

ASX Announcement
 26 March 2020

COVID-19, GUIDANCE AND DIVIDEND UPDATE

Northern Star Resources (ASX: NST) advises that due to the impact of COVID-19, the Company has implemented significant controls and requirements at all its sites to protect the health and safety of its workforce, their families, local suppliers and neighbouring communities.

The Company is also implementing prudent financial measures designed to preserve the value of our business in the long term.

Northern Star Executive Chair Bill Beament said: “Our business continuity plans have been fully mobilised in response to the COVID-19 global pandemic. We are working closely with our local communities, indigenous peoples, state and federal governments and health experts to protect our workforce, local suppliers/service providers and nearby communities.

“However, while these measures are essential, they are creating unavoidable disruptions to normal operations and affecting gold production.

“There is also the prospect of further restrictions being imposed on the movement of workers and suppliers in Western Australia and Alaska and therefore the Company’s outlook is becoming more difficult to predict with any certainty.”

Northern Star estimates that these disruptions will result in March quarter production being 10-15 per cent lower than expected and given the uncertain outlook, it can provide no assurances about production levels in the June quarter.

In light of this, the Company has determined to withdraw its production and cost guidance for the year to June 30, 2020 and has decided to defer the payment of its interim dividend due on 30 March, 2020. The current intention is now to pay the interim dividend of 7.5¢ a share, representing a total payout of A\$55 million, on 27 October, 2020, following the release of the Company’s full-year financial results in August, 2020. Deferral of payment of the interim dividend is considered prudent financial management in the circumstances, as a cash preservation initiative to ensure the Company is in the strongest possible financial position to respond to the COVID-19 pandemic and subsequent global financial impact.

Northern Star is in a strong financial position in terms of both net cashflow and its balance sheet.

As at March 25, 2020, the Company had total debt of A\$700 million, comprising a A\$400 million four-year term loan and a three-year A\$300 million revolving credit facility. Cash on hand and bullion awaiting settlement stood at A\$534 million¹.

The only scheduled debt repayment in the next 12 months is for A\$25 million on December 31, 2020.

Northern Star is also taking steps to minimise the financial risk associated with its gold hedges by requesting the deferral of its CY2020 hedges until CY2021. Deferral means the Company will not have to deliver gold into these deferred hedges this year unless it chooses to.

Authorised for release to ASX by Bill Beament, Executive Chair.

Investor Relations Enquiries:

Kurt Walker
 Northern Star Resources Limited
 T: +61 8 6211 2620
 E: info@nsrltd.com

Media Enquiries:

Paul Armstrong
 Read Corporate
 T: +61 8 9388 1474
 E: paul@readcorporate.com.au

¹ Unaudited