

NORTHERN STAR COMPLETES PURCHASE OF SOUTH KALGOORLIE OPERATIONS FROM WESTGOLD

Additional processing capacity ensures Northern Star is on track to reach 600,000ozpa target this calendar year

Northern Star Resources (ASX: NST) is pleased to advise that it has completed its acquisition of Westgold Resources' (ASX:WGX) South Kalgoorlie Operations for a total consideration of A\$80 million.

The acquisition comprises the project's operating processing facility, which has an annual throughput capacity of 1.2 million tonnes, a JORC Resource of 4Moz¹, including 250,000oz in Reserves, and 842sqkm of prospective gold tenure.

Northern Star Executive Chairman Bill Beament said the highly successful exploration and development strategy at the Company's Kalgoorlie Operations meant the additional capacity offered by the South Kalgoorlie Operations mill would be extremely valuable as it moved towards its production target in Kalgoorlie of 300,000ozpa later this year. It aims to grow production at its Jundee project to 300,000ozpa at the same time.

Northern Star has also initiated a full review of the existing Resource and extensive exploration upside at South Kalgoorlie.

"The South Kalgoorlie acquisition will deliver immediate benefits thanks to the additional milling capacity, which will enable us to take full advantage of the strong mining and development rates we are generating at our existing Kalgoorlie operations," Mr Beament said.

"It also delivers longer-term growth potential with what is already a substantial Resource with significant scope to refine and upgrade.

"We will undertake a full ground-up review of the exploration upside as we did at Jundee shortly after its acquisition to ensure we fully understand the geology and the extent of the potential for growth."

South Kalgoorlie Operations, which is located 50km from Northern Star's Kundana operations, is currently producing at the rate of 30,000-40,000ozpa. The plant is also toll-treating ore for third parties.

Northern Star paid Westgold a total consideration of A\$80 million for the South Kalgoorlie Operations, comprising A\$60 million in NST shares and A\$20 million in cash.

A more comprehensive update on the full integration of the South Kalgoorlie Operations into the Northern Star Group production will be outlined in the Company Strategy update due in early August 2018.



BILL BEAMENT
Executive Chairman
Northern Star Resources Limited

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ASX ANNOUNCEMENT

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**Australian Securities
Exchange Code: NST**

Board of Directors

Mr Bill Beament
Executive Chairman

Mr Chris Rowe
Non-Executive 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 612.7 million
Options 0.8 million
Performance Rights 10 million

Current Share Price A\$6.28

Market Capitalisation
A\$3.8 billion

Cash, Bullion & Investments
31 Dec 2017 - A\$433.1 million

Projects

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

Listed Investments

ASX: VXR, DAU, RND, TBR, ALY, EAR
TSX-V: SGI

¹ The information is extracted from the report entitled '2017 Annual Update of Mineral Resources & Ore Reserves' created on 4 September 2017 and is available to view on Westgold Resources Limited's website (www.westgold.com.au) and the ASX (www.asx.com.au). Northern Star confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Northern Star confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Competent Persons Statements

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Mr Jake Russell B.Sc. (Hons) MAIG, Mr Paul Hucker B. Eng (Hons) MAusIMM and Mr Anthony Buckingham B.Eng (Mining Engineering) MAusIMM. All have sufficient experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activities which they are undertaking to qualify as a Competent Person as defined in the 2012 Editions of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012)". All consent to the inclusion in this report of the matters based on his information in the form and context in which it appears. All are full time senior executives of Westgold Resources Limited and are eligible to, and may participate in short-term and long-term incentive plans of Westgold Resources Limited as disclosed in its annual reports and disclosure documents.

Forward Looking Statements

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