

NST rides a “bonanza” Gold Price Wave

Company/ASX Code	Northern Star Resources Limited/NST
AGM time and date	1:30pm AWST on Tuesday, 18 November 2025
Location	QV1 Conference Centre, Function Room, Level 2, 250, St Georges Tce, Perth
Registry	Automic
Type of Meeting	Hybrid
Monitor	David F Brooke
Pre AGM Meeting	None

Monitor Shareholding: The individual involved in the preparation of this voting intention has no shareholding in this company.

1. How we intend to vote

No.	Resolution description	Vote
1	Adoption of Remuneration Report	For
2	Approval of the issue of 237, 333 FY/26 LTI Performance Rights to MD & CEO, Stuart Tonkin	Against
3	Approval of the issue of 166,133 FY/26 STI Performance Rights to MD & CEO, Stuart Tonkin	For
4	Re-election of Director – Nicholas (Nick) Cernotta	For

2. Summary of Issues

- Revenue up by 30% driven by an unprecedented 29.4% increase in realized gold price together with a small (1%) increase in gold sold but minimal (just 13kozs) increase in group production;
- Group All In Sustaining Costs (AISC) increased by 16.7% over the year; largely from Australian operations (Yandal), increased royalties (due to higher gold prices) and delayed access to high grade (Golden Pike North) at KCGM (this zone is now available and should serve to increase KCGM production and stabilise AISC in FY/26). New mining methods (Single-horizon mining) are now being introduced at Golden Pike North which are anticipating 15% - 20% improvements to equipment productivity. Currently in Q1/FY26 AISC is tracking at around the midpoint of guidance.
- Operational difficulties have been experienced at Judee and South Kalgoorlie; the company claims these will be resolved in the current Q2/FY26 quarter, however at a current depth of over 1,000 meters underground, operations at Jundee are likely to get more expensive;
- In April 2025; AISC and production guidance were both modified; these constitute 70% of STI's. As a consequence, no production or AISC STI's were awarded for FY/25 as

the lower thresholds of both metrics were not achieved by EoY. The overall STI award for FY/25 was 26.3%. It is noted that AISC guidance targets were also revised in both FY/24 and FY/23 (and group STI achievement was also at the lower production threshold in both these previous years;

- Net cash of A\$626m at 30th September 2025. During FY/25 NST paid a 55c/sh unfranked dividend and spent A\$128m on purchasing its own shares, supported interest payments on their senior (US\$600m) note, purchased De Grey mining and made accumulated 55c/share (the final 30c dividend being 100% franked);
- The company completed a A\$300m share buyback at an average cost of A\$11.04/share
- NST has secured bank debt facilities of A\$1.5Bn (maturing in two equal tranches in December 2027 and 2028 respectively) to safeguard budgeted growth expenditure against a possible gold price fall.
- The acquisition of De Grey Mining (Hemi deposit) by NST during FY/25 (transactions costs A\$250 - A\$200m) represents a challenge in that it will be the first time that NST has constructed an undeveloped tier 1 mine (previously operating mines have been purchased). Also, the nature of the deposit is difficult in that the Hemi ore body is “semi-refractory” thus requiring special processing (pressure oxidation – POX) which will be a first time for processing a gold deposit of this nature in Australia (it is used overseas). It is unclear whether a dedicated oxygen plant needs to be added. approval are pending but
- FID is expected at end of FY/26.
- Limited upside to higher gold price margins due to outstanding hedging of 1.275Mozs of gold at an average price of A\$3,309/ozs until June 2028 when the extant gold spot price is around A\$6,000/ozs, no further hedges have been added this year; their impact should decline as production increases and hedges unwind.
- During the year NST spent A\$135.9m and added 9.362mozs to resources and maintained reserve depletion. NST plans to spend around A\$225m on exploration in FY/26;
- FY/26 growth capital guidance is A\$1,140-1,200m plus, KCGM mill expansion (including readiness) of A\$845-920m and also A\$140m to A\$150m for development of their recently acquired De Grey (Hemi) deposit; all impacting cash flow;
- Guidance for FY/26 is 1.7mozs to 1.85mozs at an all in sustaining cost of A\$2,300 to A\$2,700/ozs;
- NST has a comprehensive emissions reduction program which is targeting 35% reduction in scope 1 and 2 emissions by 2030 (100ktonnes has been achieved to date with another 50ktonne targeted for FY/26.

3. Matters Considered

Accounts and reports

FY/25 has been another bumper year (59% increase in cash earnings) largely due to a realised gold price increase of 29.4%; NST's cost and production performance has been less impressive.

In FY/25 NST achieved A\$2,163/ozs AISC against revised group guidance of A\$2,100/oz to A\$2,200/oz, former guidance (prior to 29th April 2025) was A\$1,850/oz to A\$2,100/oz). Group production of 1,634Mozs was at the lower threshold of revised guidance of 1.63 to 1.66 Mozs (note that FY/24 and FY/23 production were also only just above the lower production guidance lower threshold (not revised in FY/24).

NST approved (22 June 2023) to increase KCGM processing capacity from 13Mt/yr to 27Mt/yr. NST claims that this will allow them to process large on-site sub-grade (0.68 g/tonne & written off) stockpiles (alongside mined ore) to increase KCGM production; the company claims this project to be currently on schedule and budget. NST expects Kalgoorlie operations (including KCGM) to be producing 900 to 1,000koz/yr in FY/26 and then enter a two-year ramp-up period with commissioning of KCGM mill upgrade commencing in early FY/27. To facilitate expected production previously stockpiles and newly mined ore will be processed (however, legacy stockpiles appear to have significantly supplemented mined ore since FY/21). Ongoing capex will reduce ongoing margins between AISC and all in costs (AIC) over the next 3 years (particularly at KCGM; however, elevated gold price has offset any margin pressure to date.

NST's formerly troubled Pogo mine in Alaska has experienced a turn around with sustained FY/25 gold sold of 283,507Kozs after a plant upgrade, improved recoveries (87%) and full adoption of new mining and maintenance methodologies.

Thunderbox mine was upgraded to 6Mt/yr and (together with Bronzewing) produced ~607koz in FY/25 – this throughput has recently exceeded nameplate to an annualised 6.7Mt/yr.

Total FY/26 group production is guided to 1.7mozs to 1.85mozs at an AISC of A\$2,300 to A\$2,700/ozs.

NST's dividend has grown from 40c (20% - 30% of earnings) in FY/24 to 55c in FY/25; we note that the final FY/25, 30c payment was franked although this may be temporary since acquired De Grey tax credits were used.

The group cash & bullion balance of A\$1,511Bn (net cash A\$616m) on 30th September 2025 which includes a 10-year US\$600m (A\$895m @ US\$/A\$ exchange rate of 0.66) senior guaranteed note (@6.125% interest) taken out in April 2023.

Financial Performance

(As at FYE)	2025	2024	2023	2022	2021
NPAT (A\$m)	1,339.7	638.5	585.2	429.8	1032.5
Share price (A\$c) – 30 th June	18.55	13.00	12.08	6.84	9.78
Dividend (cents)	55 ⁺	40 ⁺	26.5 ⁺	21.5	19
Simple TSR (%)	46.9%	10.3%	80.8%	-28.6%	-25%
EPS (A\$c)	111.6	55.1	50.3	13.6	-71.7
CEO total remuneration, actual (A\$m)	10.26 [*]	7.117 [*]	6.3 [*]	2.375	4.17

⁺ unfranked dividends (30c final dividend for FY/25 was fully franked)

^{*} Salary was enhanced by a retention component which ceases after 30 June 2025

The latest Remuneration represents that the CEO earns 98 times the Australian Full time Adult Average Weekly Total Earnings (A\$2,010 based on May 2025 data from the Australian Bureau of Statistics).

4. Focus Issues

Governance and Culture.

The importance of Governance and Culture is reflected by the employment of appropriate expertise, audits, remuneration incentives and Committees including:

- Environmental, Social and Safety Committee with a focus on operational risks, and assisting the implementation of environmental management, fair dealings for all stakeholders, human rights (including modern slavery), long term environmental social & safety strategic risks. Northern Star has achieved a good safety record with SLTIFR at 0.5 injuries per million hours worked and TRIFR at 2.9.
- The Audit & Risk Committee reviews wider strategic risks, including climate change.
- People & Culture Committee reviews culture, talent management, retention, remuneration and assessment of performance and leadership development.

Northern Star is committed to achieving Net Zero emissions by 2050 and has set an interim target of reducing its Scope One and Two emissions by 35% by 2030. Building renewable energy such as wind and solar into forward planning as well as maintaining strong climate change governance processes.

Currently NST's supply chain management is looking at responsible sourcing, local procurement as well as Indigenous procurement.

Building better oversight - directors and boards

The matrix in the annual report illustrates a high score for most of the comprehensive skills and experience required by the Board to fulfil NST's strategic plan, apart from digital technology and data as well as innovation and disruption. Where we have concerns is on "new build" as represented by the Hemi project; however, we also recognise that the company has impressive capabilities and will hopefully be aware of its challenges; this appears to be recognised in the STI's now proposed.

Driving sustainable practices and improving ESG strategy

The FY/25 Sustainability Report had limited assurance from Bureau Veritas Australian Pty Ltd on relevant data and requirements set out in Global Reporting Initiative standards. Other progress towards greater ESG accountability include – Completing a Climate Change related risk financial quantification model, following up of suppliers in completing Slavery Supplier Survey information and continuing to report against the numerous ESG requirements including SASB, TCFD, CDP and GRI standards.

NST continues towards a Net Zero Ambition by 2050, with execution of the Renewable Power Purchase planned and implemented pathway for a renewable energy project utilising solar, wind and battery storage designed to reduce Jundee's Scope 1 & 2 emissions by 35% by 2030. It is unclear to us on how NST will reduce scope 2 emissions in absolute terms at KCGM where processing is set to double by 2029. In addition, the opening of Hemi by the end of the decade will provide challenges in absolute terms.

Overall NST is making progress to meet ESG community expectations using numerous evolving international reporting matrices, including assessing cyber security risks.

5. Rationale for Voting Intentions

Resolution 1: Adoption of Remuneration Report – (For)

The remuneration report appears to have been administered fairly with retention rights (CRR) now being dropped as skilled labour scarcity has improved; we note that tranche 3 of retention rights were not achieved due to the STI score being less than 50%; although tranche 4 (retention of executive KMP) was achieved

We note that FY/25 STI's attainment was evaluated at 26.3% due to both AISC and production being below FY/25 guidance - the company claims that delayed access to the high-grade Golden Pike North zone at KCGM was the primary cause, although lately there have also had operational issues at both Jundee and South Kalgoorlie.

Whilst we note that STI awards have been fairly appropriated based upon poor attainment of both production and AISC gold during the year.

In our view instead of AISC as a measure it would be more appropriate to use group opex including sustaining capital (in \$ terms – the numerator to AISC) as an upper boundary threshold with incentives being offered for savings on that amount whilst at a minimum achieving production guidance. It is of concern that NST has only in FY/25 recognised failure to meet both production and AISC targets when previously they only just achieved the lower bound of production guidance for two consecutive years when this component was rewarded.

The FY/25 LTI's have only one performance (80% weighted) criteria (50% to a chosen peer group and 50% to the TSX GGI. The chosen peer group (50%) are said to be comprised of gold miners of "similar size" and operating in "similar jurisdictions". The company reports spectacular (110%) NST TSR; however such performance was largely due to buoyant gold prices which were common to the sector where relative outperformance was still an impressive 66%.

During the year A\$128m a share buyback occurred from a balance outstanding from FY/24 thus allowing scope for enhancing the share price (and rTSR), supporting LTI's. We generally support purchase of shares to provide for incentive (rather than issuing shares under ASX rule 7.1)

Resolution 2: Issue of 237, 333 FY/26 LTI Performance Rights to MD & CEO, Stuart Tonkin – (Against)

The resolution seeks to approve share rights which had a maximum grant value on 30th June 2025 of A\$4.4m.

Vesting of these LTI rights will be determined at the time of the release of the Company's full year results for FY/29 (i.e. in August 2029). Of the above total 60% of these LTI rights fully vest on achievement of a 5% premium to the average for the TSX gold index. We do not consider this small premium to be a serious challenge particularly since this index is dominated large and less nimble companies

The next 20% of this incentive is for scope 1 & 2 emissions reductions at 30th June 2029 of which the first 2 years have already been achieved with another four years (i.e. 200kt CO₂-e) remaining. It appears somewhat strange that the CEO should be incentivised in an ongoing manner for past achievements.

The remaining measure (20% weight of 200% of FAR) is a replacement for now expired retention rights and is only subject to full time employment with the company to 30th June 2029.

In short, we consider these hurdles to insufficiently challenging for such a large LTI reward.

Resolution 3: Issue of 166,133 FY/26 STI Performance Rights to MD & CEO, Stuart Tonkin – (For)

These STI rights contain financial measures (gold sales, AISC & growth projects) which make up 80% of the metric. As we have previously stated we consider that LTI thresholds are insufficiently challenging. With the large amounts on capex (and US\$600m note and possible use of bank facilities) we consider that the company is in a high-risk period with elevated leverage to capital works both at Hemi and KCGM and that Mr Tonkin should be highly exposed to those risks. We also support emphasis on current guidance on production and costs particularly in view of current and prior company's failure (or close call) to achieve such guidance. We also support the company's continued emphasis on safety.

Resolution 4: Re-election of Director – Nicholas (Nick) Cernotta – (For)

Nick Cernotta was appointed to the board on 1 July 2019; he has 35 years operational mining experience; both domestic and international companies. His background of leadership in major mining operations provide independent comment on NST's primary business giving confidence that NST executive management are held to account.

Nick is a member of the People & Culture Committee and serves on the Nominations Committee.

Nick brings independent operational experience immediately pertinent to NST's operations. We have found Nick to be approachable on matters concerning NST's operations and aspirations.

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Appendix 1

CEO Remuneration framework detail

CEO rem. Framework for FY/25	Target* \$m	% of Total	Max. Opportunity \$m	% of Total
Fixed Remuneration	2.2	22.7%	2.2	22.7%
STI – Cash	1.54	15.9%	1.54	15.9%
STI – Equity	1.54	15.9%	1.54	15.9%
LTI	4.4	45.5%	4.4	45.5%
Total	9.68	100%	7.34	100%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan.

- * Target remuneration includes deferred amounts subject to hurdles in subsequent years before vesting.
- * In addition to the above amounts the CEO gets an additional payment as dividend equivalent rights earned on unvested LTI's; this is paid in cash.