

# Company presentation

European Gold Forum

April 2011



Established pure-play gold producer focused on emerging markets



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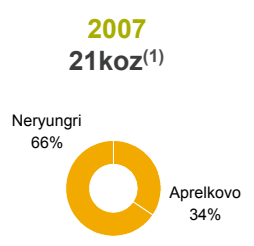
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# Rapid growth since inception in 2007

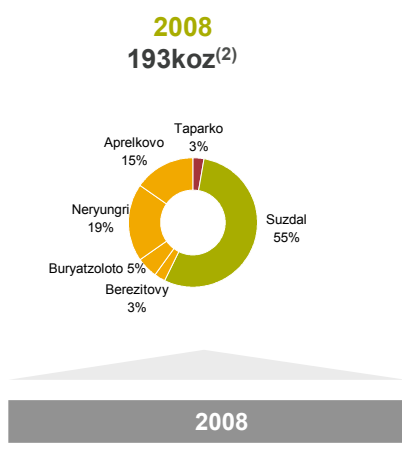
Russia Kazakhstan Africa Silver

Acquires exploration permits in Russia, Aprelkovo and Neryungri mines

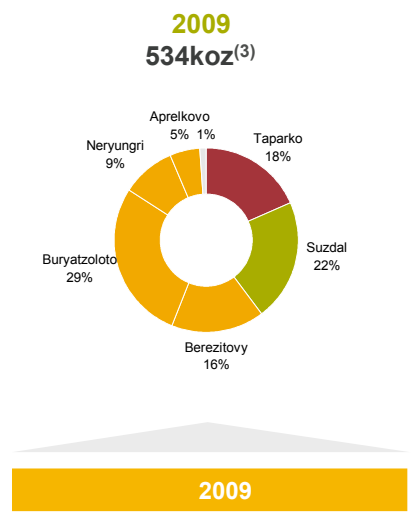


Severstal CEO approves expansion into gold

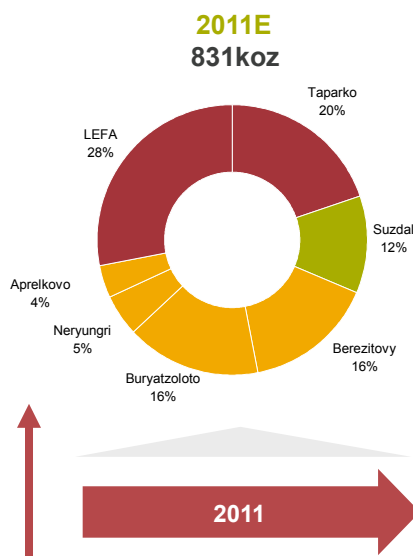
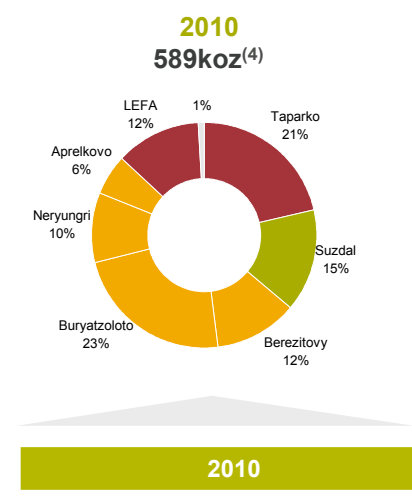
Acquires Celtic Resources and expands into West Africa by acquiring High River Gold ("HRG")



Year of optimisation and integration of assets; forms an integrated business model



Acquires Crew Gold, further expanding in West Africa and diversifying the resource base



- ✓ Expanded into 4 countries
- ✓ Completed 5 acquisitions
- ✓ Reached c. 50% production outside Russia
- ✓ More than doubled the resource base to 23.0moz
- ✓ Rapid production growth 07-11E CAGR 151%

In 3 years, Nordgold has evolved into a leading, internationally diversified gold producer



(1) Aprelkovo and Neryungri on a 100% consolidated basis as of December 2007.  
 (2) Taparko, Berezitovy and Buryatzoloto production included as of acquisition in November 2008.  
 (3) Figures on a 100% consolidated basis. Includes 5,354 gold equivalent ounces ("GEoz") of silver production.  
 (4) Includes production from acquisition of LEFA (Guinea) as of August 2010 and 4,248 GEoz of silver production.

## Key highlights

**1** Established pure-play gold producer focused on emerging markets

**2** Track record of restructuring, operational improvements and value creation

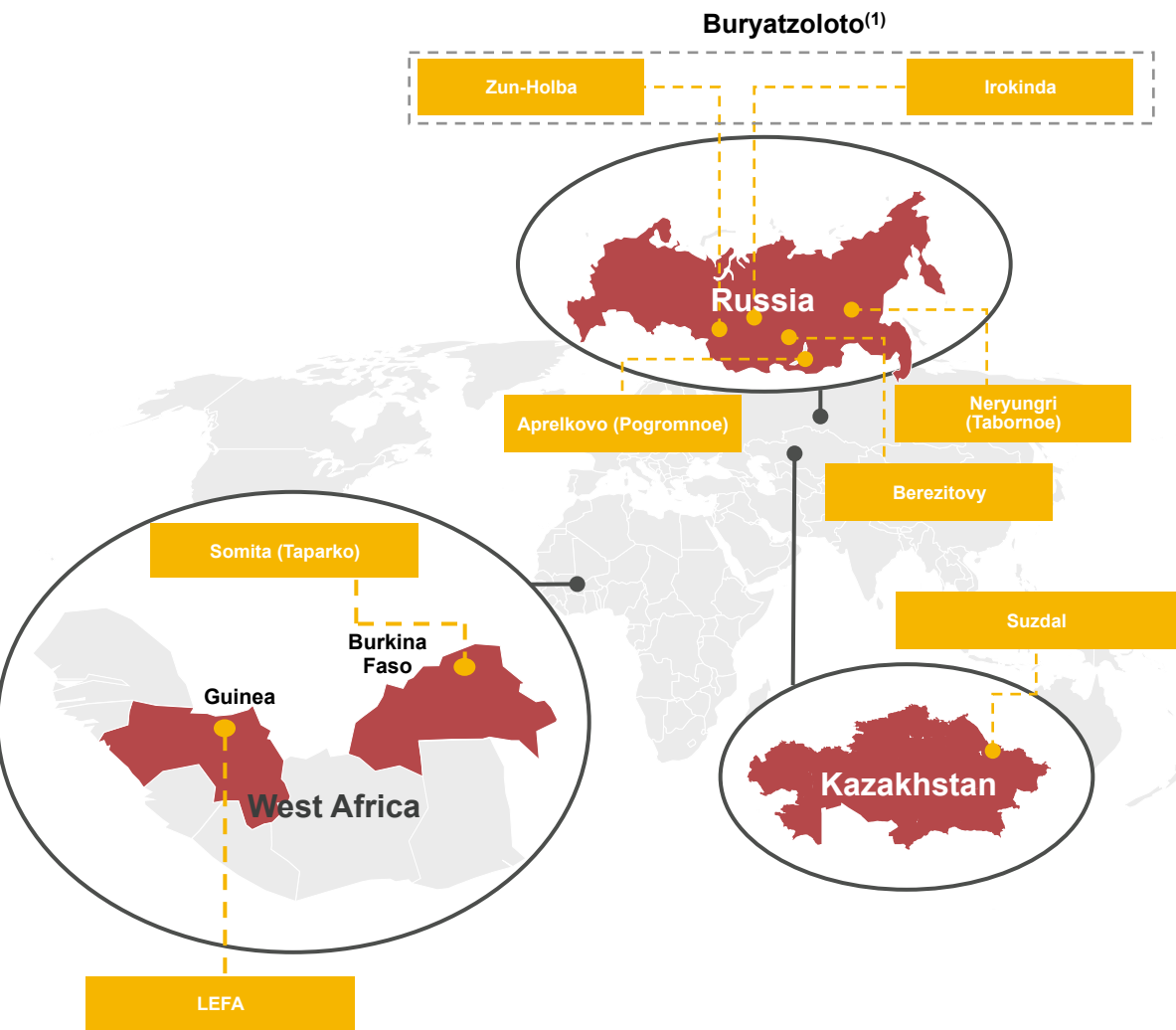
**3** Robust pipeline of growth to become a 1moz+ producer

**4** Strong financial performance

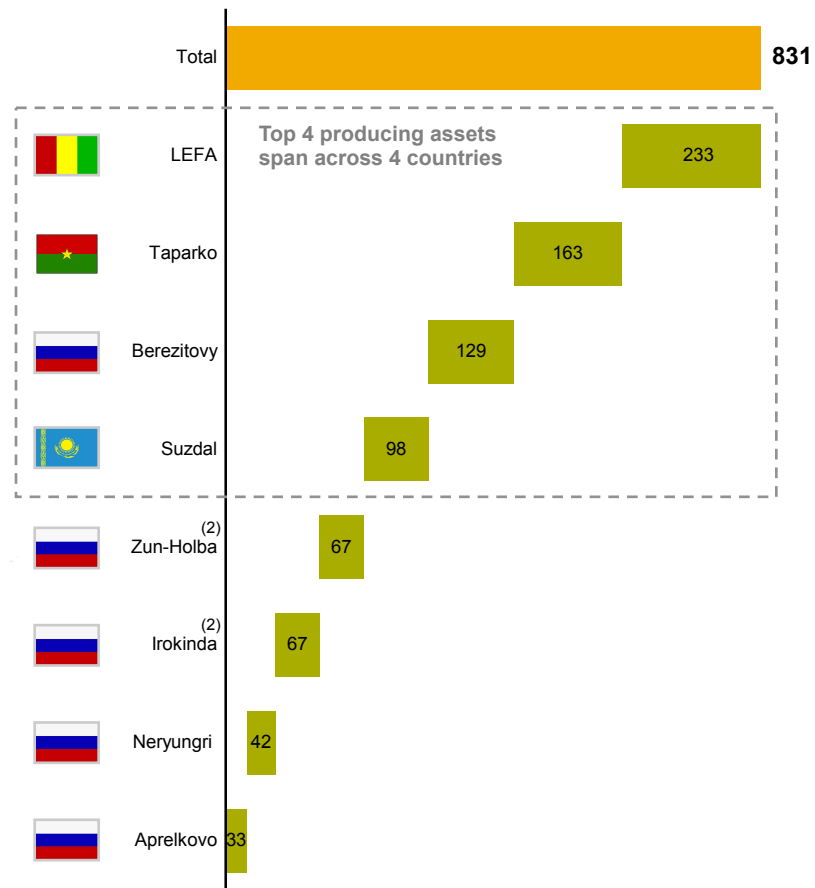
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# Established pure-play gold producer focused on emerging markets

A diverse portfolio of quality producing assets...



2011E gold production (koz)

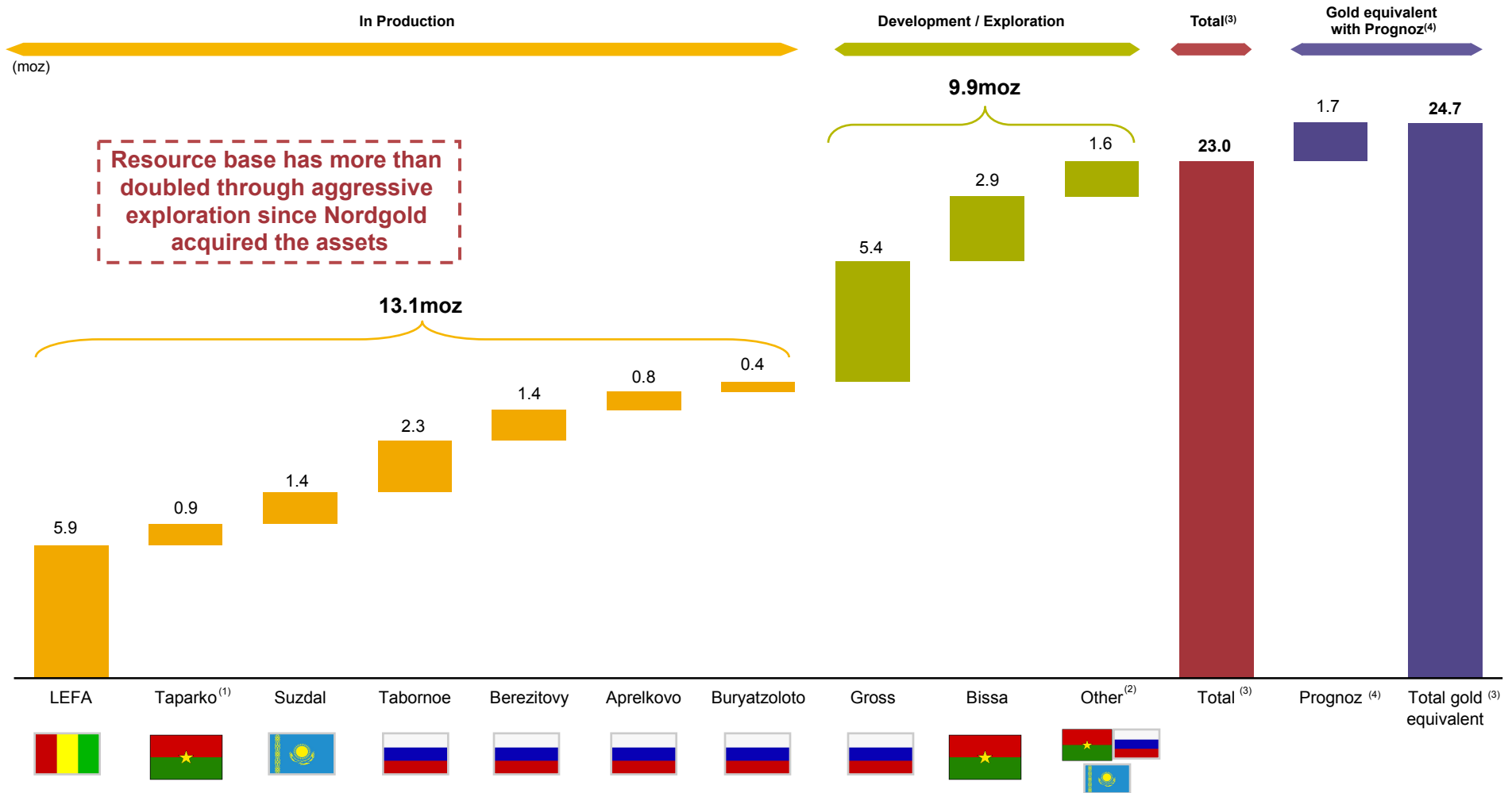


Nordgold's geographic diversity significantly reduces country, operating and technical risks



(1) Buryatzoloto comprises of two producing mines, Zun-Holba and Irokinda. 2011E production approximately 50 /50 between the two producing mines.  
 (2) Zun Holba and Irokinda (together "Buryatzoloto") split 50/50 for illustrative purposes.

...backed by a large JORC resource base developed to date...



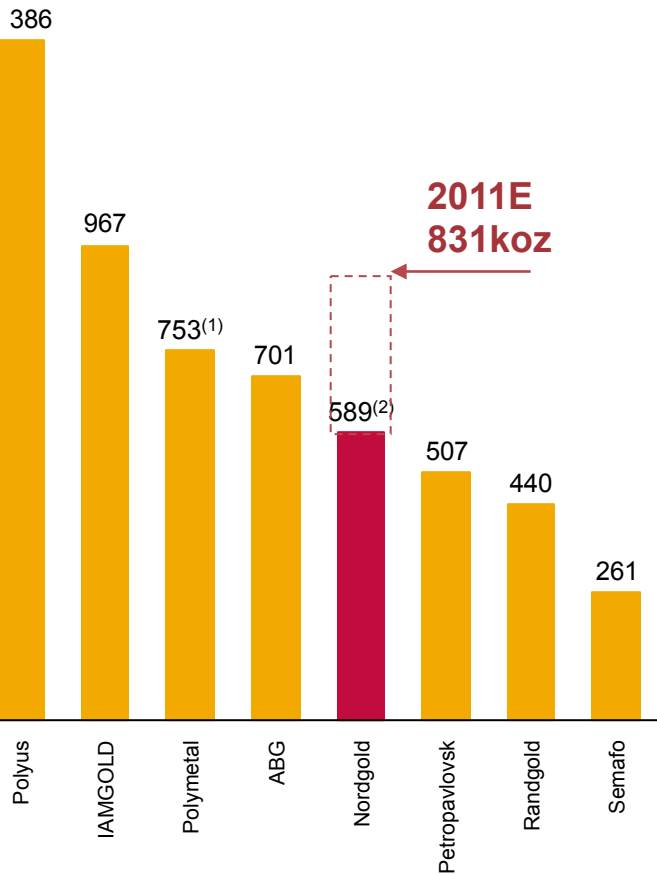
Significant JORC resource base of 23.0moz across a diverse portfolio of quality assets



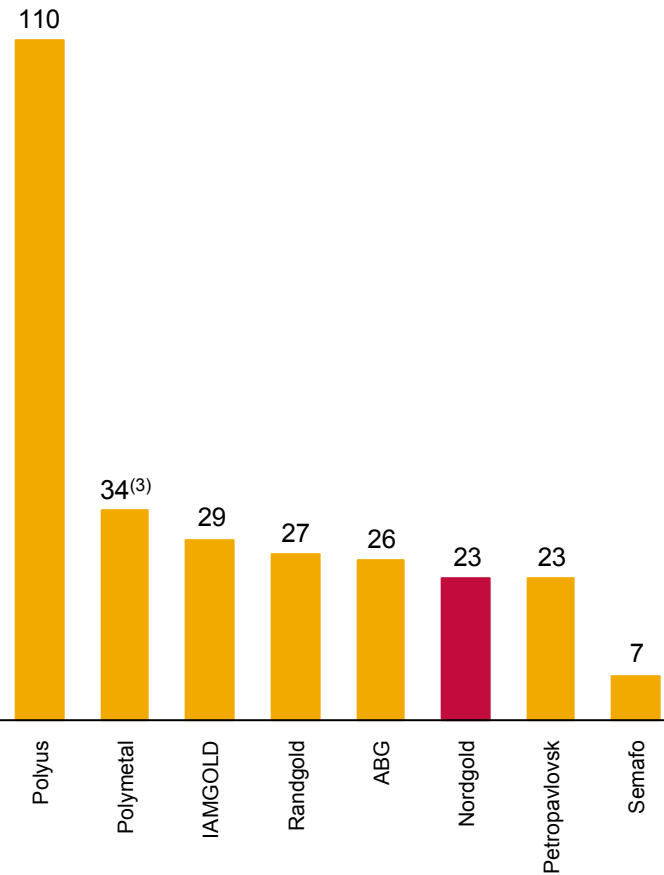
(1) Includes Bouroum, F12 and Welcome Stranger.  
 (2) Includes Balazhal, Zherek (Kazakhstan); Visokiy (Russia); Zinigma, Bouly, Gougre, Yeou and Ankouma (Burkina Faso).  
 (3) Measured, indicated and inferred resources ("M+I+I")  
 (4) Pro rata based on 50% interest in Prognoz asset; 205moz of silver resources converted into GEoz using 1:60 Ag/Au conversion.

... and competitive positioning among peers

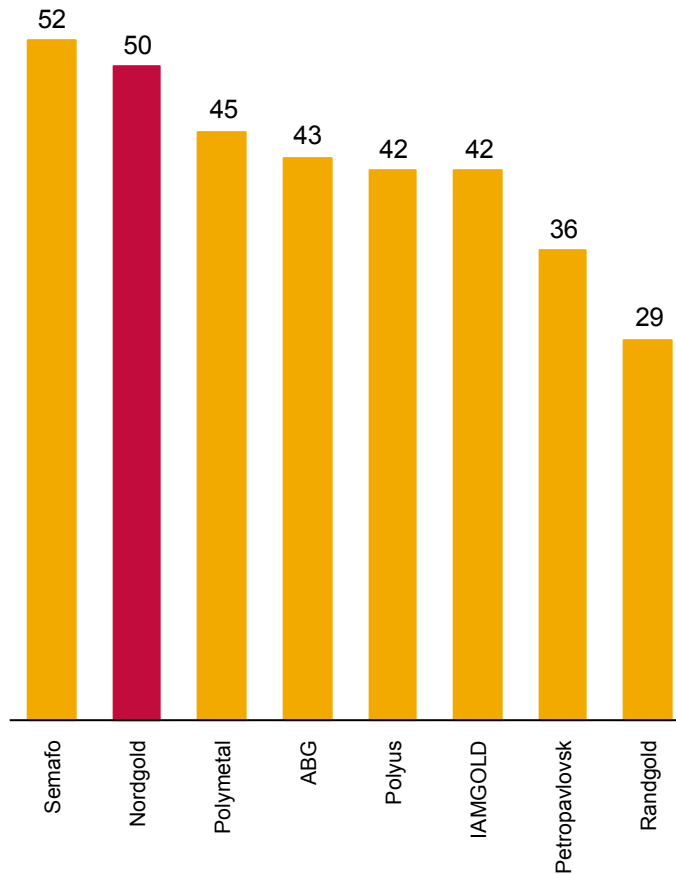
Gold production 2010 (koz)



Total resources (moz, latest available)



EBITDA margin 2010<sup>4</sup> (%)



Nordgold has evolved into a competitive producer with a significant growth profile and leading margins



Source: Nordgold, peer filings and announcements.  
 (1) Includes 309koz of gold equivalent (based on 1:60 silver / gold and 5:1 copper / gold conversion ratios).  
 (2) Includes production from acquisition of LEFA (Guinea) as of August 2010 and 4,248 GEoz of silver production.  
 (3) Includes 8.8moz of gold equivalent silver resources.  
 (4) EBITDA margin for 2010 as per company trading update.

2

# Track record of restructuring, operational improvements and value creation

A three pillar strategy

1

Operational optimisation

- ✓ Focused on operational excellence
- ✓ Expanded capacity and throughput
- ✓ Reduced costs and inefficiencies
- ✓ Realised synergies and shared best practices

2

Organic expansion and development

- ✓ More than doubled JORC resource base to 23.0moz in 3 years
- ✓ Identified Bissa and Gross projects – contributing as early as 2013
- ✓ Consolidated and prioritised greenfield opportunities
- ✓ Significant focus and budget on exploration

3

Value accretive M&A and integration

- ✓ Disciplined approach to M&A
- ✓ Completed 5 acquisitions in under 3 years
- ✓ Implemented rapid turnaround programs at distressed assets

Nordgold has successfully executed its three pillar strategy resulting in expansion of the asset base post-acquisition

# 2

## Operational improvements

### Nordgold actions

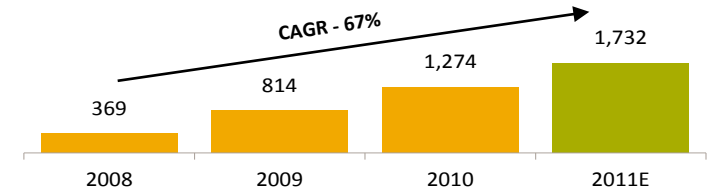
### 2008 – 2011E throughput (Kt)

1



Taparko,  
Burkina Faso

- ✓ Elimination of mill vibrations
- ✓ Cyclone and pump upgrades
- ✓ Optimised feed size for the ball mill

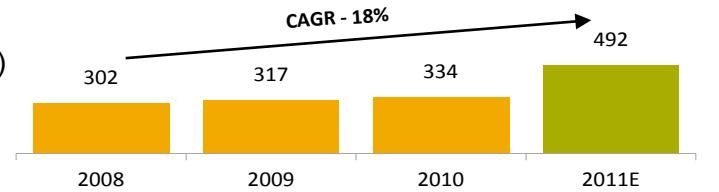


2



Suzdal,  
Kazakhstan

- ✓ New floatation circuit launched
- ✓ Construction of additional processing line (from crusher to elution) including BIOX
- ✓ Realisation of 3-year plant expansion and mining fleet upgrades

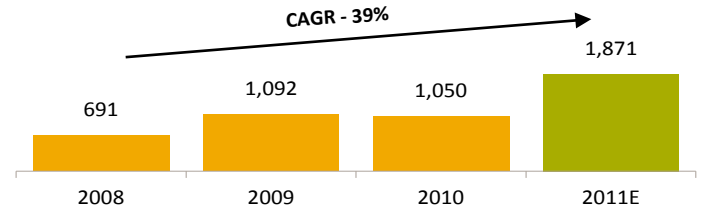


3



Berezitovy,  
Russia

- ✓ Refurbishment of the crusher and SAG mill
- ✓ Installation of second ball mill
- ✓ Expansion of the filter plant capacity

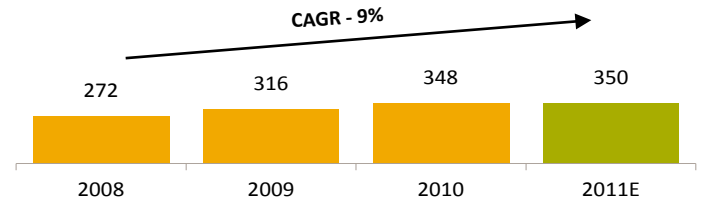


4



Zun-Holba,  
Russia

- ✓ Construction of additional processing line
- ✓ Expansion of gravity phase to increase proportion of lower cost gravity product



Nordgold has invested approx. US\$240m<sup>(1)</sup> since 2007 to improve operations across assets and LEFA mine is an on-going turnaround story

(1) As at 31 December 2010. US\$125m on expansion and US\$115m on safety, facilities balancing and replacement of equipment.

**Actions taken**

**JORC resources<sup>(1)</sup>**

1



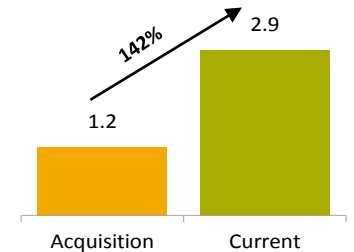
Bissa, Burkina Faso

- ✓ Provided additional funding of US\$7.5m to fund the development
- ✓ Increased resources by 142%
- ✓ Completed feasibility study with a proven and probable reserve base of 1.7moz
- ✓ Expected to begin production in 2013

“Exploration work on the Bissa and Zandkom permits has led to the delineation of a number of near surface gold deposits that have been traced by trenching and drilling over a strike length of approximately 5km.”

*Wardell Armstrong, CPR*

(moz)



2

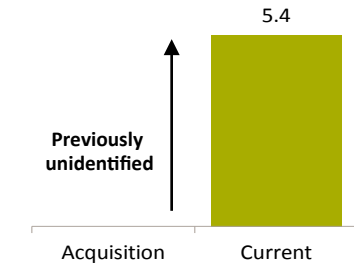


Gross, Russia

- ✓ Identified at least four shallow consistent gold mineralisation zones
- ✓ Established an aggressive drilling program at the Gross property to delineate a resource suitable for a stand-alone project
- ✓ Started pre-feasibility study in 2011; production expected in 2013

“The method of logging introduced to the exploration programme is excellent... WAI has reviewed the core logging procedures and protocols established and have found them all to be of a very high standard that would equal any established western best practices ”

*Wardell Armstrong, CPR*



3

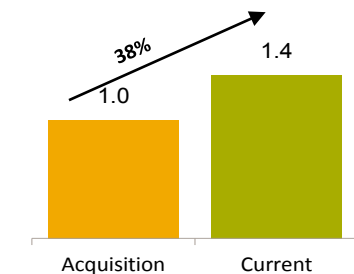


Suzdal, Kazakhstan

- ✓ Launched a detailed exploration program with 25,000 metres of core drilling completed by July 2009
- ✓ Completed feasibility study with a proven and probable reserve base of 0.7moz
- ✓ Increased resources of Suzdal by 38%

“WAI believes that a significant proportion of the existing inferred resources will ultimately also transfer through to reserves to extend the LOM beyond 2016”

*Wardell Armstrong, CPR*



Through a successful exploration program, spending of approx. US\$120m, Nordgold has more than doubled its resource base to 23.0moz

# 3

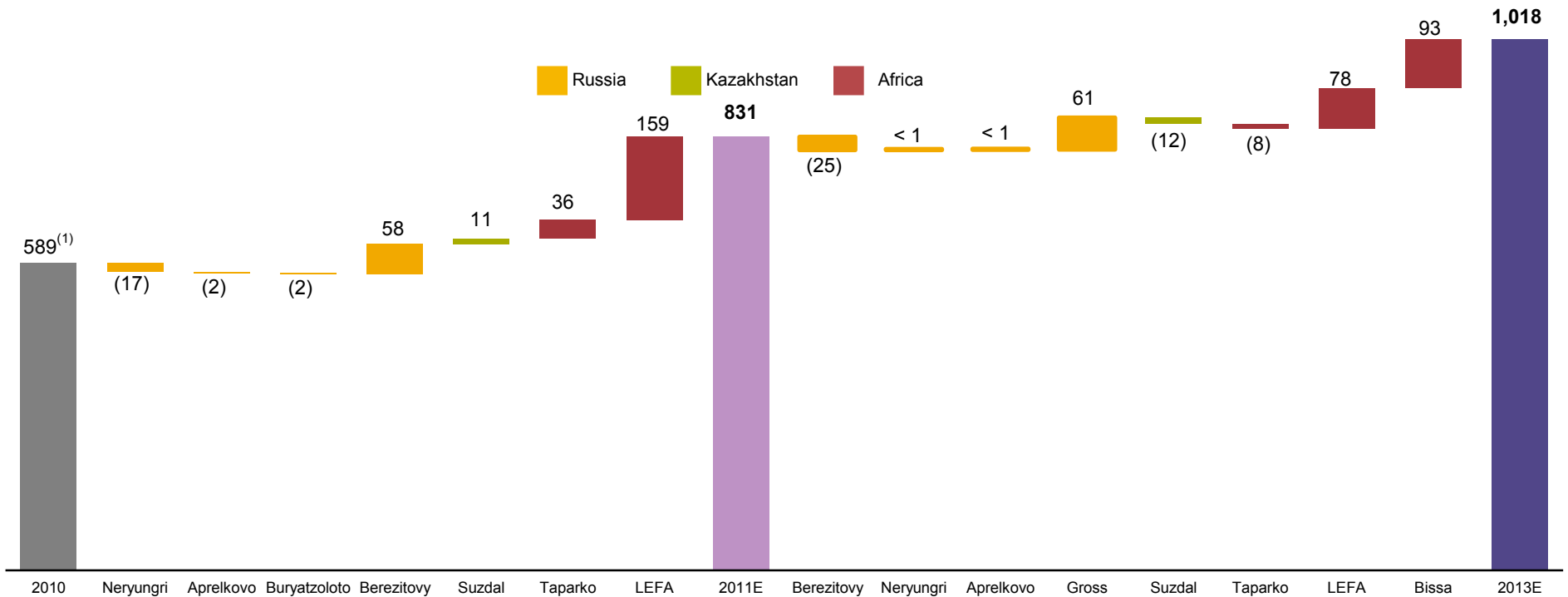
## Robust pipeline of growth to become a 1moz+ producer

Delivering a 1moz+ producer by 2013...

### Production growth to be driven by:

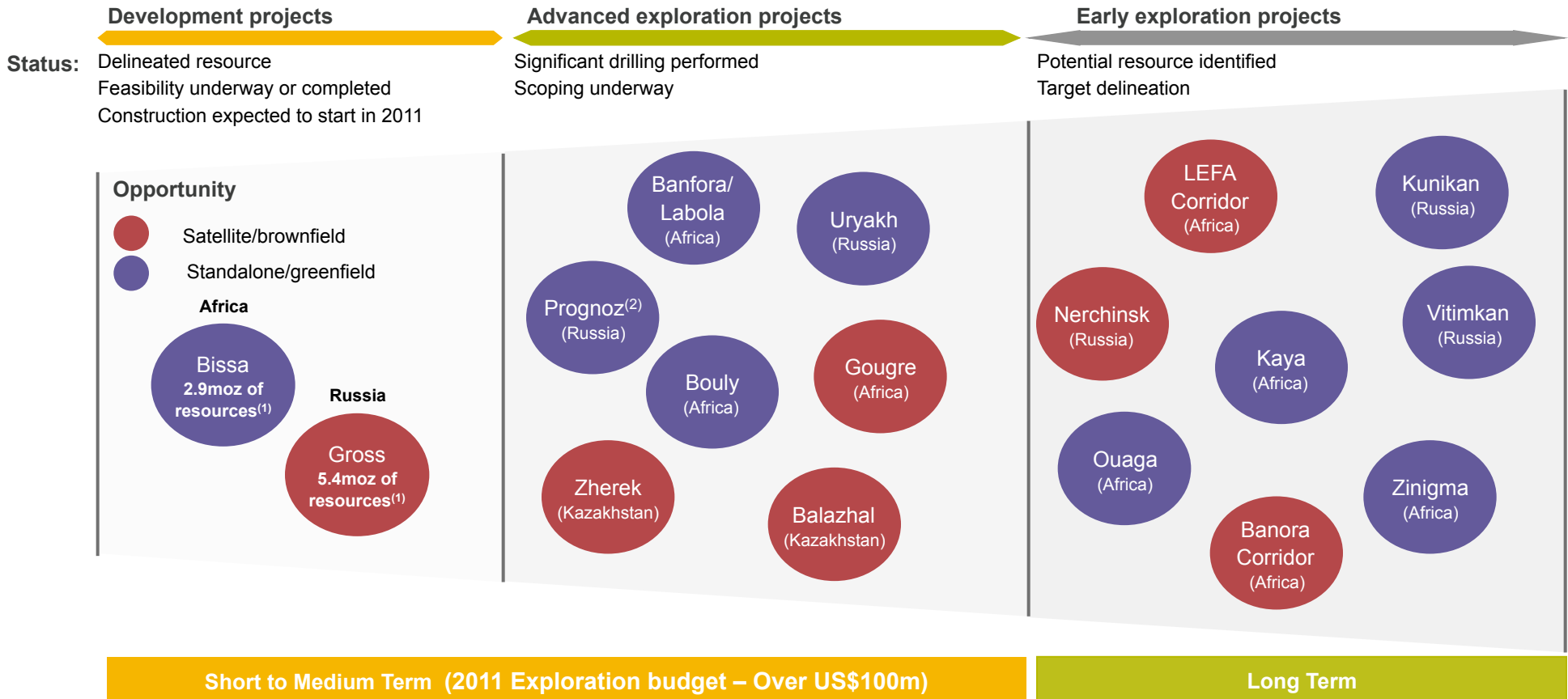
- ✓ Construction and launch of Gross (Russia) and Bissa (West Africa)
- ✓ Debottlenecking of LEFA to reach 300koz+ in production p.a.

### Production evolution to a 1moz+ producer (koz)



(1) 2010 Includes production from acquisition of LEFA (Guinea) as of August 2010. Includes 4,248 GEoz of silver production.

... and even further upside from exploration potential to grow beyond 1moz



*“Historically, the majority of Nordgold’s assets were underexplored as a result of insufficient capital expenditure programs and liquidity issues suffered by the owners. As a result, the current reserve and resource base does not reflect the true potential of these assets. Nordgold has implemented a significant ongoing exploration and drilling program which WAI expect to continue yielding positive results in areas around current producing mines, thereby significantly increasing the reserve and resource base and extending mine life across the asset base”*

*Wardell Armstrong, CPR*

**Nordgold’s diverse exploration portfolio is expected to yield significant increases in the resource base and generate new mine candidates for further production growth beyond 1moz**

(1) M+I+I.  
 (2) Silver deposit.



# Asset overview



# Key producing assets

## West Africa

### Taparko (Burkina Faso)

#### Brief Overview – 2011 growth driver

##### Location

❖ Country	Burkina Faso
❖ Location	approx. 200km northeast of Ouagadougou
❖ Infrastructure	access from the national highway, on-site power generation

##### Operational Details

❖ Mine type	Open pit
❖ Technology	Carbon-in-leach
❖ Processing plant	crushing, ball milling and CIL circuits
❖ Start-up year	2007
❖ Peak production	163 koz (2011E) <sup>(1)</sup>
❖ Proven & probable reserves	627 koz at 2.73 g/t <sup>(1)(3)</sup>
❖ M + I + I resources	944 koz at 2.75 g/t <sup>(1)(3)</sup>

### LEFA (Guinea)

#### Brief Overview – 2011/2013 growth driver

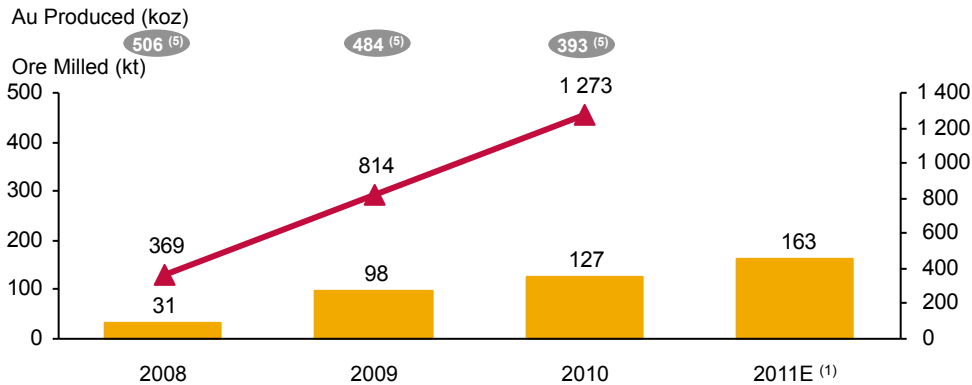
##### Location

❖ Country	Guinea
❖ Location	700km northeast of Conakry
❖ Infrastructure	all-season road with close access to an air strip, on-site power generation

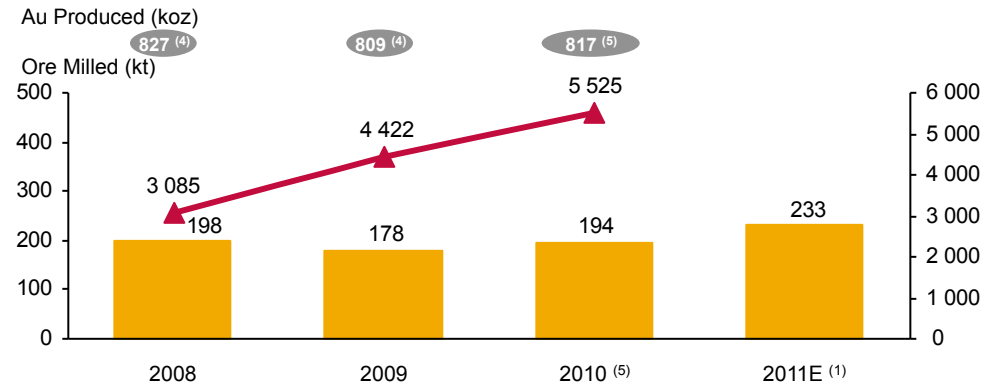
##### Operational Details

❖ Mine type	Open pit
❖ Technology	Carbon-in-pulp
❖ Processing plant –	2 SAG mills, 2 ball mills and conventional CIP extraction
❖ Start-up year	2008
❖ Peak production	310 koz (2013E) <sup>(1)</sup>
❖ Proven & probable reserves	3,796 koz at 1.34 g/t <sup>(1)(2)</sup>
❖ M + I + I resources	5,918 koz at 1.19 g/t <sup>(1)(2)</sup>

#### Operational Statistics



#### Operational Statistics



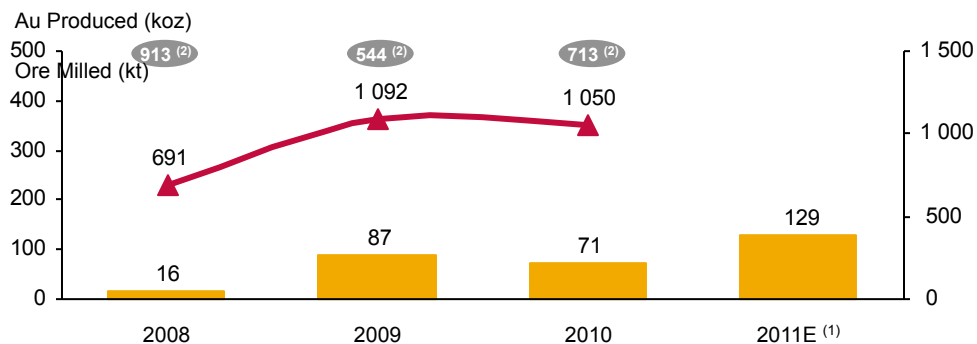
# Russia and Kazakhstan

## Berezitovy (Russia)

### Brief Overview – 2011 Growth driver

<b>Location</b>	❖ <b>Country</b>	Russia
	❖ <b>Location</b>	100km from Skovorodino railway station
	❖ <b>Infrastructure</b>	all-season mostly paved road, power grid connection, backup power at site
<b>Operational Details</b>	❖ <b>Mine type</b>	Open pit
	❖ <b>Technology</b>	Carbon-in-pulp
	❖ <b>Start-up year</b>	2007
	❖ <b>Processing plant</b>	crushing, SAG/ball milling and CIP circuits
	❖ <b>Peak production</b>	129 koz (2011E) <sup>(1)</sup>
	❖ <b>Proven &amp; probable reserves</b>	1,035 koz at 1.97 g/t <sup>(1)</sup>
	❖ <b>M + I + I resources</b>	1,370 koz at 1.80 g/t <sup>(1)</sup>

### Operational Statistics



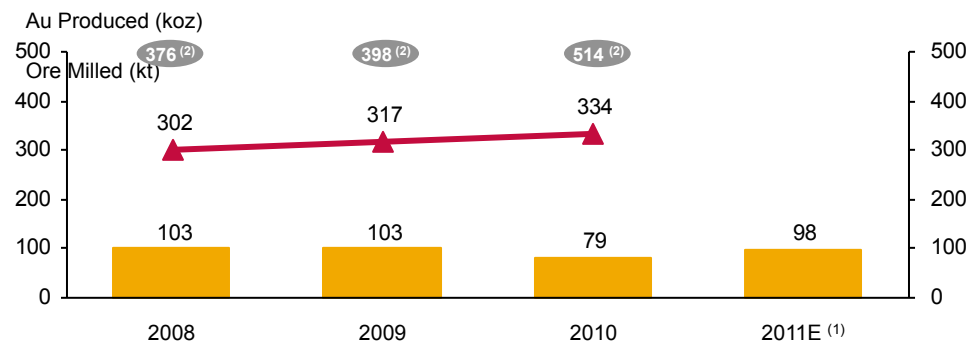
(1) Based on WAI CPR.  
(2) Nordgold data.

## Suzdal (Kazakhstan)

### Brief Overview – Improvements completed

<b>Location</b>	❖ <b>Country</b>	Kazakhstan
	❖ <b>Location</b>	55km southwest of Semipalatinsk in northern Kazakhstan
	❖ <b>Infrastructure</b>	easy road access, power grid connection
<b>Operational Details</b>	❖ <b>Mine type</b>	Underground
	❖ <b>Technology</b>	Flotation, BIOX, Carbon in-leach
	❖ <b>Processing plant</b>	crushing, grinding, flotation, BIOX and CIL circuits
	❖ <b>Start-up year</b>	2006
	❖ <b>Peak production</b>	98 koz (2011E) <sup>(1)</sup>
	❖ <b>Proven &amp; probable reserves</b>	684 koz at 6.89 g/t <sup>(1)</sup>
	❖ <b>M + I + I resources</b>	1,415 koz at 6.16 g/t <sup>(1)</sup>

### Operational Statistics



■ Au Produced (koz)  
— Ore Milled (kt)  
● Cash Costs (US\$/oz)

# Key development projects

## Bissa and Gross

### Bissa (Burkina Faso)

#### Location

- ❖ **Country** Burkina Faso
- ❖ **Location** 100km north from Ouagadougou
- ❖ **Infrastructure** easy access to the national highway

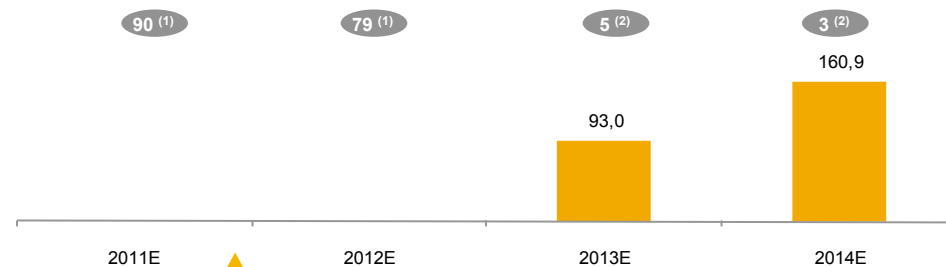
#### Expected Mine Parameters

- ❖ **Mine type** Open pit
- ❖ **Technology** Carbon-in-leach
- ❖ **Start-up year** 2013E
- ❖ **Mining rate** 3 Mtpa
- ❖ **Peak production** up to 175 koz <sup>(1)</sup>
- ❖ **Proven & probable reserves** 1,653 koz at 1.76 g/t <sup>(1)</sup>
- ❖ **M + I + I resources** 2,866 koz at 1.40 g/t <sup>(1)</sup>

#### Status / key milestones

- ❖ Feasibility study completed in June 2010, mining license application submitted in July 2010
- ❖ Engineering and design phase has commenced
- ❖ Tender documentation for design and construction is being prepared
- ❖ Personnel is being hired to manage the construction work
- ❖ Mining equipment is being purchased to commence construction work

### Operational Statistics



### Gross (Russia)

#### Location

- ❖ **Country** Russia
- ❖ **Location** Yakutiya, 4km away from Tabornoe deposit
- ❖ **Infrastructure** access by an overland route

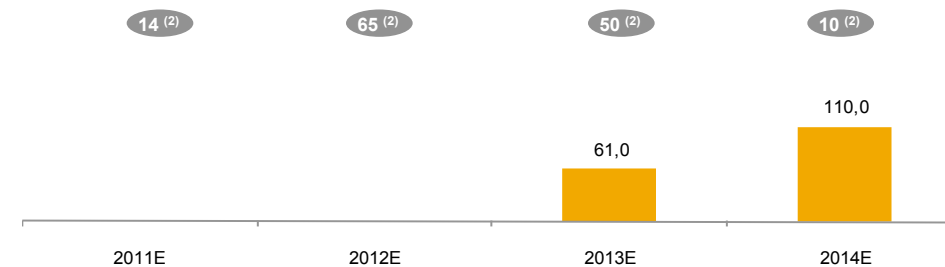
#### Expected Mine Parameters

- ❖ **Mine type** Open pit
- ❖ **Technology** Heap leach
- ❖ **Start-up year** 2013E
- ❖ **Mining rate** 8 Mtpa
- ❖ **Peak production** up to 139 koz <sup>(1)</sup>
- ❖ **M + I + I resources** 5,361 koz at 0.68 g/t <sup>(1)</sup>

#### Status / key milestones

- ❖ Test work conducted on ore samples successfully
- ❖ Plan to apply for mining license in 1H 2011
- ❖ Pre-feasibility study to be completed by 4Q 2011
- ❖ BFS study to commence in 4Q 2011 and to be completed by 2012
- ❖ Infrastructure construction to commence in 4Q 2011
- ❖ Mine construction to commence in 4Q 2012

### Operational Statistics





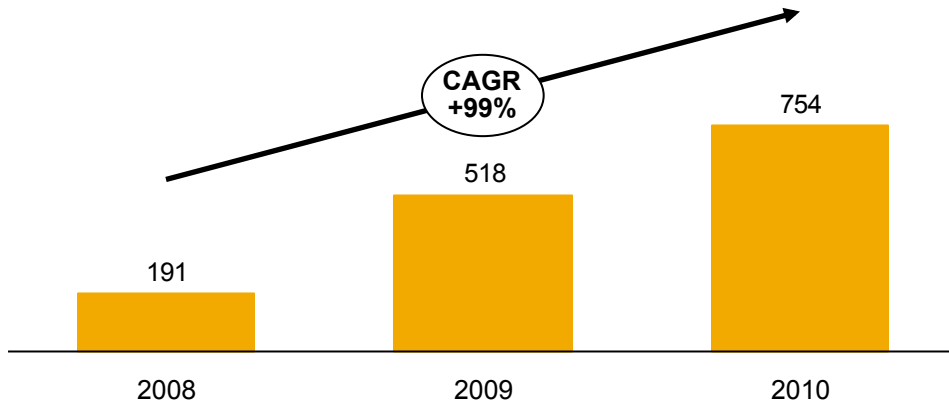
## Strong financial performance



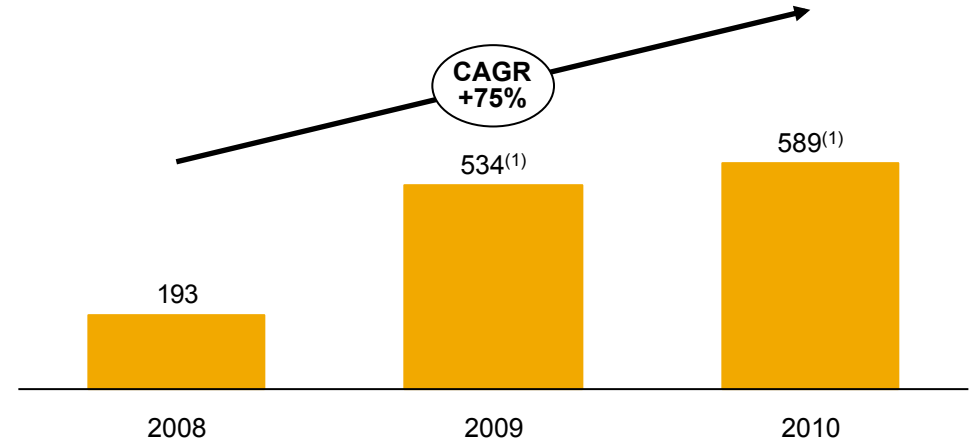
# 4

## Consistent growth across all key performance indicators

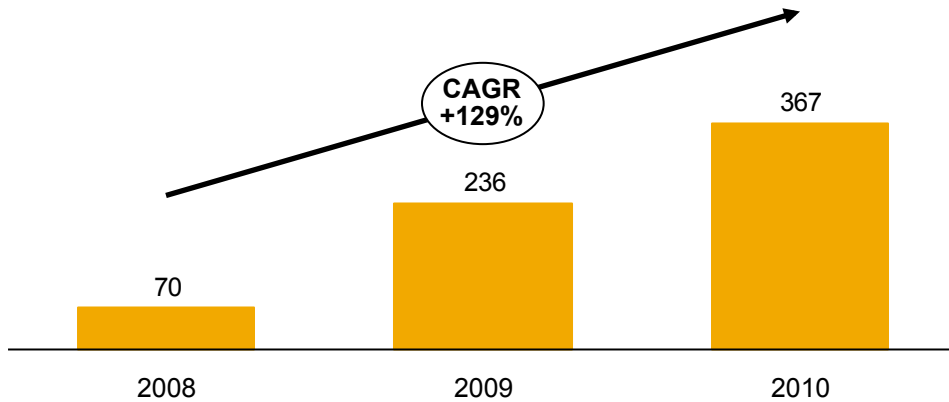
**Strong revenue growth (US\$m)**



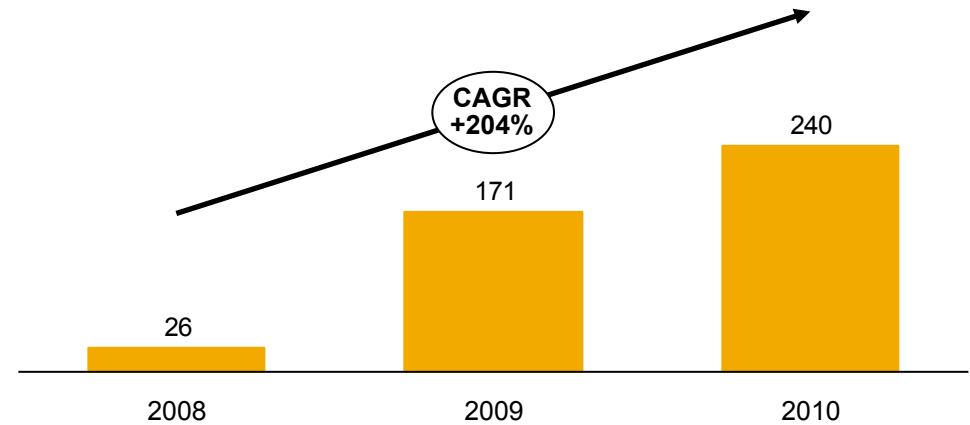
**Stable production growth (koz)**



**Strong EBITDA growth (US\$m)**



**Significant increase in cash flow from operating activities (US\$m)**



**Strong performance and margins in 2010 demonstrated success of the strategy**

(1) 2009 and 2010 include 5,354 GEoz and 4,248 GEoz of silver production, respectively.

### Nordgold will maintain its focused capex strategy

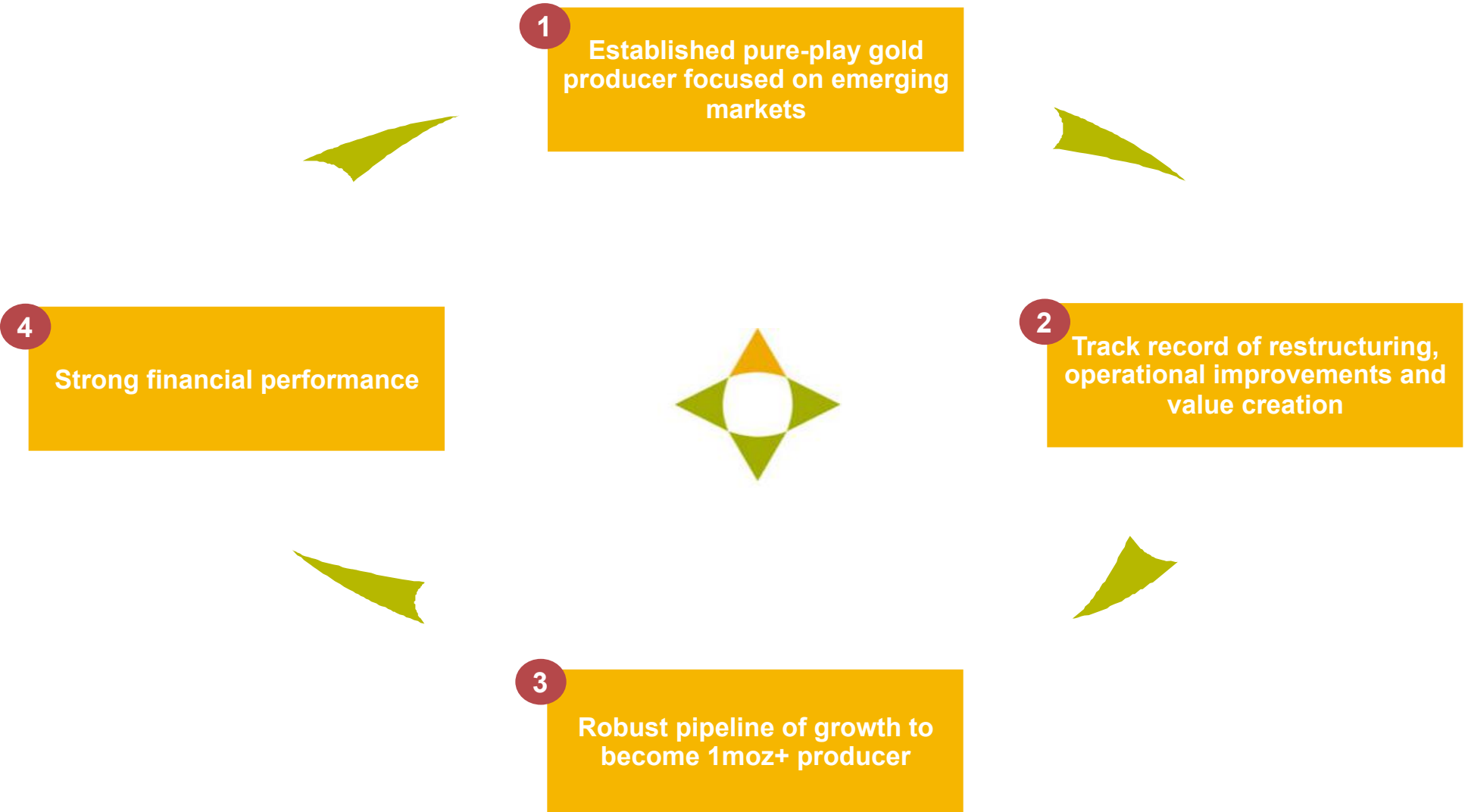
- 1 Nordgold's existing operations are nearly fully funded and will require mostly maintenance capex going forward
- 2 '11 – '13 will focus on the LEFA mine turnaround and launching the new generation of deposits, including Gross and Bissa, into production
- 3 Exploration will continue to remain a significant part of Nordgold's capex program for the foreseeable future

#### Capital expenditure budget (US\$m)

	2008	2009	2010	2011E
Suzdal	30	22	36	11
LEFA	–	–	14	38
Gross	–	–	–	14
Bissa	0	0	–	90
Other <sup>(1)</sup>	36	44	20	44
<b>Total (ex. Exploration / HSE)</b>	<b>66</b>	<b>67</b>	<b>70</b>	<b>197</b>
Exploration	33	33	65	93 <sup>(2)</sup>
HSE	–	–	–	5
<b>Total</b>	<b>99</b>	<b>100</b>	<b>171</b>	<b>295</b>

Nordgold will leverage its mining track record to deliver its investment programme on time and on budget

# Nordgold: An established emerging markets pure-play gold producer



# Contact us

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