

ASX Announcement  
22 July 2021

# NORTHERN STAR AGREES TO SELL KUNDANA ASSETS FOR A\$400M

Sale is consistent with strategic focus on active portfolio management to maintain capital discipline and strong financial returns

## KEY POINTS

- **Binding agreement to sell the Kundana Assets to Evolution Mining Ltd (ASX: EVN); These comprise:**
  - Kundana Operations
  - East Kundana Production Joint Venture 51% interest
  - West Kundana Farmin Joint Venture 75% interest
  - Carbine / Carnage gold project
- The sale price is A\$400M cash
- The sale is consistent with Northern Star's strategic focus on active portfolio management

Northern Star Resources Limited (ASX: NST) is pleased to announce that it has entered into a binding Share and Asset Sale Agreement with Evolution Mining Ltd (ASX: EVN) for the sale of Northern Star's Kundana Operations, its 51% interest in each of the East Kundana Production Joint Venture and the East Kundana Exploration Joint Venture, its 75% interest in the West Kundana Farmin Joint Venture, and the Carbine / Carnage gold project ("**Kundana Assets**").

The purchase price for the Kundana Assets is A\$400 million cash. Evolution will be offering employment contracts to and assuming liabilities for all of Northern Star's transferring employees.

In FY21, the Kundana Assets produced 120,943oz. The combined Resource estimate is 2.4Moz, including Reserves of 579,000oz<sup>1</sup>.

Proceeds from the sale will be invested in advancing Northern Star's pipeline of growth projects. Completion is subject to Ministerial consent to the transfer of six mining tenements. The transaction is expected to be completed in late August 2021.

Sternship Advisers Pty Ltd is acting as financial adviser and Ashurst is acting as legal adviser to Northern Star.

Northern Star Managing Director Stuart Tonkin said the sale represented an opportunity to liberate value from a package of assets that were no longer required for delivery of the Company's strategic objectives, after an intense period of growth including the merger with Saracen and the recent KCGM-led increase in Resources and Reserves.

"The sale of these assets is consistent with our strategy to employ capital where we believe it will generate the greatest return," Mr Tonkin said. "This is a great outcome for all stakeholders, including all our employees working at these assets, who will be offered continuity under Evolution's ownership."

This announcement is authorised for release to the ASX by Stuart Tonkin, Managing Director.

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<sup>1</sup>The information in this announcement that relates to the Ore Reserves and Mineral Resources, and production targets of Northern Star has been extracted from the ASX release by Northern Star entitled "Resources, Reserves and Exploration Update" dated 3 May 2021 available at [www.nsrltd.com](http://www.nsrltd.com) and [www.asx.com](http://www.asx.com) ("**Northern Star Announcement**"). Northern Star confirms that it is not aware of any new information or data that materially affects the information included in the Northern Star Announcement and, in relation to the estimates of Northern Star's ore reserves and mineral resources, that all material assumptions and technical parameters underpinning the estimates in the Northern Star 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 that announcement.