

RESOURCES LIMITED

9th February 2009

Hendrike Koehler
Adviser, Issuers (Perth)
Australian Securities Exchange
2 The Esplanade
Perth WA 6000

Dear Hendrike

RE: Appendix 5B

I am in receipt of your letter faxed to the Company Secretary of Northern Star Resources Ltd dated 5th February 2009, and respond to the matters raised as follows.

1. The Company has forecast cash outflows for the current quarter of \$50,000 and at 31 December 2008 cash balances totalling \$82,000.

As reported in the quarterly activities report and in the additional note to the quarterly cash flow report, the Company has either disposed of or is in the process of disposing of its realisable assets in the Kimberley including fixed and mobile plant to provide liquidity. Further, the Directors have taken steps to reduce cash outflows by such measures as reducing personnel costs and corporate overheads (including suspending payment of directors fees).

2. The Company does not expect in future to have negative operating cashflows similar to that reported in the Appendix 5B.

As reported in the quarterly activities report, in addition to the measures outlined above, a significant reduction in exploration activity has been made while preserving key assets.

Accordingly, the Company does not envisage negative operating cashflows of the magnitude reported in the Appendix 5B in ensuring quarters.

3. The Company is taking various steps to ensure it meets its business objectives.

The Company is still evaluating the resource potential of its Emull Zinc/Copper project and the 34,000 ounce inferred gold resource at Golden Crown and is continuing to investigate new opportunities to ensure that it will be active in exploration and development programs when the market permits further funding..

4. I am able to confirm that the Company is in compliance with Listing Rule 3.1.

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5. The directors, having consideration of net assets of the Company and such matters as access to funds, are of the opinion that the Company currently complies with Listing Rule 12.2.

Yours faithfully



Bill Beament
Managing Director
Northern Star Resources Ltd

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**ASX**

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FAXED
5 February 2009

Karen Brown
Company Secretary
Northern Star Resources Limited
129 Edward Street
PERTH WA 6000

By Facsimile: 9227 8178

Dear Karen,

Northern Star Resources Limited (the "Company")

I refer to the Company's Quarterly Report in the form of Appendix 5B for the period ended 31 December 2008, released to ASX Limited ("ASX") on 23 January 2009, (the "Appendix 5B").

ASX notes that the Company has reported the following:

1. Net negative operating cash flows for the quarter of \$[667,000];
2. Cash at end of quarter of \$82,000;
3. Estimated cash outflows for next quarter for exploration and evaluation of \$50,000; and

In light of the information contained in the Appendix 5B, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Appendix 5B, the Company may not have sufficient cash to fund its activities for the quarter ending March 2009. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 5B for the quarter and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
4. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
5. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on facsimile number 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 5.00 p.m. W.D.S.T. on Monday, 9 February 2009.**

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries regarding any of the above, please contact me on 9224 0015.

Yours sincerely,



Hendrike Koehler
Adviser, Issuers (Perth)



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