

NORTHERN STAR MAKES A\$150M OFFER FOR 49% STAKE IN EAST KUNDANA JV HELD BY TRIBUNE AND RAND

Northern Star Resources (ASX:NST) advises that it has made legally binding offers to acquire the 49 per cent stake in the East Kundana Joint Venture (EKJV) it does not already own from Tribune Resources Limited (ASX:TBR), Rand Mining Limited (ASX:RND) and Rand Exploration NL for A\$150 million in cash.

As a shareholder in both Tribune Resources and Rand Mining, Northern Star shares the concerns of other Tribune and Rand shareholders arising out of the Takeovers Panel declaration of unacceptable circumstances in connection with past and ongoing breaches of the Corporations Act with respect to non-disclosure of controlling shareholdings in Tribune and Rand.

In light of the Panel's declaration, Northern Star believes its offer is a fair and sensible outcome for Tribune and Rand shareholders.

Northern Star encourages the Tribune and Rand Boards to take independent legal and technical advice and put the proposed transactions to their shareholders for consideration.

If Northern Star's offers are accepted and an ordinary resolution is passed by each of Tribune and Rand shareholders approving the deals, Tribune and Rand would be in a position to consider declaring a special dividend or otherwise returning capital to their shareholders following completion.

In line with its offer, Northern Star signed and delivered asset purchase deeds to the respective companies today, capable of legally binding acceptance. The deeds provide for Northern Star to acquire the 36.75% EKJV interest held by Tribune Resources for A\$112.5 million cash and the 12.25% EKJV interest of Rand Mining and Rand Exploration for A\$37.5 million cash.

Northern Star subsidiaries are the manager, mine operator and "life of mine" ore processor of the joint venture and supply all personnel for the EKJV operations. Northern Star also holds 10,000 shares in Tribune Resources and a 4.9 per cent stake in Rand Mining.

Northern Star has a First Right of Refusal (ROFR) over the interests held in the EKJV by its joint venture partners. The ROFR applies in the event that either Tribune Resources, Rand Mining or Rand Exploration intends to sell its interests to any party.

Northern Star Executive Chairman Bill Beament said the offers represented an outstanding opportunity for Tribune and Rand shareholders.

"The A\$150 million price offers compelling, up front value to Tribune and Rand," Mr Beament said.

"The cash offer to acquire the assets is a direct and clear means for Tribune and Rand shareholders to unlock the value of their company's interests.

"This combination of factors makes our offers a far simpler and more transparent opportunity for Tribune and Rand shareholders than alternative pathways."

Details of the proposed transaction:

Northern Star has held the controlling 51% EKJV interest since acquiring it from Barrick Gold Corporation on 1 March 2014. Tribune and Rand have held the 49% joint venture interest since establishment of the joint venture in 2002. Northern Star's subsidiaries are the manager, mine operator and "life of mine" ore processor of the joint venture and supply all personnel for the EKJV operations.

ASX ANNOUNCEMENT **13 November 2018**

Australian Securities
Exchange Code: NST

Board of Directors

Mr Bill Beament
Executive Chairman

Mr John Fitzgerald
Lead Independent Director

Mr Chris Rowe
Non-Executive Director

Mr Peter O'Connor
Non-Executive Director

Ms Shirley In't Veld
Non-Executive Director

Issued Capital

Shares 639.45 million

Performance Rights 10.38 million

Current Share Price A\$8.39

Market Capitalisation
A\$5.4 billion

Cash and Cash Equivalents
30 Sept 2018 - A\$277 million

Projects

Jundee Operations
Kalgoorlie Operations
Pogo Operations
Paulsens Mine
Central Tanami (40% of JV)
Western Tanami

www.nsrld.com

ABN: 43 092 832 892

Completion of each asset purchase deed is subject to the following conditions:

- Mandatory ASX Listing Rule 11.2 shareholder approval (ordinary resolution to sell main undertaking);
- Mandatory Ministerial approval under the Mining Act (for transfer of partial interests in the mining leases comprised in the EKJV); and
- Waiver of the rights of first refusal which each of Tribune, Rand and Northern Star have over the EKJV interests.

The offers are not inter-conditional. Northern Star is fully financed to proceed with one or preferably both transactions subject to satisfaction of these conditions.

Completion is targeted to occur on 31 January 2019. Should the conditions not be satisfied by 23 January 2019, or appear incapable of satisfaction by 23 January 2019, Northern Star is entitled to terminate the asset purchase deeds or extend the completion date at its sole election. Upon completion:

- Financial benefit of the 49% joint venture interest transfers to Northern Star with effect on 1 January 2019, and
- Northern Star assumes 100% of the EKJV rehabilitation, employee and other liabilities with effect from 1 January 2019.

Yours faithfully



BILL BEAMENT
Executive Chairman
Northern Star Resources Limited

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