



23 April 2009

ASX RELEASE

ASX CODE-NST

XSTRATA DIVESTMENT

KEY AREAS

CORPORATE SUMMARY

ASX CODE
NST

ISSUED CAPITAL
Shares
99.3 million

Options
4 million

Current Share Price
\$0.025

Market Capitalisation
A\$2.5 million

DIRECTORS

Chris Rowe (Chairman)
Bill Beament (Managing Director)
Terry Ransted (Non Exec.)
Peter Langworthy (Non Exec.)

Karen Brown (Company Secretary)

PROJECTS

Range
Golden Crown
Emull

COMMODITIES

gold, silver
gold
zinc, copper, gold

WEBSITE

www.nsr ltd.com

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- ▶ **Xstrata divests majority of holding to New Investors**
- ▶ **New, supporting investors join the share register**
- ▶ **Xstrata Board representative resigns**
- ▶ **Peter Farris to join the Board**

Northern Star Resources Ltd (ASX: **NST** – “NST”) wishes to announce that it has been informed by Xstrata that they have divested a 19.9% holding in NST to a diverse group of new investors. Xstrata retains a 5.16% holding in the Company.

Investmet Limited, one of the buyers is the same investment company that is involved in the two stage capital raising that was announced on Friday 20th March 2009.

As a result of Xstrata’s divestment, their representative to the Board, Peter Langworthy, has resigned as a director. Peter’s experience, advice and support through these difficult times has been critical to the Company’s survival and being able to move forward with new investment.

Peter Farris will join the board immediately. Peter is a well respected and highly credentialed businessman in the Perth real estate industry and corporate advisory services. He has managed and developed major real estate companies with turnovers in excess of \$200 million and has extensive experience in company management.

These are all extremely positive moves for the Company to build on and continue to develop its gold strategy in the Kimberleys as well as actively pursuing other opportunities.

Yours faithfully,

A handwritten signature in black ink that reads "Bill Beament".

Bill Beament
Managing Director
Northern Star Resources Ltd

BACKGROUND

Northern Star Resources (ASX Code: **NST**) is a diversified resource company focused on the exploration and development of three project groups centred on Halls Creek in the East Kimberley region of Western Australia. The projects are highly prospective for gold, base metals and uranium.

Northern Star has defined an initial 33,600oz gold resource at the Golden Crown Project, high-grade epithermal gold/silver exploration opportunities at the Wilson River Project, and significant zinc-copper mineralisation at the Emull Project. These three projects will form the principal focus of its exploration & development strategy during 2008.

The Golden Crown project is located 20km east of Halls Creek and 4km northeast of the Palm Springs Gold Mine where production during the mid-1990's recovered approximately 70,000 ounces of gold. The resource contains two deposits located about 600 metres along strike from each other, Golden Crown which contains 136,000 tonnes @ 3.8 g/t gold for 16,600 ounces and Faugh-a-Ballagh which contains 187,000 tonnes @ 2.8 g/t gold for 17,000 ounces (Table 1).

The resource estimate was completed by Resource Evaluations Pty Ltd ("ResEval") with the assistance of the NST geological team and complies with recommendations in the Australian Code for Reporting of Mineral Resources and Ore Reserves (JORC 2004).

Drilling conducted by Northern Star confirmed that numerous quartz veins with high grade gold occur over a 250m strike length at Faugh-a-Ballagh and 130m strike length at Golden Crown. The inferred mineral resource was based on RC and diamond drilling completed by the company and others with some significant drill assay results including:

- 4.0m @ 284.2 g/t Au
- 0.8m @ 521.0 g/t Au
- 4.0m @ 64.2 g/t Au
- 7.0m @ 11.4 g/t Au
- 5.0m @ 23.0 g/t Au
- 4.0m @ 16.32 g/t Au
- 0.4m @ 47.24 g/t Au
- 1.0m @ 19.06 g/t Au

The resource report by ResEval highlighted that several lodes within the Golden Crown and Faugh-a-Ballagh deposits are open both along strike and at depth, highlighting the potential to add to the resource inventory with additional drilling. There is also excellent potential for lode repetitions to occur along strike, presenting a further opportunity to further increase the resource.

The deposits at the Golden Crown Project have potential to be developed as part of a high grade, low tonnage mining operation. The deposits lie within 100m of surface and would be amenable to extraction via simple open pit mining. Halls Creek is a well known historical goldfield which is well serviced in comparison to other remote communities. The close proximity to this established infrastructure also contributes to the attractiveness of the project.

Table 1: Inferred Mineral Resource for Golden Crown Project (1g/t Au lower cut off)

Type	Inferred		
	Tonnes T	Au g/t	Au Oz
Golden Crown - Fresh	136,000	3.8	16,600
Faugh-a-Ballagh - Fresh	187,000	2.8	17,000
Total	323,000	3.2	33,600

Information in this announcement is based on information compiled by Mr JL Boladeras, AIG, Exploration Manager of the Company who is a competent persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Boladeras is a full time employee of Geoarc Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken, and consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.