

Northern Star Resources Ltd

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Northern Star acquires 50% of one of the most significant gold systems in the world

Northern Star Ltd (ASX:NST) has completed the acquisition of a 50% interest in Kalgoorlie Consolidated Gold Mines Pty Ltd (KCGM).

KCGM is a 50:50 JV between Newmont Goldcorp and Saracen Mineral Holdings Ltd (ASX:SAR) and includes the Super Pit gold mine in Kalgoorlie, Western Australia, among other deposits.

Immediately earnings accretive

The transaction delivers Northern Star a half-share of one of the most significant gold systems in the world with an endowment of about 80 million ounces and a spectacular gold content of about 45,000 to 60,000 ounces per vertical metre.

KCGM for the past two calendar years has produced on average about 590,000 ounces per annum at an AISC of US\$913 per ounce.

The acquisition will be immediately accretive to Northern Star on an EV/Reserves, EV/Resource, P/NAV basis and earnings per share in its first full financial year of ownership (FY2021).

Favourable JV partner

Saracen is a favourable JV partner for Northern Star considering its demonstrated track record in expeditiously unlocking value from assets it has acquired, complementary skill sets and their familiarity with the Western Australian Goldfields.

Northern Star Executive Chairman Bill Beament said the acquisition would create substantial value and provide enormous short, medium and long term opportunities.

World-class the gold system

Beament added: "The purchase of a 50 per cent stake in the Kalgoorlie Super Pit meets our key strategic objectives of generating strong financial returns and growing our gold inventory from Tier-1 mines in Tier-1 locations

"As well as being accretive across all key metrics, including earnings per share, this acquisition comes with huge upside due to the combination of the world-class nature of the gold system and the respective skill sets of Northern Star and Saracen.

"Both companies have established outstanding track records of unlocking value from acquisitions and I am delighted that we will be able to pool our skills and

Price: 13.62

Market Cap: \$10.09 billion

1 Year Share Price Graph



September 2019 March 2020 September 2020

Share Information

Code: NST

Listing: ASX

52 week High Low
16.77 8.85

Sector: Mining

Website: www.nsr ltd.com

Company Synopsis:

Northern Star Resources Ltd (ASX:NST) is listed on the Australian Securities Exchange.

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experience to create substantial value for our shareholders and the local community through both mine development and exploration."

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