	10.2	92	2.5 gpt Au
Voyager UG	517	12.1	201	173	11.9	66	61	13	26	751	12.2	293	2.5 gpt Au
Stockpiles	118	2.6	10	-	-	-	-	-	-	118	2.6	10	1.0 gpt Au
Gold in Circuit/Transit	-	-	4	-	-	-	-	-	-	-	-	4	-
Subtotal Paulsens	698	10.5	235	1,012	5.3	173	1,197	3.2	124	2,907	5.6	532	
ASHBURTON GOLD PROJECT													
Surface													
Mt Olympus	-	-	-	6,038	2.3	448	9,138	2.2	632	15,176	2.2	1,080	0.7 gpt Au
Peake	-	-	-	113	5.2	19	3,544	3.3	380	3,657	3.3	399	0.9 gpt Au
Waugh	-	-	-	347	3.6	40	240	3.6	28	587	3.6	68	0.9 gpt Au
Zeus	-	-	-	508	2.1	34	532	2.2	38	1,040	2.2	72	0.9 gpt Au
Electric Dingo	-	-	-	98	1.6	5	444	1.2	17	542	1.3	22	0.9 gpt Au
Romulus	-	-	-	-	-	-	329	2.6	27	329	2.6	27	0.9 gpt Au
Subtotal Ashburton	-	-	-	7,104	2.4	546	14,227	2.5	1,122	21,331	2.4	1,668	
TOTAL RESOURCES	698	10.5	235	8,116	2.8	719	15,424	2.5	1,246	24,238	2.8	2,200	

¹ Resources are inclusive of Reserves

² Rounding errors may occur

Table 1 – Northern Star Resources As of 30th June 2013 Inclusive of Reserves

GOLD MINERAL RESERVES ¹									
As at 31 December 2012									
Based on attributable ounces	PROVED			PROBABLE			PROVED and PROBABLE		
	Tonnes (000's)	Grade (gpt)	Ounces (000's)	Tonnes (000's)	Grade (gpt)	Ounces (000's)	Tonnes (000's)	Grade (gpt)	Ounces (000's)
PAULSENS GOLD PROJECT									
Surface									
Paulsens	-	-	-	424	2.3	31	424	2.3	31
Belvedere	-	-	-	129	3.2	13	129	3.2	13
Underground									
Upper Paulsens	-	-	-	36	6.9	8	36	6.9	8
Voyager UG	328	8.0	84	149	11.1	53	477	8.9	137
Stockpiles	102	3.3	11	-	-	-	102	3.3	11
Gold in Circuit/Transit	-	-	4	-	-	-	-	-	4
Subtotal Paulsens	430	6.9	99	738	4.4	105	1,168	5.3	204
ASHBURTON GOLD PROJECT									
Surface									
Mt Olympus	248	3.6	29	113	3.6	13	361	3.6	42
Peake	-	-	-	47	5.0	8	47	5.0	8
Zeus	-	-	-	38	2.4	3	38	2.4	3
Subtotal Ashburton	248	3.6	29	198	3.8	24	446	3.7	53
TOTAL RESERVES	678	5.9	128	936	4.3	129	1,614	5.0	257

¹ Rounding errors may occur

Table 2 – Northern Star Reserves As of 31st December 2012

(1) Table 1 - Paulsens Resources @ 2.5gpt Au Lower Cut-Off Underground and 1.0gpt Au Lower Cut-Off Open Pit

GOLD MINERAL RESOURCES ²

As at December 31, 2012	MEASURED (M)			INDICATED (I)			(M) + (I)	INFERRED (Inf)			TOTAL (MI & Inf)		
	Tonnes (000s)	Grade (gpt)	Ounces (000s)	Tonnes (000s)	Grade (gpt)	Ounces (000s)	Ounces (000s)	Tonnes (000s)	Grade (gpt)	Ounces (000s)	Tonnes (000s)	Grade (gpt)	Ounces (000s)
Based on attributable ounces													
PLUTONIC GOLD PROJECT													
Underground													
Plutonic	289	4.8	45	2,087	11.0	736	780	2,672	11.2	966	5,048	10.8	1,746
TOTAL	289	4.8	45	2,087	11.0	736	780	2,672	11.2	966	5,048	10.8	1,746

Resources are exclusive of Reserves
Gold Price \$USD 1650, FX 1.05 AUD

GOLD MINERAL RESERVES ³

As at December 31, 2012	PROVED			PROBABLE			TOTAL		
	Tonnes (000's)	Grade (gpt)	Ounces (000's)	Tonnes (000's)	Grade (gpt)	Ounces (000's)	Tonnes (000's)	Grade (gpt)	Ounces (000's)
Based on attributable ounces									
PLUTONIC GOLD PROJECT									
Underground									
Plutonic	345	7.0	77	633	6.3	129	978	6.6	206
TOTAL	345	7.0	77	633	6.3	129	978	6.6	206

Gold Price \$USD 1250, FX 1.05 AUD

Table 3 – Plutonic Resources (exclusive of Reserves) and Reserves As of 31st December 2012

(2),(3) Table 3 - Reserves and resources figures have been excerpted from those published in Barrick Gold Corporation's Annual Information Form for the year ended December 31, 2012 and dated March 28, 2013 ("AIF"). These figures were calculated in accordance with National Instrument 43-101 of the Canadian securities regulators ("NI 43-101") as describe on page 25 of the AIF under the supervision of the Qualified Persons named on page 11 of the AIF and the Qualified Persons approved the figures in advance of their publication. Each of the Qualified Persons are employees of Barrick, their relationship to Barrick being further described on page 11 of the AIF, and Barrick has determined that such persons are Qualified Persons pursuant to NI 43-101 as described on page 11 of the AIF. Barrick report short tons and oz/ton Au, this release refers to metric tonnes, g/t Au and may contain rounding errors for Kt (000's tonnes) and conversion.