



NORTHERN STAR BANKS ANOTHER A\$24M AS GROWTH STRATEGY GAINS PACE

On track to meet FY17 production guidance of 485,000-515,000oz and hit targeted annual production rate of 600,000oz in 2018

KEY POINTS

- ▶ Free cash flow of A\$24m after investing A\$28m in organic production growth and exploration
- ▶ Cash and equivalents increased to A\$350m at 30 September, up from A\$326m at 30 June; Northern Star has no bank debt
- ▶ 110,000oz of gold produced in the September Quarter from continuing operations, just 7,000oz below budget despite 10% reduction in Jundee mill throughput; on track to meet FY17 guidance of 485,000-515,000oz
- ▶ All-in sustaining costs (AISC) for September Quarter of A\$1,091/oz from continuing operations despite reduced mill throughput; on track to meet FY17 guidance of A\$1,000-A\$1,050/oz
- ▶ Total gold inventory (gold in circuit and on stockpiles awaiting processing) of ~100,000oz and continuing to grow
- ▶ September Quarter production:
 - Jundee Gold Operations:
 - 51,337oz mined and 42,220oz sold at an AISC A\$1,168/oz
 - Kalgoorlie Gold Operations:
 - 47,235oz mined and 49,188oz sold at an AISC A\$928/oz
 - Paulsens Gold Operations:
 - 15,722oz mined and 15,111oz sold at an AISC A\$1,406/oz
- ▶ Sale of the Plutonic mine for A\$66m has settled with a special 3¢ fully-franked dividend declared (payable 2 November 2016)
- ▶ Northern Star's highly successful exploration strategy delivered a 33% increase in Reserves to 2.0Moz after mining 611,000oz in FY16; at a cost of A\$50/oz. Total Resources increased to 9.25Moz
- ▶ Further strong progress made on strategy to grow production to 600,000ozpa in 2018 from organic sources, with substantial exploration success at Jundee and Kalgoorlie operations
- ▶ The new 50,000ozpa Millennium underground mine commenced development during the quarter
- ▶ Board restructure announced that will enable Northern Star to further develop its growth strategies and maximise its significant opportunities while maintaining its strong emphasis on operational performance
- ▶ Northern Star will host a quarterly conference call today at 8.30am AWST (11.30am AEDT), Friday, 28 October 2016. The call can be accessed at <http://boardroom.media/broadcast/?refid=&eid=581158e0068c79b661df90a3>

Northern Star Resources Limited (ASX: NST) is pleased to report on a solid quarter during which the Company generated A\$24 million in free cashflow while remaining on track to achieve its growth targets.

Cash and equivalents rose by A\$24 million over the quarter despite the Company investing A\$28 million in its organic growth strategy.

Production totalled 110,000oz, which was just 7,000oz below budget despite the 10% reduction in mill throughput at Jundee. The budget allows for 241,000oz to be produced in the current half with a significant increase in the second half.

ASX ANNOUNCEMENT 28 October 2016

Australian Securities
Exchange Code: NST

Board of Directors

Mr Chris Rowe
Non-Executive Chairman

Mr Bill Beament
Managing Director

Mr Peter O'Connor
Non-Executive Director

Mr John Fitzgerald
Non-Executive Director

Ms Shirley In'tVeld
Non-Executive Director

Mr David Flanagan
Non-Executive Director

Issued Capital

Shares 600 million
Options 3.2 million

Current Share Price A\$4.03

Market Capitalisation
A\$2.4 billion

Cash, Bullion & Investments
30 Sep 2016 - A\$350 million

Projects

Paulsens Mine
Kanowna Belle Mine
Kundana Mines (51% of EKJV)
Jundee Mine
Central Tanami (25% of JV)

Listed Investments

VXR, DAU, RND, TBR, ALY

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 30 September 2016



By limiting the impact of the lower Jundee mill throughput, which was the result of reduced capacity while waiting for components, Northern Star remains on track to meet its annual production guidance of 485,000-515,000oz.

Throughput at the Jundee mill has been running at record rates in October, resulting in significant production increases.

AISC for the quarter were A\$1,091/oz. This was actually lower than budget despite the reduced production, reflecting the benefits of the Company's cost-cutting program. Northern Star maintains its FY17 AISC guidance of A\$1,000-A\$1,050/oz.

All the above production and guidance figures exclude the Plutonic gold mine, which sold for A\$66 million, effective from 1 October 2016. A special dividend of 3¢ fully-franked will be paid on 2 November 2016.

Plutonic produced 20,211oz in the quarter at an AISC of A\$1,495/oz.

Northern Star continued to enjoy outstanding exploration success during the quarter as part of its organic growth strategy.

As well as identifying new mineralisation at and around its existing operations, particularly at Jundee and Kalgoorlie, the Company made strong progress developing new sources of production. This included the start of development at its 50,000ozpa Millennium underground mine in Kalgoorlie.

This has ensured Northern Star remains on track to achieve an annual production rate of 600,000oz in 2018.

Northern Star Managing Director Bill Beament said the exploration and development programs at the Company's four concentrated centres of production were delivering outstanding results.

"We are finding more gold and developing additional sources of ore at an impressive rate," Mr Beament said.

"These results continue to underpin our confidence in our organic growth strategy, which will in turn ensure we continue to generate some of the highest financial and shareholder returns on the ASX."

Northern Star	Units	Dec-15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr	FYTD
Ore Hoisted	Tonnes	886,185	881,029	907,396	742,983	742,983
Mined Grade	gpt Au	5.6	5.6	4.9	4.8	4.8
Gold in Ore Hoisted	Oz	158,617	158,671	143,599	114,294	114,294
Milled Tonnes	Tonnes	970,999	891,068	1,094,571	745,425	745,425
Head Grade	gpt Au	5.1	5.4	4.1	5.0	5.0
Ounces Produced	Oz	159,133	155,848	143,580	118,759	118,759
Recovery	%	91	92	91	93	93
Gold Recovered	Oz	145,251	142,630	130,020	109,995	109,995
Ounces Sold	Oz	142,017	143,469	134,110	106,519	106,519
Average Gold Price	A\$/oz	1,484	1,640	1,684	1,720	1,720
Revenue	A\$M	210.8	235.2	225.9	183.2	183.2
Cash Operating Cost	A\$/oz	837	737	843	796	796
All in Sustaining Cost	A\$/oz	1,040	985	1,056	1,091	1,091
Total Stockpiles Contained Gold	Oz	70,453	73,977	80,342	81,540	81,540
Gold in Circuit (GIC)	Oz	20,816	19,409	15,136	16,065	16,065
Gold in Transit (GIT)	Oz	-	-	585	-	-

Table 1: Key Group Performance Figures (Quarterly) from Continuing Operations

Northern Star	Units	Dec-15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr	FYTD
Mining	A\$/oz	561	470	557	508	508
Processing	A\$/oz	188	176	214	283	283
Site Services	A\$/oz	62	48	58	59	59
Ore Stock & GIC Movements	A\$/oz	(9)	5	(26)	(87)	(87)
Royalties	A\$/oz	40	41	43	38	38
By Product Credits	A\$/oz	(4)	(3)	(4)	(5)	(5)
Rehabilitation-Accretion & Amortisation	A\$/oz	2	7	1	5	5
Corporate Overheads	A\$/oz	35	43	46	54	54
Mine Development/Sustaining CAPEX	A\$/oz	147	171	152	209	209
Mine Exploration	A\$/oz	19	27	14	27	27
All in Sustaining Costs	A\$/oz	1,040	985	1,056	1,091	1,091
Depreciation & Amortisation	A\$/oz	300	337	303	316	316

Table 2: Key Group Cost per Ounce Measures from Continuing Operations

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 30 September 2016

Production KPIs Sep Quarter	Units	Paulsens	Kalgoorlie Operations	Jundee	Total
Total Ore Hoisted	Tonnes	88,467	334,486	320,030	742,983
Mine Grade	gpt Au	5.5	4.4	5.0	4.8
Gold in Ore Hoisted	Oz	15,722	47,235	51,337	114,294
Milled Tonnes	Tonnes	96,759	348,181	300,485	745,425
Head Grade	gpt Au	5.5	4.9	4.8	5.0
Recovery	%	89	94	92	93
Gold Recovered	Oz	15,047	51,725	43,223	109,995
Gold Sold	Oz	15,111	49,188	42,220	106,519
Cash Operating Costs	A\$/oz	984	729	808	796
All In Sustaining Costs	A\$/oz	1,406	928	1,168	1,091
Depreciation & Amortisation	A\$/oz	416	209	405	316

Table 3: Key Quarterly Mine Production Performance from Continuing Operations

Discontinued operations quarterly production performance is presented in Table 10 below.

FINANCE

The following is a table of the cash, bullion and investments held at the end of each quarter:

	Units	Dec-15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Cash at bank	A\$M	\$210.9	\$262.3	\$315.3	\$311.3
Bullion awaiting settlement ⁽¹⁾	A\$M	\$9.1	\$17.2	\$1.9	\$25.7
Investments	A\$M	\$5.5	\$6.0	\$8.8	\$12.6
Total	A\$M	\$225.5	\$285.5	\$326.0	\$349.6

⁽¹⁾ Bullion awaiting settlement is doré which has been received by the refiner in the quarter and is awaiting settlement.

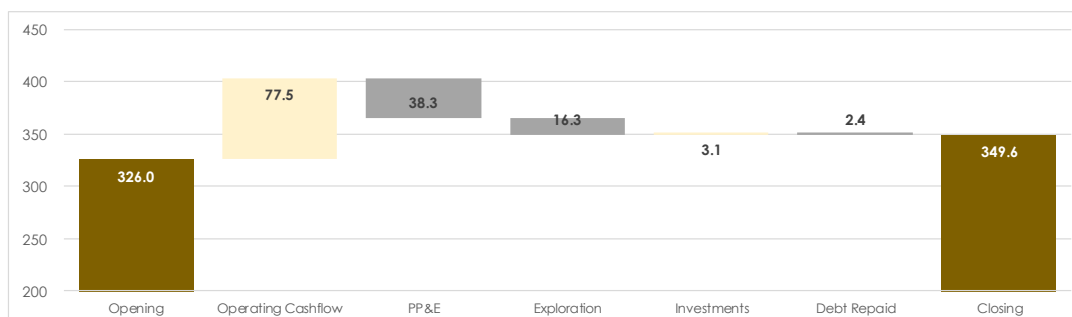
Table 4: Cash, Bullion and ASX equity investments

The below table sets out the total of surface gold inventories:

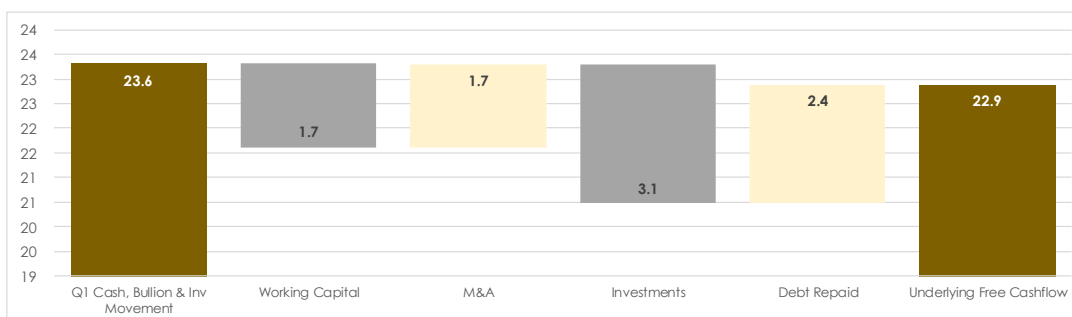
Gold Inventories	Dec-15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Stockpiles contained gold (oz)	70,453	73,977	80,342	81,540
Gold in circuit (oz)	20,816	19,409	15,136	16,065
Gold in transit (oz)	-	-	585	-
Total Gold Inventories (oz)	91,269	93,386	96,063	97,605

Table 5: Gold Inventories

The below waterfall chart highlights the September Quarter's operating cash flow together with movements in cash, bullion and investments (A\$M):



The below waterfall chart highlights the underlying free cash flow for the September Quarter (A\$M):



Banking Facilities

Northern Star has in place an undrawn three year A\$100 million revolving debt facility with a self-arranged syndicate of Australian and International banks.

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 30 September 2016



Hedging

The below table outlines the Company's current hedging position:

Term	Dec-16 Half	Jun-17 Half	Dec-17 Half	Jun-18 Half	Dec-18 Half	Total
Ounces	54,160	75,000	59,000	59,000	17,500	264,660
Gold Price	A\$1,673	A\$1,721	A\$1,772	A\$1,804	A\$1,856	A\$1,750

Table 6: Hedging commitments

During the quarter, 16,660oz of hedging was added for delivery across the December 2016 quarter at an average of A\$1,722/oz.

OPERATIONS

Paulsens Gold Operations

Production Summary Paulsens		Dec-15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr	FYTD
Ore Mined	Tonnes	92,772	94,755	105,453	88,467	88,467
Mined Grade	gpt Au	7.0	8.0	5.7	5.5	5.5
Ounces Mined	Oz	20,730	24,336	19,293	15,722	15,722
Milled Tonnes	Tonnes	95,953	92,502	96,805	96,759	96,759
Head Grade	gpt Au	7.3	8.2	5.6	5.5	5.5
Recovery	%	90	90	87	89	89
Gold Recovered	Oz	20,152	22,060	15,271	15,047	15,047
Gold Sold	Oz	19,161	22,963	15,418	15,111	15,111
Cost per Ounce						
Mining	A\$/oz	447	385	595	601	601
Processing	A\$/oz	245	199	307	290	290
Site Services	A\$/oz	74	67	121	83	83
Ore Stock Movements	A\$/oz	(6)	27	(58)	(24)	(24)
Royalties	A\$/oz	38	41	43	37	37
By Product Credits	A\$/oz	(2)	(1)	(2)	(3)	(3)
Cash Operating Costs	A\$/oz	795	718	1,006	984	984
Rehabilitation - Accretion & Amortisation	A\$/oz	5	5	7	5	5
Corporate Overheads	A\$/oz	35	44	50	53	53
Mine Development / Sustaining CAPEX	A\$/oz	315	206	242	352	352
Paulsens Mine Exploration	A\$/oz	5	26	9	12	12
All in Sustaining Costs	A\$/oz	1,156	999	1,314	1,406	1,406
Depreciation & Amortisation	A\$/oz	390	393	433	416	416

Table 7: Summary Details – Paulsens

Kalgoorlie Gold Operations

Production Summary Kalgoorlie Operations		Dec-15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr	FYTD
Ore Mined	Tonnes	321,274	292,550	321,620	334,486	334,486
Mined Grade	gpt Au	5.5	6	5.2	4.4	4.4
Ounces Mined	Oz	56,299	56,818	54,133	47,235	47,235
Milled Tonnes	Tonnes	316,904	331,698	321,103	348,181	348,181
Head Grade	gpt Au	5.1	5.6	5.2	4.9	4.9
Recovery	%	95	94	95	94	94
Gold Recovered	Oz	49,606	55,861	50,819	51,725	51,725
Gold Sold	Oz	52,187	52,052	54,592	49,188	49,188
Cost per Ounce						
Mining	A\$/oz	474	436	444	449	449
Processing	A\$/oz	128	126	153	324	324
Site Services	A\$/oz	59	21	50	57	57
Ore Stock Movements	A\$/oz	5	14	(9)	(130)	(130)
Royalties	A\$/oz	41	42	42	36	36
By Product Credits	A\$/oz	(5)	(4)	(5)	(7)	(7)
Cash Operating Costs	A\$/oz	702	635	675	729	729
Rehabilitation - Accretion & Amortisation	A\$/oz	-	5	2	5	5
Corporate Overheads	A\$/oz	35	44	43	55	55
Mine Development / Sustaining CAPEX	A\$/oz	96	95	106	108	108
Kanowna Belle Mine Exploration	A\$/oz	22	14	20	31	31
All in Sustaining Costs	A\$/oz	856	794	845	928	928
Depreciation & Amortisation	A\$/oz	220	212	212	209	209

Table 8: Summary Details – Kalgoorlie Operations

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 30 September 2016



Jundee Gold Operations

Production Summary Jundee		Dec-15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr	FYTD
Ore Mined	Tonnes	298,689	329,154	337,773	320,030	320,030
Mined Grade	gpt Au	6.3	5.7	4.9	5.0	5.0
Ounces Mined	Oz	60,273	60,165	53,264	51,337	51,337
Milled Tonnes	Tonnes	359,183	276,634	306,990	300,485	300,485
Head Grade	gpt Au	5.4	6.1	5.1	4.8	4.8
Recovery	%	93	93	92	92	92
Gold Recovered	Oz	58,246	50,584	46,591	43,223	43,223
Gold Sold	Oz	53,760	54,786	46,863	42,220	42,220
Cost per Ounce						
Mining	A\$/oz	514	442	539	545	545
Processing	A\$/oz	187	167	196	232	232
Site Services	A\$/oz	52	51	41	54	54
Ore Stock Movements	A\$/oz	(24)	3	(44)	(60)	(60)
Royalties	A\$/oz	38	41	43	41	41
By Product Credits	A\$/oz	(3)	(3)	(3)	(4)	(4)
Cash Operating Costs	A\$/oz	764	701	772	808	808
Rehabilitation - Accretion & Amortisation	A\$/oz	6	6	3	5	5
Corporate Overheads	A\$/oz	35	43	46	53	53
Mine Development / Sustaining CAPEX	A\$/oz	155	152	205	275	275
Jundee Mine Exploration	A\$/oz	26	12	7	28	28
All in Sustaining Costs	A\$/oz	986	914	1,033	1,168	1,168
Depreciation & Amortisation	A\$/oz	361	358	361	405	405

Table 9: Summary Details – Jundee

Plutonic Gold Operations – Discontinuing Operation

Production Summary Plutonic		Dec-15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr	FYTD
Ore Mined	Tonnes	173,450	164,571	142,549	191,187	191,187
Mined Grade	gpt Au	3.8	3.3	3.7	3.3	3.3
Ounces Mined	Oz	21,315	17,352	16,908	20,211	20,211
Milled Tonnes	Tonnes	198,959	190,235	369,674	352,199	352,199
Head Grade	gpt Au	3.5	3.0	1.8	2.0	2.0
Recovery	%	78	78	80	82	82
Gold Recovered	Oz	17,248	14,124	17,338	18,662	18,662
Gold Sold	Oz	16,910	13,668	17,327	19,622	19,622
Cost per Ounce						
Mining	A\$/oz	1,107	856	935	783	783
Processing	A\$/oz	309	362	370	343	343
Site Services	A\$/oz	87	109	71	68	68
Ore Stock Movements	A\$/oz	(9)	(59)	1	65	65
Royalties	A\$/oz	40	37	46	38	38
By Product Credits	A\$/oz	(3)	(2)	(3)	(3)	(3)
Cash Operating Costs	A\$/oz	1,531	1,303	1,420	1,294	1,294
Rehabilitation - Accretion & Amortisation	A\$/oz	(6)	16	(8)	7	7
Corporate Overheads	A\$/oz	35	42	47	52	52
Mine Development / Sustaining CAPEX	A\$/oz	85	474	76	142	142
Plutonic Mine Exploration	A\$/oz	-	140	16	-	-
All in Sustaining Costs	A\$/oz	1,645	1,975	1,551	1,495	1,495
Depreciation & Amortisation	A\$/oz	257	629	314	-	-

The Plutonic Gold Operations were sold effective from 1 October 2016. Accordingly, no further production is attributable to Northern Star and this will be the last quarter of reporting operational or financial data for this asset. The first tranche payment in respect of the divestment of Plutonic has been received by Northern Star in the December 2016 quarter.

Table 10: Summary Details – Plutonic

Additional information on the individual Operations can be found in Appendix 1.

EXPLORATION AND DEVELOPMENT - OPERATIONS

Kanowna Belle

Underground extensional diamond drilling at Velvet (located 600m west of the Lowes orebody) continued throughout with positive results indicating extensions to the existing resource inventory and possible stacked repetitions within the Velvet mineralised corridor.

Underground drilling into the Lowes Extension target from the new 9245 drill platform commenced during the quarter. After overcoming initial technical issues, drilling progress has accelerated with nine holes completed to date intersecting the target some 250-350m below current mining activity in E Block. Visual results indicate the presence of "Lowes style" and hanging wall mineralisation intersections in most holes. Assays are pending.

Kundana (NST 51% EKJV)

Underground resource and exploration drilling at Rubicon North and Raleigh South during the quarter continued to generate strong high-grade results in all areas.

Extensional drilling programs at Rubicon North returned significant results both laterally and down-dip on the main K2 structure. In addition, grade control drilling continues to outline significant mineralisation in new hanging wall positions to the main K2 zone at depth opening up expansion opportunities for future mining operations in this area.

At Raleigh, exploratory drilling and development continues to return significant intersections from the Raleigh Main Vein to the south beneath the existing mine infrastructure over a significant vertical extent of the mine. Drilling on this key exploration target continues to return intersections with visible gold mineralisation characteristic of the Raleigh Main Vein structure up to 350m south of the existing Raleigh Mine infrastructure.

Kundana (100% NST)

A very active surface exploration drilling program was continued during the quarter with programs completed at Arctic, Barkers, Beverley and Pope John prospects.

At Arctic, RC and diamond drilling programs (4,900m) were completed during the quarter targeting extensions of the K2 and Strzelecki structural corridors northwards from the Millennium deposit. Initial results from intersections in the K2 and K2A structures were encouraging with an additional drilling program commenced late in the quarter targeting the area beneath the Arctic/North Pit complex.

RC and diamond drilling programs were undertaken at the Barkers deposit (5,106m) targeting extensions to the recently defined high grade resource model. The program successfully traced the Barkers Main Vein structure for a further 1,000m north from the existing Barkers infrastructure to the Beverley prospect. Assay results have outlined areas for additional infill resource drilling during the next quarter.

In addition, a number of Barkers drill holes also intersected extensions to the adjacent Helga's lode located in the immediate footwall to the main Barkers deposit. A short infill drilling program was commenced at the end of the quarter to further evaluate this position which could easily be accessed from the existing Barkers decline.

At the Pope John prospect, infill diamond drilling was in progress at the end of the quarter to finalise the resource model to assist in future development planning.

Jundee

During the quarter, eight underground diamond drilling rigs continued to focus on resource conversion and exploration programs within the underground mine, with a single RC drill rig active on open pit resource definition programs.

In-mine resource development drilling continued at Gateway, Gringotts, NIM3, Wilson, Lyons and Westside areas during the quarter. Resource definition drilling around the initial Armada discovery commenced during the quarter from both the drill drive and NIM3 platforms.

Ongoing diamond drilling (3 rigs) continued from the new drill drive platform targeting mineralised structures within and adjacent to the Jundee mine sequence including lateral extensions to the new Armada trend. Wide spaced drilling in the footwall of the Armada trend has indicated the presence of additional significant mineralisation in sub-parallel structures.

Paulsens

Grade control drilling continued in the Voyager 2 Upper Zone, Titan and Paulsens lower zone ore zones at various levels in the mine. Underground diamond drilling for the quarter consisted of extensional and infill drilling of mineralised zones within the Galileo trend and testing of new targets within the Southern Gabbro area from both lower level drill platforms and surface positions within the mine area.

REGIONAL EXPLORATION

Jundee

An RC resource definition drilling program continued throughout the quarter in the Gourdis-Vause area, south of the Jundee Mine, to infill and extend mineralised zones as part of a future open pit development program.

An extensive regional air core drilling program (9,742m completed) was commenced during the quarter focussed on new targets generated by regional mapping programs completed in the previous year.

At the Gourdis-Vause project area, drilling tested identified targets at the Curtis, Hendrix, Hendrix South, Vause Southeast, Deep Well and Ramone prospects. Initial results from Hendrix outlined a 350m strike length of "Gourdis-style" mineralisation within mafic volcanics. Significant anomalies were also generated at Curtis and Vause Southeast prospects in narrower "Vause-style" mineralisation along porphyry contacts.

In the adjacent Redgate project area, encouraging results were recorded at the Neal's Knob prospect with future RC follow-up drilling in preparation. At the end of the quarter, the program moved northwards to the Area 7 project area testing targets within the El Pistolero, Manticore and Spartacus prospects.

Ongoing heritage clearance activities were advanced at Jundee North, Ramone and Aruma prospects in preparation for air core drilling testing of new targets.

Kanowna

Regional RC and diamond drilling programs (2,285m) tested a range of targets areas (Six Mile, Redbernales, New Caledonia, Essington and Domino) within the broader Six Mile area, located to the north west of the Kanowna Belle mine.

In addition, a short RC drilling program was undertaken in the Vashti area (1,134m) to test conceptual targets in an area to the south west of the Kanowna Belle mine.

Carbine

In the Carbine area, two further RC and diamond drilling programs (9,759m) were completed at Paradigm North achieving further strong results within an extended zone to the north west of the Paradigm open pit.

At the adjacent historic Carbine open pit, diamond drilling (2,058m) commenced targeting extensions to known mineralisation testing for deeper mineralisation beneath, and to the north, of the existing Carbine and Phantom open pits.

Paulsens

Surface exploration focussed additional RC/diamond drilling in the Southern Gabbro prospect area which was in progress at the end of the quarter.

Pilbara Regional

Regional mapping and geochemical sampling programs were completed across Ashburton Basin prospects at Beaghy Bore, eastern Wyloo Dome, Soldiers Secret, Piggott Peak and Charlie Creek prospect areas during the quarter.

Central Tanami Project (25% NST)

During the quarter, compilation of all historical exploration and drill hole information progressed with the generation of composite GIS data sets for the entire project area. Field reconnaissance activities have commenced on identified regional targets within the joint venture area.

Commencement of planned drilling programs on the Groundrush-Ripcord and Hurricane-Repulse trends is pending completion of statutory approvals for the programs.

CORPORATE

- On 1 September 2016, the Company announced details in relation to a restructure of the Board and Management comprising:
 - Bill Beament to become Executive Chairman and Chris Rowe to switch to Non-Executive Director after the AGM in November;
 - Stuart Tonkin to become Chief Executive Officer after the AGM in November;
 - John Fitzgerald to assume Lead Independent Director role; and
 - appointment of Shirley In'tVeld and David Flanagan as Independent Non-Executive Directors:
- The Company announced that it had entered into an agreement-in-principle to sell the Plutonic Gold Mine on 1 August 2016, and subsequently announced the completion of the transaction on 12 October 2016.
- A fully franked final dividend of four cents per share was declared with a record date of 28 September 2016. Payment of the dividend occurred on 13 October 2016.
- A special fully franked dividend of three cents per share was declared subsequent to the quarter with a record date of 18 October 2016, and a payment date of 2 November 2016.
- A revised Mineral Resources and Ore Reserves Statement for year ended 30 June 2016 was released on 28 July 2016.
- The Company's 2016 Annual Report and Corporate Governance Statement was released on 22 August 2016, and the Company's Annual General Meeting will be held on Tuesday, 29 November 2016.
- The Company announced:
 - the completion of the purchase of 12,199 tonnes of gold ore at A\$611.87 per tonne from Beacon Minerals Limited on 20 July 2016;
 - that it had entered into a binding tenement sale agreement with Northern Minerals Limited to acquire a package of exploration licences in the Tanami region of the Northern Territory for an initial A\$1.25 million in cash (refer NTU's announcement dated 30 August 2016); and
 - the acquisition of an initial 20% interest in Pioneer Resources Limited's (ASX: PIO) Acra Gold Project in the Kalgoorlie region, and has the right to earn a further 55% interest in the Project by sole funding A\$3 million of exploration expenditure within three years on 21 October 2016.
- During the quarter, Northern Star participated in the annual Diggers and Dealers conference in Kalgoorlie, the Deutsche Bank Gold Day in Sydney, an institutional roadshow in Sydney and Melbourne; and the annual Denver Gold Forum in Colorado Springs. The Company maintains a proactive presentation calendar to stockbroking firms, institutional and retail investors to promote the Company and its activities.
- Issued Capital

The following changes occurred to the issued capital of the Company:

- 91,019, 33,316 and 108,687 employee shares were released from voluntary escrow on 12 July 2016, 10 October 2016 and 26 October 2016 respectively following cessation of employment;
- 145,846 ordinary fully paid shares were issued as a result of the cashless conversion of 178,718 unlisted employees options expiring 31 July 2017 and 78,692 unlisted employee options expiring 31 July 2018; and
- 239,623 and 105,535 unlisted employee options issued as part of the FY15 and FY16 employee long term incentives respectively were cancelled on 26 October 2016 following cessation of employment in accordance with the Company's 2012 Employee Share Option Plan No. 3.

The issued capital of the Company at the date of this report is:

Class of Securities	Issued capital
Fully Paid Ordinary Shares	600,542,315
Unlisted Options (various expiry dates)	2,892,579

Table 12: Issued Capital

Yours faithfully



BILL BEAMENT
Managing Director
Northern Star Resources Limited

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 30 September 2016



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Forward Looking Statements

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APPENDIX 1 – ADDITIONAL INFORMATION - OPERATIONS

Paulsens Gold Operations

► Safety

There was one (1) Lost Time Injury (LTI) during the quarter.

► Underground Production

Mine Development:

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Decline	175m	161m	265m	285m
Level	535m	538m	485m	337m
Strike driving	479m	758m	797m	762m
Total (metres)	1,189m	1,457m	1,547m	1,384m

Table 1: Underground Production – Mine Development

Capital development focused on advancing the decline towards the 190mRL level. Supplementary development was completed in Cassini Access on the 1104mRL.

Operating development saw the continued development of high grade Voyager 2 Upper Zone ore body mainly on the 239mRL, 222mRL and 205mRL levels. Additional operating development was completed in the Titan ore body on the 390mRL and 330mRL, and in the Voyager 1 ore body on the 424mRL.

Development yielded 49,115 tonnes at an average reconciled grade of 5.9gpt.

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Development ore (t)	31,252	34,914	51,282	49,115
Development grade (gpt)	5.4	8.4	4.5	5.9
Stope ore (t)	56,092	56,287	50,630	39,352
Stope grade (gpt)	8.4	8.2	7.3	5.1
Low grade ore (t)	5,428	3,554	3,541	7,126
Low grade (gpt)	1.5	1.1	0.5	2.0
Total ore (t)	92,772	94,755	105,453	95,593
Total grade (gpt)	7.0	8.0	5.7	5.3
Contained gold (oz)	20,730	24,336	19,293	16,183

t=tonnes, gpt=grams per tonne, oz=ounces

Table 2: Ore Development – Mine Development

- Stope production was 39,352 tonnes at 5.1 gpt sourced predominately from the Voyager 2 upper zone on the 273, 256 and 239mRL levels. Additional stope tonnes were sourced from the Titan orebody at the 358 & 330 levels. High grade air-leg development and stope tonnes from Soyuz 1110mRL and Cassini at the 1110 and 1125mRL supplemented the mechanised production tonnes.

► Gold Production

96,759 tonnes were milled during the quarter at 5.5gpt and 89% recovery for 15,047oz produced. Mill feed primarily consisted of Voyager 2 Upper Zone, additional sources included Titan, Soyuz and Cassini.

Ore stocks at the end of the quarter totalled 8,564oz of gold.

► Gold Sales

15,111oz were sold.

Kanowna Belle Gold Operations

► Safety

There was zero (0) Lost Time Injuries (LTI) during the quarter.

► Underground Production

Mine Development:

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Decline	345m	576m	774m	614m
Level	Nil	Nil	Nil	Nil
Strike driving ⁽¹⁾	835m	490m	354m	340m
Total (metres)	1,180m	1,065m	1,128m	955m

Note (1) includes development through paste-fill

Table 5: Underground Production – Mine Development

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 30 September 2016

Development of the first phase of the 9245 Exploration drive was completed during the September Quarter and diamond drilling commenced on the lower KB resource extension. Ongoing development of Velvet continued and the first two levels were completed to enable stoping to commence in the December Quarter. Continued grade control and resource drilling has been performed within Velvet with two diamond drill rigs. Development has also been occurring within remnant mining areas enabling stopes to be brought on line in the upper mine.

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Development ore (t)	33,184	21,356	22,767	13,720
Development grade (gpt)	2.8	3.0	4.4	2.1
Stope ore (t)	173,877	151,569	162,189	191,638
Stope grade (gpt)	4.3	4.5	3.8	3.2
Low grade ore (t)	Nil	Nil	Nil	Nil
Low grade (gpt)	Nil	Nil	Nil	Nil
Total ore (t)	207,061	172,925	184,956	205,358
Total grade (gpt)	4.1	4.3	3.9	3.1
Contained gold (oz)	27,028	24,063	23,203	20,361

t=tonnes, gpt=grams per tonne, oz=ounces

Table 6: Underground Production – Ore Production

Stope production was 191,638 tonnes at 3.2gpt which was above the planned tonnage.

► Gold Production

Kanowna Belle milled 209,124 tonnes in the September Quarter at 3.6gpt and 92.6% recovery for 22,594oz.

Ore stocks at the end of the quarter totalled 9,445oz of gold.

► Gold Sales

20,058oz were sold.

Millennium Gold Operations

► Introduction

The Millennium Gold Operation is a development project located on Northern Star's 100% owned Kundana tenements. The operation is currently in the capital development phase with expected production planned in FY18.

► Safety

There was zero (0) Lost Time Injuries (LTI) during the quarter.

► Underground Production

Mine Development:

	Sep -16 Qtr
Decline	571m
Level	
Strike driving (incl paste)	
Total (metres)	517m

Table 7: Underground Production – Mine Development

Development is focussed on the main decline. Millennium currently has one jumbo operating and focussed on providing access to the Millennium ore body. The first leg of the primary vent shaft intake will be established in December Quarter.

► Gold Production

Nil gold production. Operation in capital development phase.

► Gold Sales

Nil Gold Sold

Kundana Gold Operations

► Introduction

The Kundana Gold Operations includes the Rubicon, Hornet, Raleigh and Pegasus deposits. These mines are part of the East Kundana Joint Venture (EKJV) with companies Rand Mining Ltd and Tribune Resources Ltd.

► Safety

There was zero (0) Lost Time Injuries (LTI) during the quarter.

► Underground Production

All mine production physicals associated with the EKJV are reported as 100% of those physicals to better represent overall mine performance.

Mine Development:

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Decline	501m	565m	576m	443m
Level	703m	581	1,028m	1,266m
Strike driving (incl paste)	2,313m	2,500m	2,695m	2,623m
Total (metres)	3,517m	3,645m	4,300m	4,332m

Table 8: Underground Production – Mine Development (physicals represent 100% EKJV)

Development has occurred across all capital headings - Pegasus Incline, Pegasus Decline, Rubicon Decline and Hornet Decline. The Pegasus Incline is at the 6242mRL and the Pegasus Decline is at the 5913mRL at the end of the September Quarter. The Hornet Decline has progressed to the 5757mRL and the Rubicon Decline is at the 5891mRL. 2,623m of strike driving was completed in September Quarter continuing the significant growth in performance from existing Resources.

Development yielded 139,496 tonnes at an average reconciled grade of 5.1gpt.

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Development ore (t)	128,586	127,014	154,531	139,496
Development grade (gpt)	7.3	6.3	5.2	5.1
Stope ore (t)	96,147	108,423	114,247	114,743
Stope grade (gpt)	8.8	11.1	9.5	8.2
Low grade ore (t)	NA	NA	NA	NA
Low grade (gpt)	NA	NA	NA	NA
Total ore (t)	224,733	235,438	268,778	254,239
Total grade (gpt)	8.0	8.5	7.0	6.5
Contained gold (oz)	57,673	64,534	60,833	53,009

t=tonnes, gpt=grams per tonne, oz=ounces

Table 9 Underground Production – Ore production (physicals represent 100% EKJV)

Stope production for the September Quarter was 114,743 tonnes at 8.2gpt.

► Gold Production

Kundana ore that was milled in September Quarter (NST share) was 139,058 tonnes at 6.9gpt and 95% recovery for 29,130 gold ounces.

Ore stocks at the end of the quarter (NST share) totalled 10,357oz of gold.

► Gold Sales

29,130oz were sold (NST share).

Jundee Gold Operations

► Safety

There was zero (0) Lost Time Injuries (LTI) during the quarter.

► Underground Production

Mine Development:

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Decline	1,320	1,153	967	923
Level	665	614	815	1,455
Operating	2,060	2,280	2,418	2,323
Total (metres)	4,045m	4,047m	4,200m	4,701

Table 9: Underground Production – Mine Development

Main focus for capital mine development has been continued advance in multiple declines – Lower GGT, Upper GGT, WSN, and WWN. Level development showed a sharp increase against the previous period as a result of the development of new diamond drill drives in Cardassian, Invicta, and Nimary that will allow in-mine extension drill programs to test various targets in close proximity to current mine areas.

Operating development remained similar to the previous period with ore drives in Gateway, Nim3, Lower WSN and WWN the priority to grow production fronts. Development to access reserves in Wilson extensions (through Deakin) has commenced. Planning and preparation is underway to access two new mine areas, Revelation and Armada.

Mine Production:

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Development ore (t)	104,312	130,094	138,914	124,075
Development grade (gpt)	3.0	4.2	3.5	4.1
Stope ore (t)	194,377	199,059	198,859	195,955
Stope grade (gpt)	8.0	6.6	5.8	5.6
Total ore (t)	298,689	329,153	337,773	320,030
Total grade (gpt)	6.3	5.7	4.9	5.0
Contained gold (oz)	60,274	60,165	53,264	51,337

t=tonnes, gpt=grams per tonne, oz=ounces

Table 10: Underground Production – Ore production

The Wilson bulk stope continued to provide a solid production base during the September Quarter, with 17 and 18GGT levels, and 23 and 24 Nim3 stoping fronts being the other main contributors to the 195,955 stoping tonnes.

► Gold Production

Jundee ore milled in the September Quarter was 300,485 tonnes at 4.8gpt and 92.4% recovery for 43,223 gold ounces.

The overall throughput rate was slightly lower than previous period based on blend primarily on UG feed with bulk stope dominant in blend and limited LG oxide material milled. Recovery was consistent in comparison to historical levels. Unplanned downtime on the pebble crusher also contributed to the lower mill throughput. Mill throughput is expected to increase in the coming quarter as the pebble crusher is operational and secondary crushing is introduced.

Ore stocks at the end of the quarter totalled 45,500oz of gold.

► Gold Sales

42,220oz were sold.

Plutonic Gold Operations – Discontinuing Operation

► Safety

There was zero (0) Lost Time Injuries (LTI) during the quarter.

► Underground Production

Mine Development:

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Decline	174m	0m	0m	0m
Level	192m	24m	122m	49m
Strike driving	1,752m	1,994m	1,689m	1,644m
Total (metres)	2,118m	2,018m	1,811m	1,693m

Table 3: Underground Production – Mine Development

Plutonic operations performed efficiently during the quarter, exceeding targets for both development advance and production activities. Some lower grade stoping areas were brought into the mine plan to complement the higher grade Caribbean areas which is the base load underground source. Ore development continued in the Caribbean, North, Baltic, Mariner, Timor and Coral Declines.

	Dec -15 Qtr	Mar-16 Qtr	Jun-16 Qtr	Sep-16 Qtr
Development ore (t)	49,197	44,847	45,895	45,931
Development grade (gpt)	2.8	2.7	3.31	2.90
Stope ore (t)	124,253	119,724	96,653	145,256
Stope grade (gpt)	4.2	3.5	4.5	3.4
Low grade ore (t)				
Low grade (gpt)				
Total ore (t)	173,450	164,571	142,548	191,187
Total grade (gpt)	3.8	3.3	4.1	3.3
Contained gold (oz)	21,315	17,352	16,908	20,211

t=tonnes, gpt=grams per tonne, oz=ounces

Table 4: Underground Production – Ore Tonnes

Underground stoping produced 145,256 tonnes at 3.4gpt predominately from the Pacific 22 and Mariner 29 levels. The higher grade stopes in the Caribbean area continue to extend through drilling in this area which delayed some short term production due to extensional ore development.

► Gold Production

352,199 tonnes were milled during the quarter at 2.0gpt and 82% recovery for 18,662oz. Milling operations were continuous during the quarter (excluding planned shutdowns). The low grade stockpiles are still being included in the production profile during the quarter to take advantage of the higher gold prices.

► Gold Sales

19,622oz were sold.