



NORTHERN STAR
RESOURCES LIMITED

ASX Code: NST

December 2014
Half-Year Results
17 February 2015



Northern Star Resources

An Australian gold miner – for global investors

Competent Persons Statements

- * The information in this announcement that relates to mineral resource and reserve estimations, exploration results, data quality, geological interpretations and potential for eventual economic extraction, is based on information compiled by Brook Ekers (Member Australian Institute of Geoscientists), 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" for the Group reporting. 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 mineral resource estimations, exploration results, data quality, geological interpretations and potential for eventual economic extraction, is based on information compiled by Darren Cooke, (Member Australian Institute of Geoscientists), who is a full-time employee of Northern Star Resources Limited. Mr Cooke 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" for the Pegasus, Rubicon and Hornet Deposit and the Ambition prospect. 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.

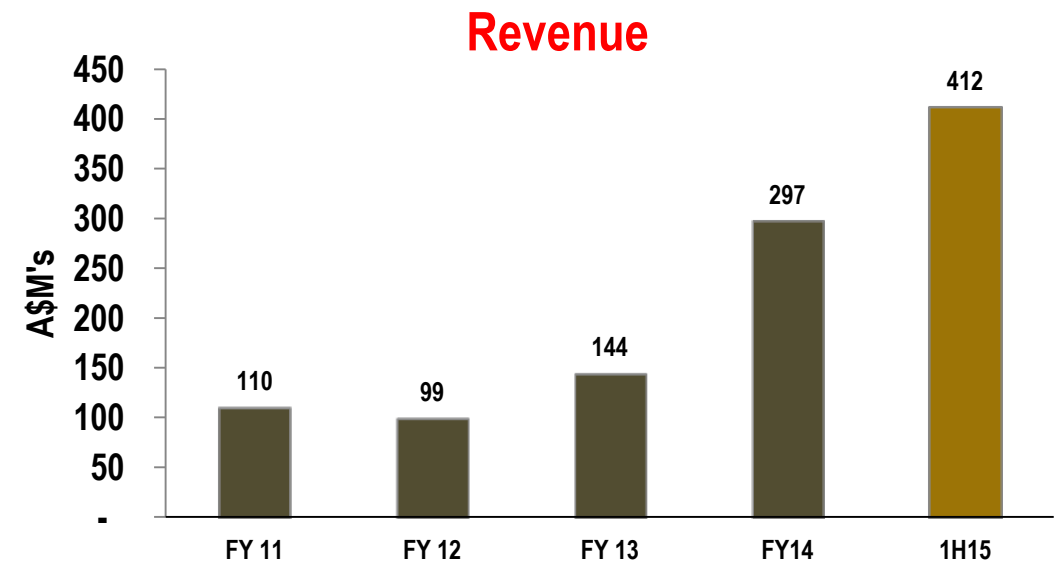
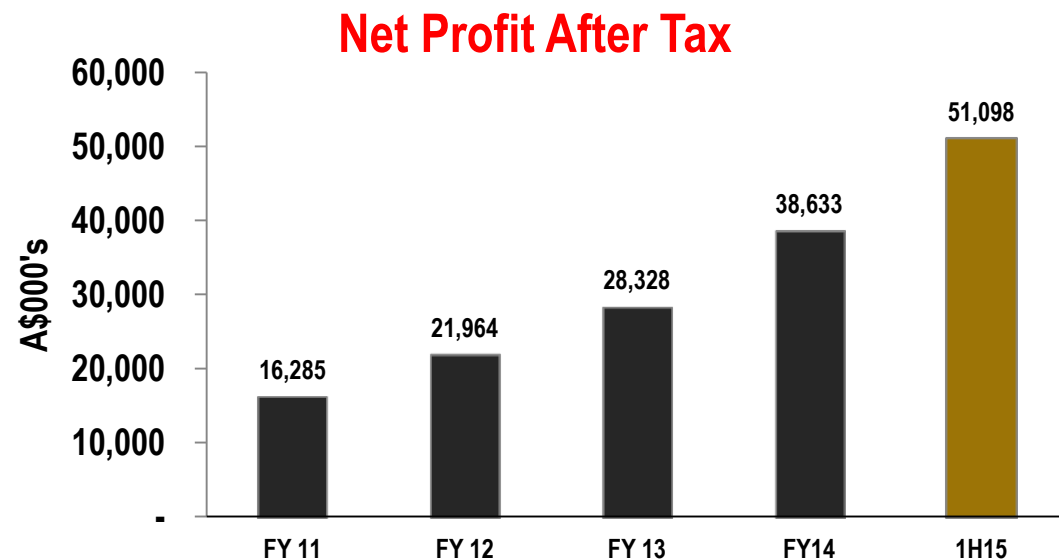
Forward Looking Statements

- * 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.

Financial Highlights for the Year to 31 Dec 2014



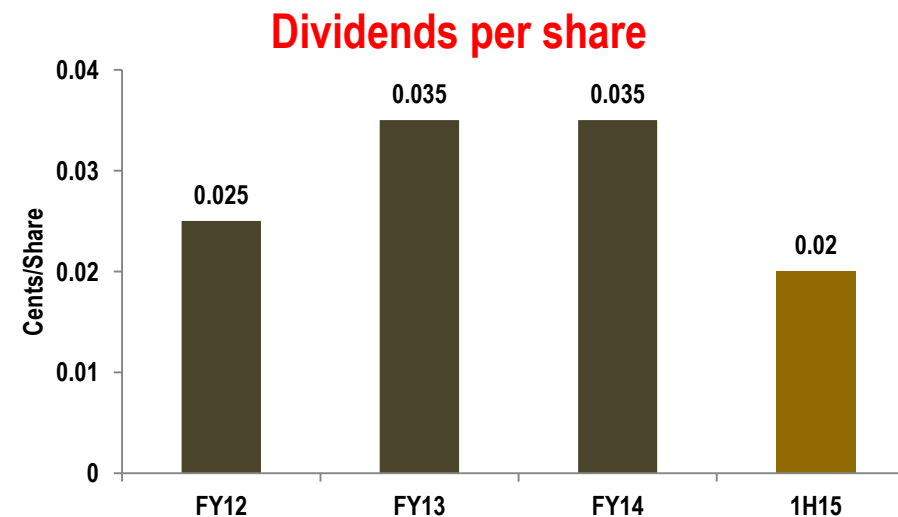
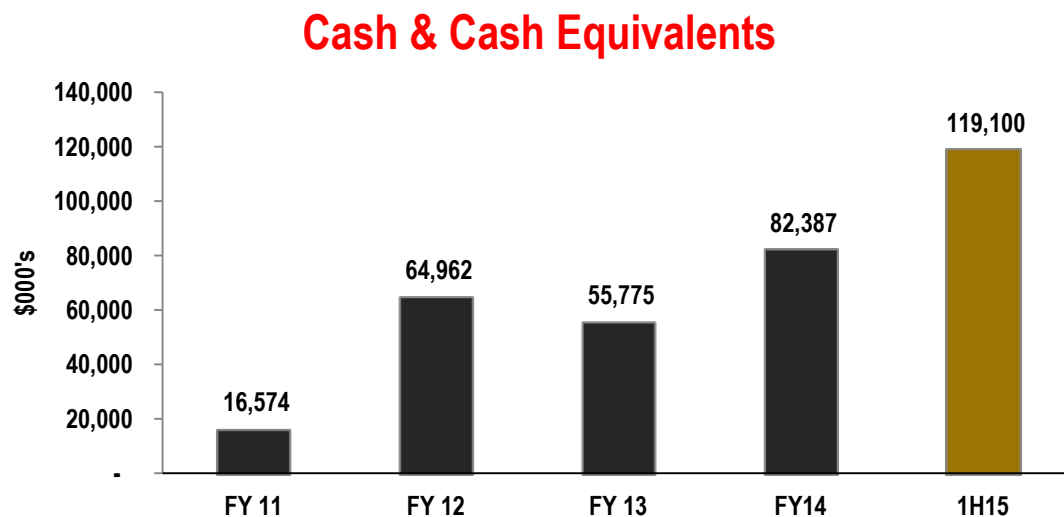
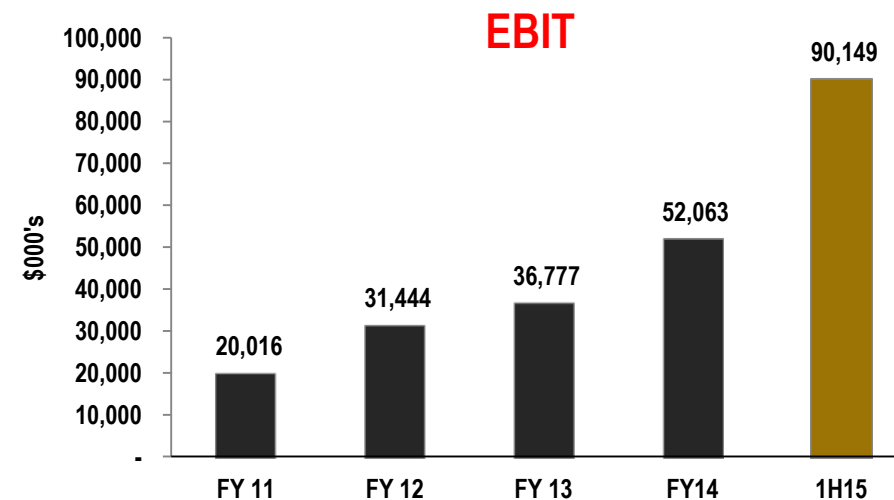
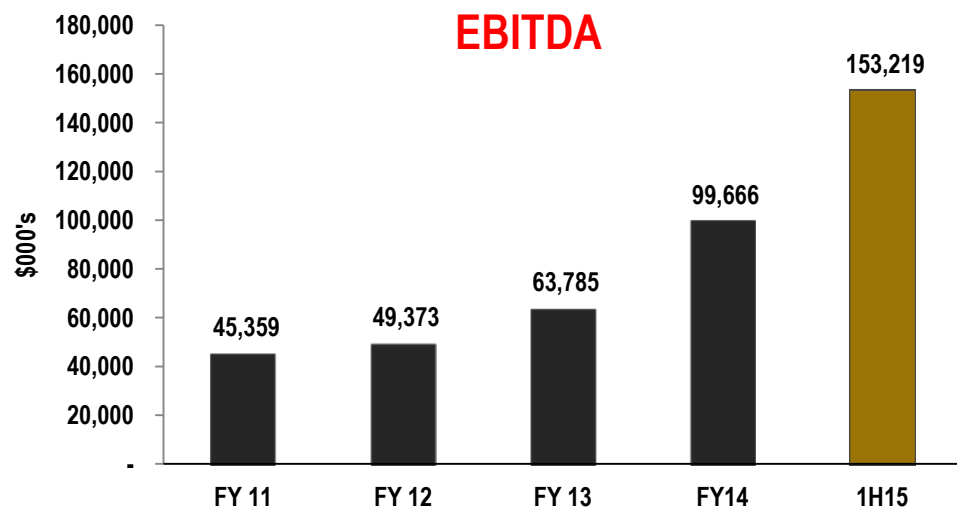
- ✦ Sales revenue: A\$412.1m
- ✦ Net Profit after tax: A\$51m including one offs of acquisition costs of A\$7.2m & restructure costs of A\$4m
- ✦ Cash flow from operations of: A\$128.7m generating underlying Company free cash flow of A\$106.6m
- ✦ Dividend: Interim dividend doubled from 1 cent to 2 cents fully franked
- ✦ Return on Equity of 17.6% for the half (35.2% on an annualised basis)
- ✦ Cash and Cash Equivalents on hand at 31 Dec: A\$119.1m
- ✦ Debt: A\$35m at 31 Dec; post half year's end debt reduced to A\$20m



Financial Highlights for the Year to 31 Dec 2014



- ✦ NST has increased the interim dividend 100% from 1 cent to 2 cents per share

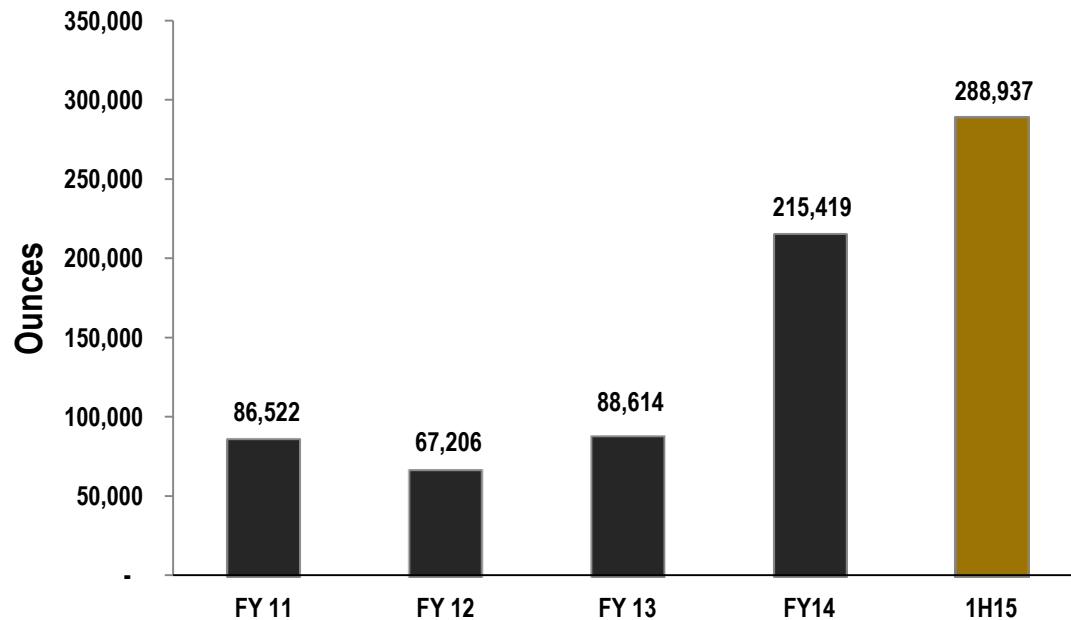


The Profit Centres in 1H15

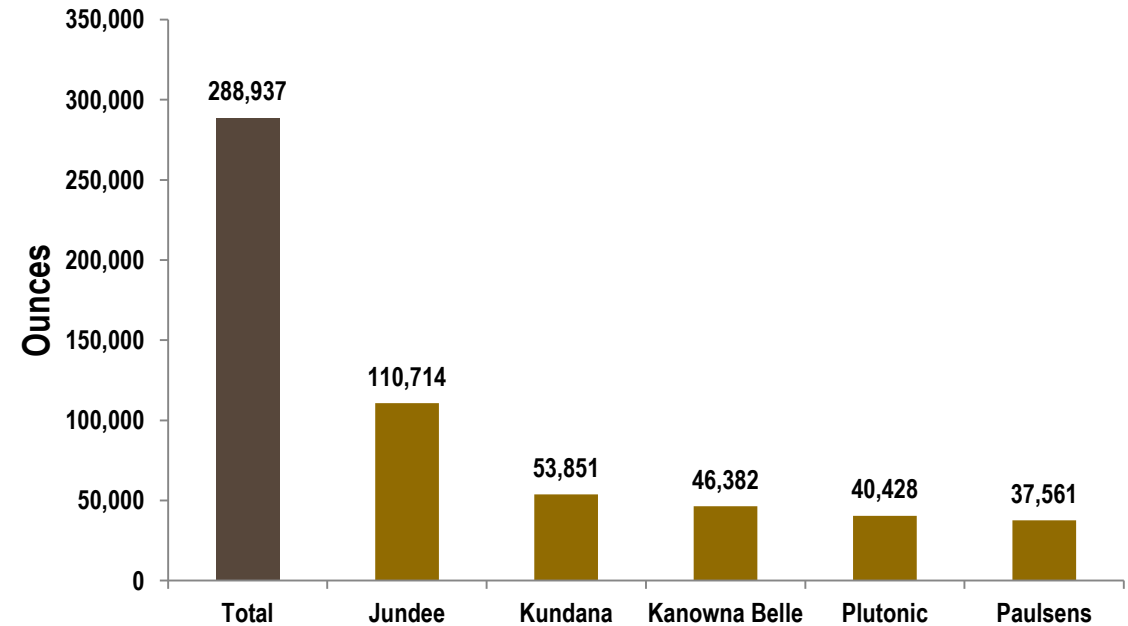


- ✦ 1H15 was the first in which the combined business was operating all of the businesses operating mines
- ✦ Kundana operations achieved acquisition payback in 7 months
- ✦ Kanowna Belle operations achieved acquisition payback within 8 months
- ✦ Jundee is set to achieve acquisition payback in 7 months

Ounces Produced



Ounces Produced by Site



1H15 Mining Operations Review



- During 1H15 NST sold 292,840oz at an AISC cost of A\$1,057/oz which included a A\$49/oz non-cash rehabilitation cost as per World Gold Council reporting standards

Measure		6 months Paulsens	6 months Plutonic	6 months Kanowna Belle	6 months Kundana (51%)	6 months Jundee	Total
Total Material Mined	tonnes	245,808	419,381	314,383	156,766	665,922	1,802,260
Total Material Milled	tonnes	248,902	430,270	389,652	142,549	632,970	1,844,343
Gold Grade	grams/tonne	5.24	3.61	4.03	12.05	5.89	5.35
Gold Recovery		90%	81%	92%	98%	92%	91%
Gold Produced	ounces	37,561	40,428	46,382	53,851	110,714	288,937
Revenue	\$'000	55,658	58,877	63,381	78,957	155,255	412,129
Cost of Sales	\$'000	37,272	53,167	44,022	23,887	73,964	232,312
Depreciation & amortisation	\$'000	10,701	11,217	4,020	5,919	31,214	63,071
Operating EBIT	\$'000	4,245	(6,723)	13,527	48,492	46,077	105,618
All in Sustaining Cost	\$/ounce sold	1,309	1,620	1,161	585	958	1,057

Financials Review



- ✦ NST generated underlying Company free cash flow of A\$106.6m in 1H15; up from A\$6.4m in 1H13
- ✦ Earnings per share are up 383% from 1.8cps to 8.7cps in 1H15

	Half Year End 31 Dec 2014	Half Year End 31 Dec 2013	Change	% Change
Revenue	412,129	72,194	339,935	471%
EBITDA ⁽¹⁾	153,220	23,488	129,732	552%
EBIT ⁽¹⁾	90,149	10,213	79,936	783%
Net Profit	51,098	7,590	43,508	573%
Underlying profit ⁽¹⁾	62,405	7,590	54,816	722%
Cash flow from operating activities	128,757	24,575	104,182	424%
Cash flow from investing activities	(151,807)	(18,107)	(133,700)	738%
Underlying free cash flow ⁽²⁾	106,669	6,468	100,201	1549%
Average gold price /ounce	1,407	1,416	(9)	-1%
Earnings per share (cents/share)	8.7	1.8	7	383%

⁽¹⁾ EBITDA; EBIT and Underlying Profit have been calculated by adding back one off acquisition (\$7.2 million) and restructure (\$4.1 million) expenses. Note: Underlying profit is a non-IFRS measure and is unaudited.

⁽²⁾ Underlying free cash flow has been calculated as cash flow from operating activities minus cash flow from investing activities plus the adding back of the Jundee acquisition and bullion awaiting final settlement at 31 December 2014.

A\$50m exploration plan already paying dividends

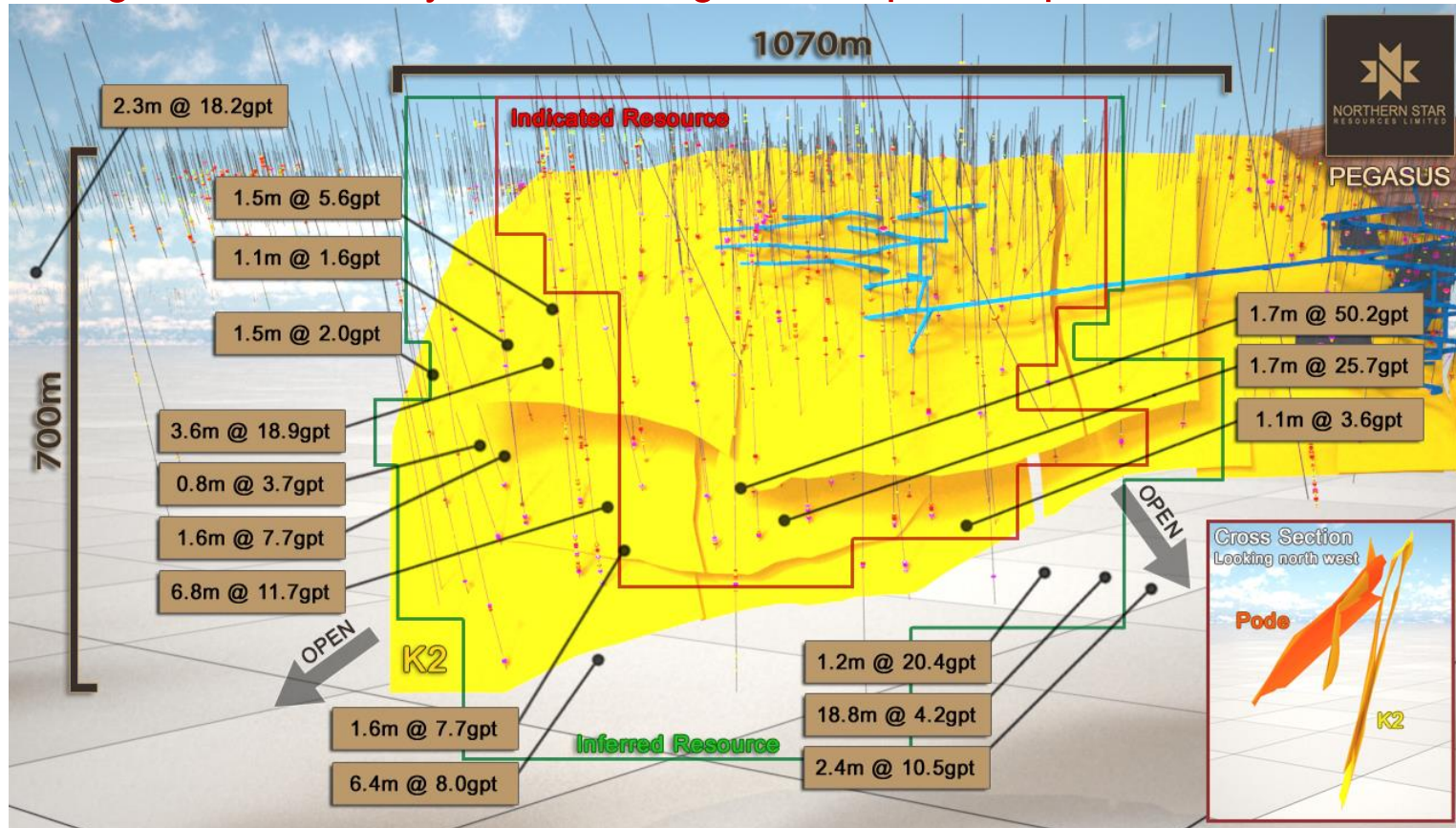


PROJECT	DISCOVERY	RESOURCE	FEASIBILITY	RESERVE	PRODUCTION
Paulsens Gold Project	Southern Gabbro Regional	Titan, Voyager 2 Extensions		Belvedere	Titan, Voyagers, UL
Ashburton	Regional	Kazput (Coal) Waugh East	Waugh Extensions	Peake Mt Olympus	
Plutonic Gold Project	Zone 114 Regional	NE Pacific Big Fish Plutonic West Salmon	Baltic Extensions Plutonic East Barramundi	Caribbean Pacific Eastern Baltic West	Plutonic Mine
Kalgoorlie Gold Project	Regional / Zuleika Corridor Red Eye West Scotia Fitzroy Chasers	White Feather Millennium Barkers Christmas Centenary Strzelecki New Caledonia	Sims Six Mile Carbine	KB, Rubicon, Raleigh, Hornet Mines Pegasus	
Jundee Gold Project	Gourdis Vause Corridor Stirling South Regional	Moon South Deep Well Winter Nexus South Jundee Extensional Desert Dragon Cook-Menzies	Gringotts Nexus South Nexus-Midas-Moneyline Barton/Westside In-mine Invicta In-mine	Gateway Mine Barton Mine Wilson Westside Deakin	

Pegasus: A case study in Return on Invested Capital



Stage 1 mining of the recently defined Pegasus deposit represents a return of invested capital of 500% to NST

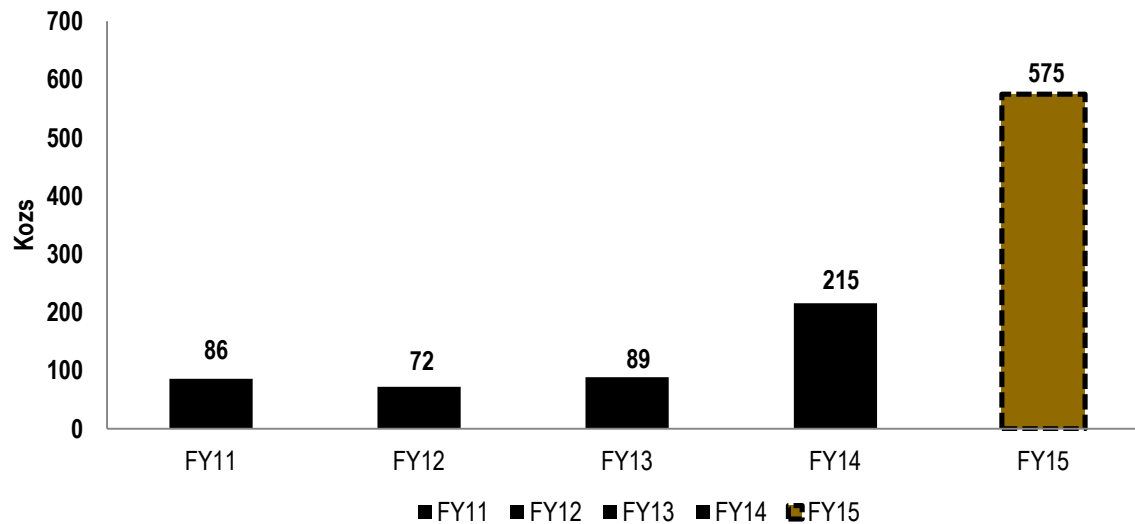


- ✦ Pegasus offers significant growth potential, Resource of 1.1Moz @ 11.6gpt, discovered 24 months ago
- ✦ Pegasus set for long mine life, with Kundana's historical conversion rate from Resource to Reserve running at ~80%
- ✦ Pegasus remains open at depth and along strike, highlighting significant potential for further resource increase
- ✦ Drilling is still on going at Pegasus and the flat lying Pode structure

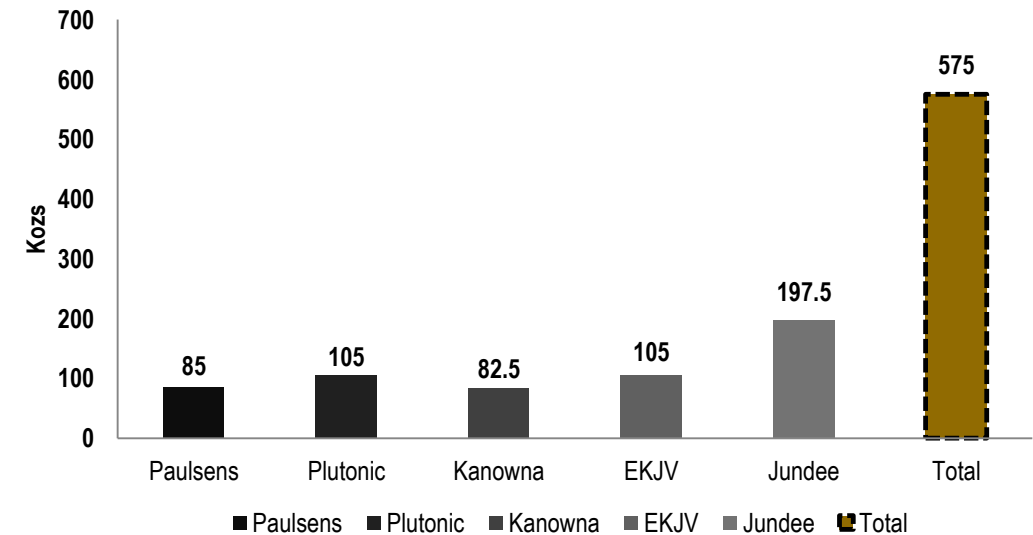
Summary / Guidance

- ✦ FY2015 Forecast of 550koz to 600koz at an AISC of A\$1,050-A\$1,100/oz
- ✦ Capital Expenditure of A\$100-A\$110m, 95% of which will be spent on sustaining capital and ~\$5m to bring the Pegasus deposit into production
- ✦ NST is delivering into a gold price that is currently ~A\$200/oz higher in the 2H of 2015

**Midpoint of FY2015 Guidance 550-600koz at
A\$1,050-A\$1,100/oz**



Mid point of FY2015 Production by Site





NORTHERN STAR
RESOURCES LIMITED

ASX Code: NST



Northern Star Resources

An Australian Mid Cap gold miner – for global investors

Contact Details:

Luke Gleeson – Investor Relations +61 8 6188 2100

Email – info@nsrltd.com / Website – www.nsrltd.com

February 2015