

# Appendix 5B

## Mining exploration entity quarterly report

Name of entity

**NORTHERN STAR RESOURCES LTD**

ABN

43 092 832 892

Quarter ended ("current quarter")

30 June 2010

### Consolidated statement of cash flows

	Current Quarter \$A'000	Year to date (12 Months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	6	30
1.2 Payments for		
(a) exploration and evaluation	(409)	(703)
(b) development	-	-
(c) production	-	-
(d) administration	(171)	(665)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	11	28
<b>Net operating cash flows</b>	<b>(562)</b>	<b>(1,304)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	14
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – acquisition Paulsens Gold Mine	(250)	(250)
<b>Net investing cash flows</b>	<b>(250)</b>	<b>(236)</b>
1.13 Total operating and investing cash flows (carried forward)	(812)	(1,540)

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1.13	Total operating and investing cash flows (brought forward)	(812)	(1,540)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	1,783	2,577
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(81)
1.18	Dividends paid	-	-
1.19	Other – costs of issues	-	(13)
	<b>Net Financing Cash Flows</b>	<b>1,783</b>	<b>2,483</b>
	<b>Net increase (decrease) in cash held</b>	<b>971</b>	<b>943</b>
1.20	Cash at beginning of quarter/year to date	124	152
1.21	Exchange rate adjustments to Item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>1,095</b>	<b>1,095</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	225
1.24	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Payments to directors or director related entities for:	\$000s
Executive directors' salary & statutory superannuation	93
Non executive directors' fees & statutory superannuation	55
Disbursements for office services paid to a company in which non-executive directors have an interest	77

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Under the sale agreement to acquire the Paulsens gold mine the Company is entitled to the net proceeds of gold sales during June.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

No Expenditures Reported To Date

### Financing facilities available

*add notes as necessary for an understanding of the position*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outlays for next quarter

	\$A'000
4.1 Exploration and evaluation	350
4.2 Development	4,750
4.3 Production	1,250
4.4 Administration	150
<b>Total</b>	<b>6,500</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	-	23
5.2 Deposits at call	1,095	101
5.3 Bank overdraft	-	-
5.4 Other (provide details if material)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>1,095</b>	<b>124</b>

### Changes in interests in mining tenements - *See attached tenement schedule for details*

	Tenement Reference	Nature of Interest [note (2)]	Interest at Beginning of Quarter	Interest at End of Quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2	ELA 51/1391 ELA 52/2509	] Applications	0%	100%

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**Issued and quoted securities at end of current quarter**
*Description includes rate of interest and any redemption or conversion rights together with prices and dates*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preferences securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks, redemptions				
7.3 <b>Ordinary securities</b>	205,902,801	205,902,801		
7.4 Changes during quarter (a) increases through issues				
Option exercise	6,215,265	6,215,265	2.5c	2.5c
Option exercise	3,362,630	3,362,630	5.0c	5.0c
Share purchase plan	7,920,000	7,920,000	5.0c	5.0c
Placement	18,640,000	18,640,000	5.0c	5.0c
(b) decreases through returns of capital, buybacks				
7.5 <b>Convertible debt securities</b>				
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted				
7.7 <b>Options</b>			<i>Exercise price</i>	<i>Expiry date</i>
<i>Unlisted options NSTAA</i>	1,500,000	-	20.0c	10/10/2010
<i>Unlisted options NSTAI</i>	1,000,000	-	various	02/09/2011
<i>Unlisted options NSTAQ</i>	10,713,334	-	2.5c	04/09/2011
<i>Unlisted options NSTAU</i>	12,333,333	-	5.0c	04/09/2012
<i>Unlisted options NSTAS</i>	12,333,333	-	10.0c	04/09/2013
<i>Unlisted options NSTAY</i>	18,906,062	-	2.5c	04/09/2010
<i>Unlisted options NSTAY</i>	20,138,696	-	5.0c	04/09/2011
<i>Unlisted options NSTAY</i>	23,501,325	-	10.0c	04/09/2012
<i>Unlisted options NSTAY</i>	750,000	-	5.75	Various to 20/10/2013
<i>Unlisted options NSTAY</i>	750,000	-	5.75	Various to 08/12/2013
<i>Unlisted options NSTAW</i>	100,000	-	20.0c	18/06/2012
<i>Unlisted options NSTAZ</i>	2,000,000	-	Various	16/11/2010
7.8 Issued during quarter				
7.9 Exercised during quarter				
<i>Unlisted options NSTAQ</i>	1,620,000	-	2.5c	04/09/2011
<i>Unlisted options NSTAY</i>	4,595,265	-	2.5c	04/09/2010
<i>Unlisted options NSTAY</i>	3,362,630	-	5.0c	04/09/2011
7.10 Expired during quarter				

7.11 <b>Debentures</b> (totals only)		
7.12 <b>Unsecured notes</b> (totals only)		

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does/~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

*Bill Beament*

Sign here: *[signed B. Beament]* ..... Date: 31/07/2010.....  
(Director/~~Company Secretary~~)

Print name: B. BEAMENT .....

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address the topic, the Australian standard on that topic (if any) must be complied with.

## Additional note:

### Tenement Schedule

30 June 2010

Tenement Number	Registered Interest %	Project Name
E80/2612	100	East Kimberley Nickel
E80/2394	100	Halls Creek
E80/4001	100	Wilson River
E80/3550	10% free carried	Wilson River
E80/3640	10% free carried	Wilson River
ELA51/1391	100	Cheroona
ELA 52/2509	100	Beatty Park