

Free cashflow set to surge as Northern Star prepares to hit 600,000ozpa production target this quarter

Strong forecast production in June quarter puts Northern Star on track to meet FY2018 guidance with expansionary capex program completed

KEY POINTS

- ▶ **Gold sold in the March quarter totalled 119,976oz; all-in sustaining costs (AISC) were A\$1,075/oz**
- ▶ **Gold sold in the nine months to 31 March 2018 totalled 387,254oz; AISC for the nine months were A\$1,053/oz**
- ▶ **Underlying free cash flow of A\$32M in the March quarter; This was despite investing ~A\$33M in expansionary capital, including exploration, to accelerate growth in production and the group mineral inventory**
- ▶ **June quarter production forecast to exceed 150,000oz as the benefits of the growth strategy flow through**
- ▶ **All the expansionary capital associated with the 600,000ozpa growth strategy has been invested, paving the way for cashflow to surge on the back of the increased production rate**
- ▶ **Based on the June quarter production forecast, Northern Star has narrowed its FY2018 guidance to 540,000-560,000oz at an AISC of A\$1,000-A\$1,050/oz; This is comfortably within previous guidance**
- ▶ **Cash and equivalents at 31 March of A\$439.1M after paying A\$19M for the acquisition of South Kalgoorlie Operations and A\$7.3M for listed investments; Northern Star has no bank debt**
- ▶ **March quarter production:**
 - **Jundee Gold Operations:**
 - 67,505oz mined and 63,175oz sold at an AISC of A\$963/oz
 - **Kalgoorlie Gold Operations:**
 - 66,916oz mined and 56,236oz sold at an AISC of A\$1,239/oz*
- ▶ **Outstanding exploration results across the asset portfolio, particularly at Jundee, highlight potential for further significant increases in Reserves/Resources and production rates**
- ▶ **South Kalgoorlie Operations purchased for \$80M; This expanded the Kalgoorlie processing capacity to 3.2Mtpa, ensuring Kalgoorlie Operations can meet its 300,000ozpa production target by the end of 2018**
- ▶ **Northern Star will host a quarterly conference call today at 8:30am AWST (10:30am AEST), Monday, 30 April 2018. The call can be accessed at <http://webcasting.boardroom.media/broadcast/5abae4c6271b41638bdc8ba1>**

Northern Star Resources Limited (ASX: NST) is pleased to announce that its highly successful organic growth strategy is about to culminate in a surge in free cashflow as the Company hits its 600,000ozpa production target.

The Company expects to produce more than 150,000 ounces in the June quarter as the benefits of its investment in exploration and development flow through to its production and financial results.

In light of this strong forecast, Northern Star has narrowed its FY2018 guidance to 540,000oz – 560,000oz, which is well within its previous range of 525,000oz – 575,000oz. The forecast for all-in sustaining costs is unchanged at A\$1,000 – A\$1,050/oz.

With Northern Star now having completed the capital investments associated with the 600,000ozpa growth strategy, this production increase is expected to result in a significant surge in free cashflow from the June quarter onwards.

Gold sold in the March quarter totalled 119,976oz at an AISC of A\$1,075/oz, taking the total for the nine months to 31 March to 387,254oz at an AISC of A\$1,053/oz.

ASX ANNOUNCEMENT 30 April 2018

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

Issued Capital

Shares 612.7 million
Options 0.8 million
Performance Rights 10 million

Current Share Price A\$6.38

Market Capitalisation
A\$3.9 billion

Cash, Bullion & Investments
31 Mar 2018 - A\$439.1 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

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 March 2018



During the quarter, Northern Star continued to accelerate the implementation of its organic growth strategy, investing ~A\$33 million in expansionary capital, including exploration, to grow the group's production and mineral inventory.

After allowing for this expansionary capital, Northern Star generated underlying free cash flow of A\$32 million in the March quarter, leaving it with cash and equivalents of A\$439.1 million and no debt at 31 March 2018.

Northern Star Executive Chairman Bill Beament said Shareholders were about to reap the rewards of the organic growth strategy initiated by the Company over two years ago.

"This strategy began with the acquisition of Tier-1 assets at an opportune time in the cycle," Mr Beament said.

"We then invested prudently in exploration at and around these centres. This resulted in the Company establishing mine life visibility of ten-plus years.

"In the latest quarter, we completed the expansionary capital expenditure program stemming from this exploration success, paving the way for us to hit the 600,000ozpa production target in the current quarter.

"The combination of this increased production, low operating costs and completion of the capital investment program will drive free cashflow significantly higher.

"This means our organic growth strategy will have met the ultimate objective of everything we do – maximising financial returns. In the process, it will help ensure we maintain the highest rate of return on equity in our industry and one of, if not the, highest rates of return on the Australian stock exchange."

Mr Beament said the strategy was also continuing to deliver highly significant exploration results, such as those contained in the ASX announcement dated 20 February 2018, which were yet to be included in the Resource and Reserve inventory.

These results are expected to be reflected in the annual Resource and Reserve update which will be released in the September quarter.

Northern Star	Units	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr*	FYTD*
Ore Hoisted	Tonnes	892,454	955,552	947,946	900,724	2,804,222
Mined Grade	gpt Au	5.9	5.0	4.6	4.6	4.8
Gold in Ore Hoisted	Oz	167,818	154,426	139,564	134,421	428,411
Milled Tonnes	Tonnes	943,018	941,560	986,139	929,342	2,857,041
Head Grade	gpt Au	5.5	5.1	4.6	4.6	4.7
Ounces Produced	Oz	167,359	152,872	144,258	136,547	433,677
Recovery	%	92	91	89	91	90
Gold Recovered	Oz	154,116	138,422	128,836	123,913	391,171
Ounces Sold	Oz	147,728	138,459	128,819	119,976	387,254
Average Gold Price	A\$/oz	1,681	1,665	1,693	1,720	1,691
Revenue	A\$M	248.4	226.1	208.4	190.3	624.8
Cash Operating Cost	A\$/oz	723	780	838	820	811
All-in Sustaining Cost	A\$/oz	938	1,021	1,067	1,075	1,053
Total Stockpiles Contained Gold	Oz	75,616	75,221	73,652	70,579	70,579
Gold in Circuit (GIC)	Oz	20,005	20,556	17,279	24,577	24,577
Gold in transit (oz)	Oz	-	-	3,782	-	-

* Includes mine production performance from Millennium operations 12,049 ounces mined, 10,157 ounces recovered, and 9,284 ounces sold for the March quarter (24,192 ounces mined, 20,287 ounces recovered, and 17,643 ounces sold for the year). Millennium production metrics for Sept 17 and Dec 17 quarters has been disclosed in prior reports. Costs incurred at Millennium operations will be capitalised until commercial production rates are achieved and therefore do not impact AISC measures.

Table 1: Key Group Performance Figures (Quarterly)

Northern Star	Units	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr	FYTD
Mining	A\$/oz	489	525	556	549	543
Processing	A\$/oz	175	188	211	176	192
Site Services	A\$/oz	41	59	59	55	58
Ore Stock & GIC Movements	A\$/oz	(22)	(27)	(27)	1	(18)
Royalties	A\$/oz	42	38	41	42	41
By Product Credits	A\$/oz	(4)	(3)	(3)	(4)	(4)
Rehabilitation-Accretion & Amortisation	A\$/oz	4	4	3	4	3
Corporate Overheads	A\$/oz	56	45	57	58	53
Mine Development/Sustaining CAPEX	A\$/oz	131	163	151	145	153
Mine Exploration	A\$/oz	25	29	19	49	32
All-in Sustaining Costs	A\$/oz	938	1,021	1,067	1,075	1,053
Depreciation & Amortisation	A\$/oz	288	338	351	193	299

Table 2: Key Group Cost per Ounce Measures

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 March 2018

Production KPIs March Quarter	Units	Paulsens	Kalgoorlie Operations*	Jundee	Total
Total Ore Hoisted	Tonnes	-	509,641	391,083	900,724
Mine Grade	gpt Au	-	4.1	5.4	4.6
Gold in Ore Hoisted	Oz	-	66,916	67,505	134,421
Milled Tonnes	Tonnes	-	470,548	458,794	929,342
Head Grade	gpt Au	-	4.1	5.1	4.6
Recovery	%	-	94	88	91
Gold Recovered	Oz	-	58,069	65,844	123,913
Gold Sold	Oz	565	56,236	63,175	119,976
Cash Operating Costs	A\$/oz	-	919	754	820
All-In Sustaining Costs	A\$/oz	-	1,239	963	1,075
Depreciation & Amortisation	A\$/oz	121	269	137	193

* Production KPIs include Millennium operations performance. Costs incurred at Millennium operations will be capitalised until commercial production rates are achieved and therefore do not impact AISC measures.

Table 3: Key Quarterly Mine Production Performance

FINANCE

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

		Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr
Cash at bank	A\$M	\$403.0	\$385.5	\$368.0	\$367.6
Bullion awaiting settlement ⁽¹⁾	A\$M	\$14.1	\$17.1	\$1.5	\$10.6
Equity Investments	A\$M	\$30.1	\$40.1	\$63.6	\$60.9
Total	A\$M	\$447.2	\$442.7	\$433.1	\$439.1

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

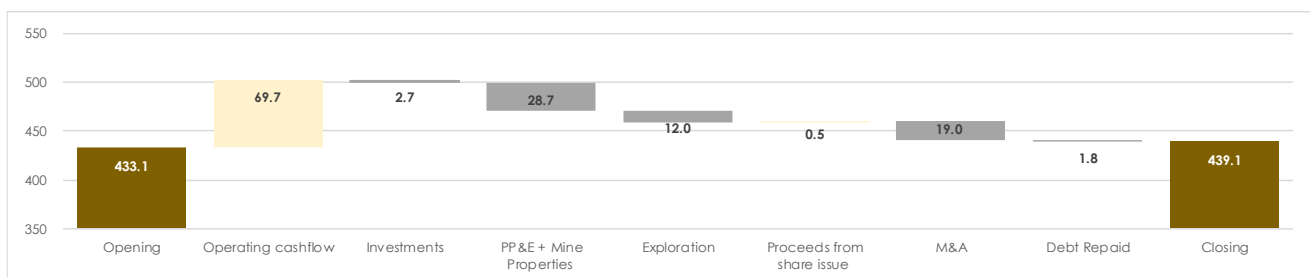
Table 4: Cash, Bullion and equity investments

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

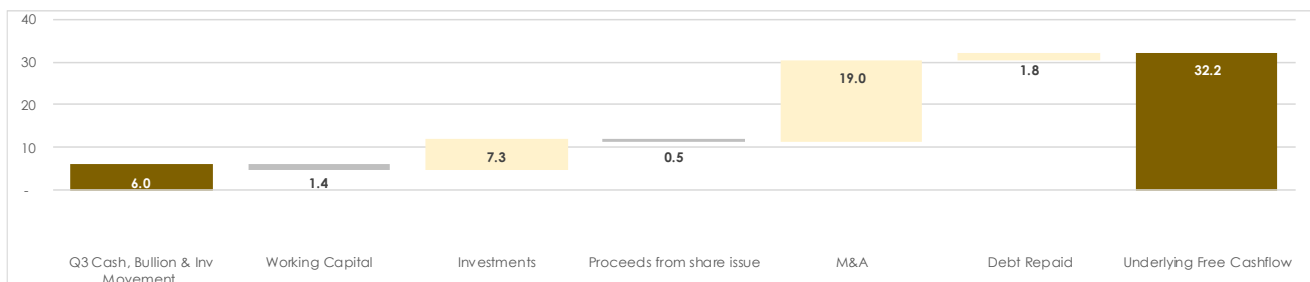
Gold Inventories	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr
Stockpiles contained gold (oz)	75,616	75,221	73,652	70,579
Gold in circuit (oz)	20,005	20,556	17,279	24,577
Gold in transit (oz)	-	-	3,782	-
Total Gold Inventories (oz)	95,621	95,777	94,713	95,156

Table 5: Gold Inventories

The below waterfall chart highlights the March 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 March quarter (A\$M):

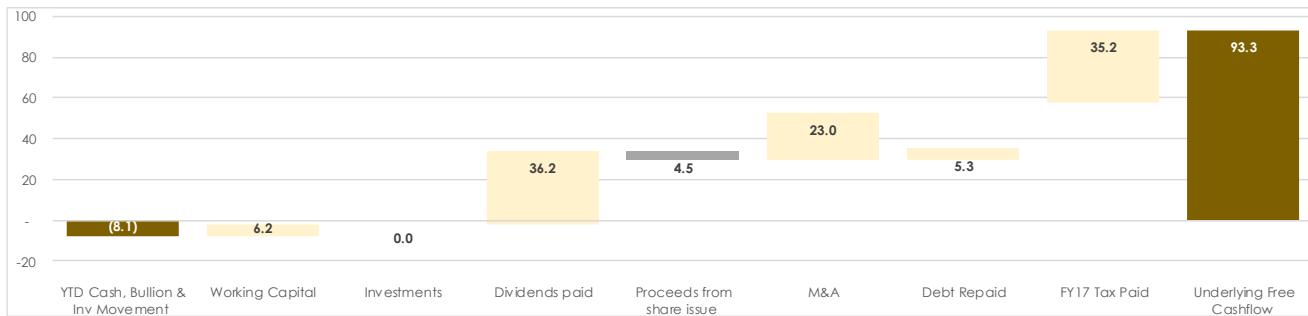


QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 March 2018



The below waterfall chart highlights an overview of year to date underlying free cash flow (A\$M):



Banking Facilities

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

Hedging

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

Term	Jun-18 Half	Dec-18 Half	Jun-19 Half	Dec-19 Half	Total
Ounces	114,570	90,018	64,000	50,000	318,588
Gold Price	A\$1,747	A\$1,750	A\$1,730	A\$1,739	A\$1,743

Table 6: Hedging commitments

OPERATIONS

Jundee Gold Operations

Production Summary Jundee		Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr	FYTD
Ore Mined	Tonnes	405,063	407,808	407,022	391,083	1,205,913
Mined Grade	gpt Au	7.1	5.8	5.1	5.4	5.4
Ounces Mined	Oz	92,377	76,326	66,673	67,505	210,504
Milled Tonnes	Tonnes	431,788	408,067	440,172	458,794	1,307,033
Head Grade	gpt Au	6.6	6.1	5.0	5.1	5.4
Recovery	%	92	91	89	88	89
Gold Recovered	Oz	84,854	72,471	62,915	65,844	201,230
Gold Sold	Oz	78,649	75,131	61,965	63,175	200,270
Cost per Ounce						
Mining	A\$/oz	398	384	495	444	437
Processing	A\$/oz	142	149	175	175	165
Site Services	A\$/oz	30	37	44	41	41
Ore Stock Movements	A\$/oz	19	7	(15)	53	15
Royalties	A\$/oz	42	39	41	44	41
By Product Credits	A\$/oz	(3)	(3)	(3)	(3)	(3)
Cash Operating Costs	A\$/oz	628	613	737	754	696
Rehabilitation - Accretion & Amortisation	A\$/oz	2	3	3	3	3
Corporate Overheads	A\$/oz	56	45	56	56	51
Mine Development / Sustaining CAPEX	A\$/oz	56	111	125	108	115
Jundee Mine Exploration	A\$/oz	12	22	25	42	29
All-in Sustaining Costs	A\$/oz	754	794	946	963	894
Depreciation & Amortisation	A\$/oz	280	215	132	137	164

Table 7: Summary Details – Jundee

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 March 2018



Kalgoorlie Gold Operations

Production Summary Kalgoorlie Operations		Jun-17 Qtr	Sep-17 Qtr*	Dec-17 Qtr*	Mar-18 Qtr*	FYTD*
Ore Mined	Tonnes	379,815	448,382	465,312	509,641	1,423,335
Mined Grade	gpt Au	5.0	4.5	4.1	4.1	4.2
Ounces Mined	Oz	60,765	65,178	61,289	66,916	193,384
Milled Tonnes	Tonnes	391,170	415,793	430,376	470,548	1,316,716
Head Grade	gpt Au	4.8	4.4	4.3	4.1	4.2
Recovery	%	94	93	93	94	93
Gold Recovered	Oz	57,173	54,323	55,113	58,069	167,505
Gold Sold	Oz	56,549	52,049	54,923	56,236	163,207
Cost per Ounce						
Mining	A\$/oz	573	666	648	697	670
Processing	A\$/oz	181	205	221	179	202
Site Services	A\$/oz	44	75	64	75	71
Ore Stock Movements	A\$/oz	(78)	(101)	(60)	(68)	(75)
Royalties	A\$/oz	42	38	42	42	40
By Product Credits	A\$/oz	(4)	(4)	(4)	(6)	(5)
Cash Operating Costs	A\$/oz	758	879	911	919	903
Rehabilitation - Accretion & Amortisation	A\$/oz	4	5	2	4	4
Corporate Overheads	A\$/oz	54	45	57	61	54
Mine Development / Sustaining CAPEX	A\$/oz	185	207	207	195	203
Kalgoorlie Operations Mine Exploration	A\$/oz	48	48	18	60	41
All-in Sustaining Costs	A\$/oz	1,049	1,184	1,195	1,239	1,205
Depreciation & Amortisation	A\$/oz	248	226	260	269	252

* Production KPIs include Millennium operations performance

Table 8: Summary Details – Kalgoorlie Operations

Paulsens Gold Operations

Production Summary Paulsens		Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr	FYTD
Ore Mined	Tonnes	107,576	99,362	75,612	-	174,974
Mined Grade	gpt Au	4.2	4.0	4.8	-	4.4
Ounces Mined	Oz	14,676	12,922	11,602	-	24,523
Milled Tonnes	Tonnes	120,060	117,700	115,592	-	233,292
Head Grade	gpt Au	3.7	3.9	3.8	-	3.8
Recovery	%	84	80	77	-	78
Gold Recovered	Oz	12,089	11,628	10,808	-	22,436
Gold Sold	Oz	12,530	11,280	11,931	565	23,776
Cost per Ounce						
Mining	A\$/oz	692	849	500	-	654
Processing	A\$/oz	355	376	354	-	356
Site Services	A\$/oz	99	133	112	-	119
Ore Stock Movements	A\$/oz	(29)	70	52	-	60
Royalties	A\$/oz	42	32	42	-	36
By Product Credits	A\$/oz	(2)	(2)	(2)	-	(2)
Cash Operating Costs	A\$/oz	1,157	1,458	1,058	-	1,223
Rehabilitation - Accretion & Amortisation	A\$/oz	8	2	2	-	2
Corporate Overheads	A\$/oz	60	43	56	-	48
Mine Development / Sustaining CAPEX	A\$/oz	368	313	54	-	176
Paulsens Mine Exploration	A\$/oz	-	2	-	-	1
All-in Sustaining Costs	A\$/oz	1,593	1,818	1,170	-	1,450
Depreciation & Amortisation	A\$/oz	518	1,645	1,867	121	1,720

Table 9: Summary Details – Paulsens

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

EXPLORATION AND DEVELOPMENT - OPERATIONS

The Group's in-mine drilling activity increased across Jundee, Kanowna Belle and EKJV sites with a focus on resource conversion programs.

Jundee

At Jundee, the underground fleet expanded to 10 diamond drill rigs during the quarter with a strong focus on in-mine resource infill and development drilling known across all major mining areas at Jundee including the new Armada trend.

In-mine resource development and infill programs were completed at Gateway-Gringotts, Nexus, Moneyline, Barton and Invicta areas during the quarter with current drilling focussed in the Revelation, Nexus and Throssell areas. Five drill rigs accelerated on resource infill and development drilling programs along portions of the Armada structural corridor during the quarter from multiple drill platforms within the mine.

The initial surface and underground diamond exploration drilling program into the new Zodiac zone was completed during the period with three of the four surface diamond drill rigs now demobilised from Jundee.

Drilling continued to show excellent development of the Zodiac trend south of the Stirling Fault complex with broad zones containing multiple mineralised structures. While many assay results are still pending, drill core samples show considerable visible gold content indicating a typically high coarse gold component to the mineralisation.

The two final deep holes (JRD10457A - 2,600m and JRD10458 - 3,214m (new Australian record)), located some 250 metres south of the previous drilling, were successfully completed during the quarter. Both drill holes intersected the primary Zodiac target south of the Stirling Fault system within 10 metres of their modelled depths. JRD10458 continued to test the stacked seismic reflector package south of the Stirling Fault complex. The drilling intersected variable zones of mineralisation within each reflector horizon representing new major targets within the Jundee stratigraphy.

Full assays are pending with a full suite of downhole logs and seismic measurements is in progress.

Kanowna Belle

Underground diamond drilling at Kanowna Belle expanded with four underground diamond drill rigs operating within the mine on grade control, resource extension and exploration programs.

Resource definition drilling within Lowes A and C Block areas, Velvet Central and Velvet East outlined new mineralised zones in the hanging wall of existing Lowes and Velvet resource blocks.

Drilling from the 9245DDR platform into the Lowes Extension target at depth continued during the quarter while exploration drilling into Lower Velvet from the 9460 level has outlined a potential new "Velvet" style structure midway between Velvet and Lowes D Block West.

EKJV (NST 51%)

Four drill rigs continued underground exploration and resource definition diamond drilling programs across the Rubicon-Hornet-Pegasus and Raleigh mining complexes during the quarter.

At Pegasus, infill drilling focussed on defining extensions to the Pode structure, extending the K2 structure at Pegasus South and the definition of the new Hera zone in the hanging wall to the K2 structure at depth.

Exploration diamond drilling also commenced from the new Raleigh South drill drive during the quarter targeting the southern extensions of the Raleigh Main Vein. All drill holes completed to date have successfully intersected the Raleigh structure with varying degrees of mineralisation including visible gold. Assay results are pending.

Kundana (100% NST)

Underground exploration drilling program at Millennium commenced late in the quarter targeting the K2 structure in the upper levels of the southern mining area extending southwards into crown pillar area beneath the existing Centenary open pit.

REGIONAL EXPLORATION

Regional exploration activity increased across all sites during the quarter despite some weather interruptions.

Jundee

At Jundee, regional exploration completed further RC and diamond drilling programs at the new Ramone discovery, follow-up RC drilling at selected Jundee domain prospects and continued the regional aircore drilling program in the Deep Well region.

At the new Ramone discovery, (see ASX announcement dated 20 February 2018) located 35 kilometres south east of the Jundee mill, diamond drilling extended the mineralised system to 350 metres vertical depth and advanced the geological understanding of the deposit. Assay results are pending. In addition, an extensive resource definition RC drilling program was completed over the central Ramone prospect area. Resource modelling is in progress with a maiden resource expected to be completed during the next quarter.

In the surrounding Deep Well area, regional aircore drilling continued with 234 holes completed over the Marley, Tosh, Ziggy, Cornell and Weiland prospects targeting Ramone-style mineralised trends.

Further north, at Plover Bore South (Jundee domain), RC drilling tested regional anomaly south of the Jundee TSF.

Ongoing analysis of the seismic and aeromagnetic data at the southern end of the Jundee Mine corridor has identified new targets that are potential extensions of the Barton-Main trend and Gateway-Gringotts trends. Exploration surface diamond drilling on the first of these targets was in progress at the end of the quarter.

Kanowna

Kanowna regional exploration activity increased during the quarter with diamond drilling programs in progress or completed at White Feather, Red Eye and Woodline prospects.

At White Feather, a diamond drilling program is in progress testing structural targets along the White Feather line and conceptual targets within the Red Hill and Isabella trends.

At Woodline, a single diamond drill hole tested a strong geophysical anomaly at depth with two diamond drill holes completed at Red Eye targeting extensions to earlier high-grade RC drill intersections.

Assay results for all holes are pending.

Kundana (NST 100%)

A resource definition drilling program was completed at the Strzelecki South-Moonbeam area during the period. The program targeted up dip areas on the Strzelecki Main Vein (Strzelecki South) north of the Lucifer Fault and the extensions to the K2 structure (Moonbeam) to the south of the Lucifer Fault.

All holes successfully intersected the target structure(s) with the Moonbeam results (on visual inspection) exceeding expectations. All assay results pending.

Carbine

Regional exploration focussed extensional and resource definition RC and diamond drilling programs at Paradigm.

At Paradigm, a short diamond drilling program successfully intersected extensions to the Arina trend and the Natasha structure. In addition, an open pit resource definition drilling program was completed at Paradigm to underpin a revised Project resource estimate and open pit optimisation study.

A regional aircore drilling program was commenced late in the quarter south of the Carbine open pit targeting trends identified from a recent SAM geophysical survey.

Carnage

RC drilling programs drilling were completed at the Three Eights and Orinda prospects testing historical geochemical anomalies.

Acra Joint Venture (NST 20%)

Activity centred on short diamond drilling program at the historic Jubilee Gift prospect and further reconnaissance air core drilling at Camel Dam in the central-western part of the Acra project area.

Central Tanami Project (25% NST)

At the Crusade area, located 100kms north of CTP camp, geochemical sampling programs were completed over prospective stratigraphy covering the western limb of the anticlinal structure that hosts the Crusade deposit.

Late in the quarter, a regional aircore drilling program commenced at Jims South prospect area following the cessation of the Wet season.

Tanami Regional Project (100% NST)

Geological interpretation of the new regional geophysical datasets continued which will assist in the design of future exploration programs.

Drill site preparations were completed for planned regional aircore drilling programs at regional targets in the Kookaburra East and Supernova areas.

Western Tanami

Assay results for RC and diamond drilling programs completed at the Pebbles and Road Runner prospects in previous quarter indicated a potential westward extension of the known mineralisation at Pebbles.

Pilbara

During the period, regional mapping and sampling programs were undertaken at the Mindle Mag, Airbase South and Metawandy Well-Tombstone prospect areas.

Preparations commenced for a new 3D seismic survey over the extended Paulsens Mine corridor with data acquisition expected to commence late next quarter.

CORPORATE

- A fully franked final dividend of 4.5 cents per share was announced on 20 February 2018 and paid on 13 April 2018.
- Settlement of the acquisition of South Kalgoorlie Operations from Westgold Resources Limited occurred on 29 March 2018.
- During the quarter, Northern Star presented at the RBC Conference in Sydney, the annual BMO Conference in Miami, the annual Euroz Conference in Perth and an institutional half yearly results roadshow through Sydney and Melbourne. The Company maintains a proactive presentation calendar to stockbroking firms, institutional and retail investors to promote the Company and its activities.
- The following changes occurred to the issued capital of the Company subsequent to the release of the December 2017 Quarterly Report:
 - 9,523,810 ordinary shares were issued on 29 March 2018 to Westgold Resources Limited as part of the Share Sale Agreement between Northern Star Resources Limited, Avoca Resources Pty Ltd and Westgold Resources Limited under which the Company acquired South Kalgoorlie Operations. The Company released an Appendix 3B and Cleansing Statement on 3 April 2018.
 - 79,296 ordinary fully paid shares were released from voluntary escrow in accordance with the Company's 2011 and 2017 Employee Share Plans.
 - 30,873 unlisted employee options issued as part of the FY2016 employee long term incentives were cancelled 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	612,695,779
Unlisted Options (various expiry dates)	758,688
Unlisted Performance Rights	10,047,140

Table 10: Issued Capital

Yours faithfully



BILL BEAMENT
Executive Chairman
Northern Star Resources Limited

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Forward Looking Statements

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APPENDIX 1 – ADDITIONAL INFORMATION - OPERATIONS

Kanowna Belle Gold Operations

► Safety

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

► Underground Production

Mine Development:

	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr
Decline	0m	106m	57m	137m
Level	409m	319m	498m	90m
Strike driving ⁽¹⁾	758m	768m	544m	684m
Total (metres)	1,167m	1,193m	1,099m	9,11m

Note (1) includes development through paste-fill

Table 1: Underground Production – Mine Development

Decline and access development continues in Velvet to open up extensions of the resource. Focus with the Jumbo has also been on re-establishing access for extraction of reserves and establishing drill drives across A, B, C, D and E blocks.

	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr
Development ore (t)	32,187	36,712	26,861	19,973
Development grade (gpt)	3.1	2.3	2.9	2.2
Stope ore (t)	204,187	220,859	238,617	236,609
Stope grade (gpt)	4.0	4.1	3.3	3.2
Low grade ore (t)	Nil	Nil	Nil	Nil
Low grade (gpt)	Nil	Nil	Nil	Nil
Total ore (t)	236,374	257,570	265,478	256,582
Total grade (gpt)	3.8	3.9	3.2	3.2
Contained gold (oz)	29,160	32,035	27,603	26,011

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

Table 2: Underground Production – Ore Production

The continued combination of stoping from multiple areas (blocks) across Kanowna Belle has allowed the operation to optimise the production and ounce profile for the quarter. Velvet accounted for 35% of production ore.

► Gold Production

Kanowna Belle milled 265,462 tonnes in the March quarter at 3.2gpt and 91.8% recovery for 24,664oz produced.

Ore stocks at the end of the quarter totalled 9,942oz of gold.

► Gold Sales

23,702oz 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 continues to meet its milestones to bring the operation in to full production expected in the June quarter.

► Safety

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

► Underground Production

Mine Development:

	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr
Decline	1,106m	844m	463m	
Level	231m		936m	1,135m
Strike driving (incl paste)		729m	675m	856m
Total (metres)	1,127m	1,573m	2,074m	1,991m

Table 3: Underground Production – Mine Development



The development continues to focus on establishing ore drives whilst continuing to push the decline to establish additional levels and stoping fronts.

	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr
Development ore (t)	13,345	48,431	33,465	52,842
Development grade (gpt)	2.4	3.2	4.5	4.1
Stope ore (t)	Nil	453	22,177	38,272
Stope grade (gpt)	Nil	4.7	3.1	4.1
Low grade ore (t)	Nil	Nil	Nil	Nil
Low grade (gpt)	Nil	Nil	Nil	Nil
Total ore (t)	13,345	48,884	55,462	91,114
Total grade (gpt)	2.4	3.2	4.0	4.1
Contained gold (oz)	1,019	5,071	7,071	12,049

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

Table 4: Underground Production – Ore Production

► Gold Production

Millennium Ore was processed at the Greenfields Mill plant with 84,371 tonnes at 3.9gpt at 96.3% for 10,157oz produced.

► Gold Sales

7,602oz were sold.

Kundana Gold JV Operations

► Introduction

The Kundana Gold Operations includes the Raleigh, Rubicon, Hornet 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 were 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:

	Jun -17 Qtr	Sep -17 Qtr	Dec -17 Qtr	Mar -18 Qtr
Decline	267m	330m	340m	261m
Level	1,475m	893m	1,564m	1549m
Strike driving (incl paste)	2,476m	2,397m	2,056m	2,469m
Total (metres)	4,218m	3,620m	3,960m	4,278m

Table 5: Underground Production – Mine Development (physicals represent 100% EKJV)

Development has occurred across all capital headings - Pegasus Incline, Pegasus Decline and the Rubicon Decline. Significant strike driving of 2,469m continues to add and build the operations for continued and future production growth.

Development yielded 134,691 tonnes at an average reconciled grade of 3.3gpt.

	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr
Development ore (t)	135,356	124,623	96,369	134,691
Development grade (gpt)	4.3	4.8	3.0	3.3
Stope ore (t)	146,862	154,806	187,582	184,487
Stope grade (gpt)	9.2	7.3	7.2	7.2
Low grade ore (t)	NA	NA	NA	NA
Low grade (gpt)	NA	NA	NA	NA
Total ore (t)	282,218	279,429	283,951	319,178
Total grade (gpt)	6.9	6.2	5.7	5.5
Contained gold (oz)	62,230	55,323	52,418	56,879

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

Table 6: Underground Production – Ore production (physicals represent 100% EKJV)

The focus on stope ore tonnes continues Northern Star's emphasis on bringing higher grade tonnes on line.

► Gold Production

EKJV ore that was milled in March quarter (NST share) was 120,715 tonnes at 6.3gpt and 95.5% recovery for 23,248 gold ounces.

Ore stocks at the end of the quarter (NST share) totalled 19,988oz of gold.

QUARTERLY ACTIVITIES REPORT

For the Quarter ended 31 March 2018

► Gold Sales

23,249oz were sold (NST share).

Jundee Gold Operations

► Safety

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

► Underground Production

Mine Development:

	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr
Decline	742m	553m	553m	501m
Level	661m	1131m	1040m	1462m
Operating	2,741m	2,614m	2,770m	2,126m
Total (metres)	4,144m	4,298m	4,362m	4,089m

Table 7: Underground Production – Mine Development

Decline development continued across multiple mining fronts during the March quarter, including lower Gateway, Upper Gringotts, Nexus and Upper Wilson. Level development focussed on the continued progress of Armada capital and drill drives, along with Wilson, Nexus, Gringotts and Deakin.

Operating development remained consistent with previous quarters and undertaken across all mining areas.

Total of 2,126 operating metres were completed, yielding 83,720 tonnes at an average grade of 2.9gpt.

	Jun-17 Qtr	Sep-17 Qtr	Dec-17 Qtr	Mar-18 Qtr
Development ore (t)	120,110	127,134	127,257	83,720
Development grade (gpt)	2.5	3.9	4.1	2.9
Stope ore (t)	284,954	280,673	279,765	307,364
Stope grade (gpt)	9.0	6.7	5.6	6.0
Total ore (t)	405,064	407,807	407,022	391,083
Total grade (gpt)	7.1	5.8	5.1	5.4
Contained gold (oz)	92,376	76,326	66,673	67,505

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

Table 8: Underground Production – Ore production

Stoping ore during the March quarter was sourced from high grade, narrow vein stoping panels, at a rate of ~90,000 tonnes per month for January and February and an increase to 120,000 tonnes for March.

► Gold Production

Jundee ore milled in the March quarter was 458,794 tonnes at 5.0gpt and 88% recovery for 65,844oz.

Above budget and forecast mill throughput was achieved throughout the quarter, highlighted by an average of 233tph in March. Further optimisation to both grinding and classification circuits is planned for next quarter, to further improve milling rate above current 235tph.

Ore stocks at the end of the quarter totalled 28,411 oz of gold.

► Gold Sales

63,175oz were sold.