

# Operating Results

## Q3 and 9m 2016



### Nord Gold SE operating results for the third quarter and 9 months ended 30 September 2016

London, United Kingdom, 31 October 2016

Nord Gold SE ("Nordgold" or the "Company", LSE: NORD), the internationally diversified low-cost gold producer, announces its operating results for the third quarter and nine months ended 30 September 2016

Highlights	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR	1.47	0.44	234%	1.21	21%	1.41	1.71	(18%)
Gold production, koz	211.1	200.7	5%	213.1	(1%)	633.7	708.2	(11%)
Average realised gold price per ounce sold, US\$/oz	1,335	1,120	19%	1,265	6%	1,263	1,182	7%
Revenue, US\$m	281.1	225.0	25%	269.9	4%	801.5	865.3	(7%)

- Lost time injury frequency rate (LTIFR) for 9m 2016 was 1.41, an improvement of 18% compared with 9m 2015 (1.71). In Q3 2016 LTIFR was 1.47.
- Refined gold production in Q3 2016 was 211.1 thousand gold equivalent ounces ("koz"), a 5% increase year-on-year ("YoY") and 1% decrease quarter-on-quarter ("QoQ"). Production in 9m 2016 was 633.7 koz.
- Production at Bouly started in Q3 on schedule, with 2.6 koz produced during the quarter. Bouly is expected to produce up to 20 koz of gold in 2016 and an average of 120 koz per year for its 10-year life span.
- Gold production increased QoQ at Bissa, Taparko, Neryungri and Suzdal mines.
- Nordgold expects higher output in Q4 2016 driven by: higher production at Bissa, Berezitovy and Lefa mines; the positive impact of the new HiTeCC technology at Suzdal; and ramp up of the new Bouly mine. Nordgold confirms its 2016 production forecast range of 880-930 koz.
- Average realised gold price in Q3 2016 increased by 6% QoQ and 19% YoY to US\$1,335 per oz.
- Revenue in Q3 2016 increased by 4% QoQ and by 25% YoY to US\$281.1 million. Revenue in 9m 2016 was US\$801.5 million.
- Nordgold completed the acquisition of Northquest Ltd which owns the Pistol Bay exploration project in eastern Nunavut territory, Canada, in October 2016.
- Unaudited net debt at 30 September 2016 was approximately US\$559.7 million compared with US\$562.5 million as at 30 June 2016.

## Message from the CEO

"I am pleased to report a solid third quarter of production, during which the business has performed with resilience. We enter the final quarter of the year in a strong position, with the launch of the Bouly mine in Burkina Faso in September this year. Bouly was delivered on time and under budget, in what was another successful greenfield project undertaken by the Company. Bouly looks set to make a substantial contribution to the Group as it ramps up during the remainder of the year and we expect it to hit nameplate capacity in 2017. We have made solid progress on our development pipeline, with construction on schedule at our new Gross project, while we have also consolidated our ownership position in the exciting Pistol Bay project in Canada."

**Nikolai Zelenski, Chief Executive Officer, Nordgold**

## Development Highlights

### Gross

- Gross is an all-season open-pit heap leach project located in southwestern Yakutia, Russia, 4 km east of the Neryungri mine.
- The Feasibility Study confirmed the economic attractiveness of the project giving an IRR of almost 40% at a gold price of US\$1,250/oz and an IRR of approximately 25% at a gold price of US\$1,100/oz.
- Nordgold started Gross construction in early June 2016 with production expected to start in Q1 2018. Construction is on track.
- Full contract for overland conveyor and staking system was awarded in Q2 2016.
- During the quarter a civil works contractor commenced mobilisation. Concrete batching plant was commissioned on site.
- The first of the camp buildings has been erected and is currently being fitted out for habitation. It will start housing people at the end of November 2016.
- The project will require c. US\$250 million of total capital investment during the 2-year construction period.
- At full production, Gross is expected to mine and process c. 12 million tonnes of ore, producing approximately 230 koz of gold per year, at full production, for 17 years.
- The Gross mine will provide approximately 350 construction jobs over the next 24 months and 800 permanent jobs over its 17-year life span.
- In Q3 2016, the Gross pilot stage operation by Neryungri continued. During the quarter Gross' run of mine amounted to 1,802 kt, with 1,032 kt of waste mined and 770 kt of ore mined. The mined ore is being processed at the Neryungri mine leach pads.

### Montagne d'Or

- The Montagne d'Or gold deposit is located in north-west French Guiana. The Preliminary Economic Assessment for the Montagne d'Or project in French Guiana, which was finalised in 2015, demonstrated positive economic data.
- A Feasibility Study progressed in Q3 2016 and is expected to be finalised in Q1 2017.
- The Preliminary Environmental and Social Impact Assessment (ESIA) was completed in Q1 2015 and completion of the ESIA is expected in H1 2017.
- Nordgold has a right to earn a 50.01% plus an additional 5% interest in the Montagne d'Or deposit by funding a minimum of US\$30 million in expenditures and completing a Bankable Feasibility Study by no later than March 2017. By the end of Q2 2016, total project expenditures had reached US\$30 million.

## Operating Results Q3 and 9m 2016



### Pistol Bay

- Pistol Bay is a high grade gold exploration project located in Nunavut Territory, northern Canada, on the west coast of Hudson Bay. Northquest Ltd is the 100% owner of the Pistol Bay project.
- In October 2016, Nordgold completed acquisition of Northquest Ltd.
- The Pistol Bay property consists of 860 square kilometers of mineral rights within the underexplored Rankin-Ennadai greenstone belt. Within Arctic Canada, the project is favourably located with relatively easy access and existing infrastructure.
- Maiden Inferred Resources of 739 koz of gold at 2.95 g/t were estimated for the Vickers deposit, part of the Pistol Bay project on 31 March 2016 (based on the NI 43-101 in-pit gold resource estimate utilising a cut-off grade of 1.25 g/t Au).
- 2016 exploration activities in the field are complete. The programme included 6,863m of diamond drilling focused on the newly discovered Howitzer zone and 4,006m of drilling at the Vickers deposit. While detailed results are still pending, mineralisation was encountered at Vickers that may increase the resource there.

### Safety

Safety remains the absolute priority for the Board and management. Our objective is Zero Harm for our employees and contractors.

LTIFR for 9m 2016 was 1.41, an improvement of 18% compared with 9 m 2015 (1.71). In Q3 2016 LTIFR was 1.47. We continue to invest our efforts in improving our overall safety performance.

In Q3 2016, our Bissa, Taparko, Lefa, Irokinda, Berezhitovy and Neryungri mines operated according to the highest industry standards, with no LTI incidents recorded.

In 2016, a comprehensive underground Safety Turnaround programme was developed. Its implementation continues at Zun-Holba, Irokinda and Suzdal mines. The programme is focused on transforming safety culture and leadership skills, improvement of processes and procedures; comprehensive operator's training in mechanised underground equipment and a study to transition Zun-Holba to mechanized mining; including a trade-off study on most suitable mining method.

### LTIFR by mine

Mines	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
Bissa-Bouly	0.00	0.00	0%	2.70	(100%)	0.60	0.00	n.a.
Taparko	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Lefa	0.00	0.00	0%	1.17	(100%)	0.80	0.74	8%
Buryatzoloto (Zun-Holba mine)	6.81	1.46	366%	3.37	102%	5.04	3.40	48%
Buryatzoloto (Irokinda mine)	0.00	0.00	0%	1.83	(100%)	1.85	1.80	3%
Berezhitovy	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Neryungri	0.00	0.00	0%	0.00	0%	0.00	2.91	(100%)
Apelkovo	7.37	0.00	n.a.	0.00	n.a.	1.85	4.15	(55%)
Suzdal	2.42	2.36	3%	0.00	n.a.	1.61	3.86	(58%)
<b>Nordgold</b>	<b>1.47</b>	<b>0.44</b>	<b>234%</b>	<b>1.21</b>	<b>21%</b>	<b>1.41</b>	<b>1.71</b>	<b>(18%)</b>

# Operating Results Q3 and 9m 2016



## Production Overview

### Refined Gold Production by Mine, koz<sup>1 2</sup>

Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
Bissa-Bouly	49.0	33.9	45%	42.9	14%	135.3	170.2	(21%)
<i>Bissa</i>	46.4	33.9	37%	42.9	8%	132.7	170.2	(22%)
<i>Bouly</i>	2.6	-	-	-	-	2.6	-	-
Taparko	29.6	11.5	157%	26.0	14%	81.3	61.7	32%
Lefa	44.8	42.2	6%	49.5	(9%)	145.7	160.4	(9%)
Buryatzoloto (Irokinda and Zun-Holba mines)	22.0	30.0	(27%)	28.8	(24%)	78.2	85.4	(8%)
Berezitovy	17.4	29.5	(41%)	18.8	(7%)	58.5	96.8	(40%)
Neryungri	28.4	28.6	(1%)	23.7	20%	64.6	63.8	1%
Aprelkovo	0.7	5.9	(88%)	5.0	(86%)	9.2	14.6	(37%)
Suzdal	19.2	19.0	1%	18.4	4%	60.8	55.3	10%
<b>Nordgold</b>	<b>211.1</b>	<b>200.7</b>	<b>5%</b>	<b>213.1</b>	<b>(1%)</b>	<b>633.7</b>	<b>708.2</b>	<b>(11%)</b>

### Operating Results Summary<sup>1</sup>

Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR	1.47	0.44	234%	1.21	21%	1.41	1.71	(18%)
Run of mine, kt <sup>3</sup>	33,314	27,731	20%	31,828	5%	96,489	79,167	22%
Waste mined, kt <sup>3</sup>	28,407	23,533	21%	27,052	5%	81,863	65,921	24%
Ore mined, kt	5,219	4,505	16%	5,079	3%	15,546	14,160	10%
Stripping ratio, t/t <sup>4</sup>	5.79	5.61	3%	5.64	3%	5.60	4.98	12%
Ore processed, kt <sup>5</sup>	6,829	5,405	26%	6,630	3%	18,584	16,925	10%
Grade, g/t	1.24	1.44	(14%)	1.28	(3%)	1.35	1.56	(13%)
Recovery, %	81.0	81.0	0pp	80.7	0.3pp	81.0	81.9	(0.9pp)
Gold production, koz	211.1	200.7	5%	213.1	(1%)	633.7	708.2	(11%)
Gold sold, koz	210.6	200.8	5%	213.4	(1%)	634.5	732.1	(13%)
Average realised gold price per ounce sold, US\$/oz	1,335	1,120	19%	1,265	6%	1,263	1,182	7%
Revenue, US\$m	281.1	225.0	25%	269.9	4%	801.5	865.3	(7%)

Ore processed multiplied by head grade and multiplied by recovery may not be equal to gold produced due to differences in work in progress figures and volumes of silver production

<sup>1</sup> May include the effect of rounding.

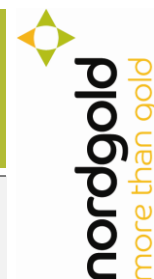
<sup>2</sup> Including 1.358 and 4.342 thousand gold equivalent ounces of silver production for Q3 2016 and 9m 2016 respectively (Based on ~ 1:70 Au/Ag).

<sup>3</sup> Open pit mines only.

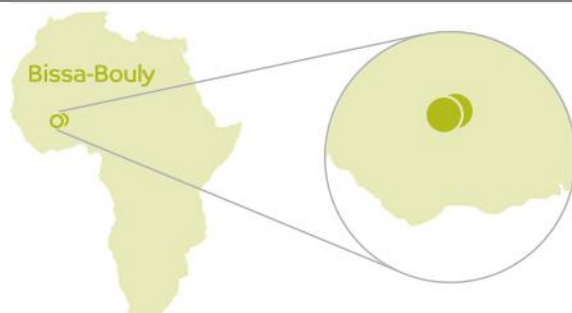
<sup>4</sup> Calculated for total ore mined and waste mined at open pits only.

<sup>5</sup> Includes ore processed at Berezitovy heap leach.

## Operating Results Q3 and 9m 2016



### Burkina Faso Bissa-Bouly



Nordgold expanded its flagship Bissa mine with the launch of a heap leach operation at the nearby Bouly deposit in Burkina Faso in September 2016. Bouly construction was completed on schedule and under budget. Nordgold started construction of the Bouly operation in July 2015 and invested US\$140 million in the project (US\$15 million less than initial capex guidance of US\$155 million due to significant savings achieved during earthworks conducted in-house, lower equipment prices combined with disciplined procurement and foreign exchange gains). Construction was completed in 13 months in August 2016. Bouly will have an average annual production of c.120 koz with a life of mine of 10 years.

In Q3 2016, Bouly produced 2.6 koz out of up to 20 koz expected in 2016. The combined Bissa-Bouly operations produced 49 koz in Q3 2016.

The standalone Bissa mine increased gold production in Q3 2016 by 8% QoQ and by 37% YoY to 46.4 koz. QoQ production increased mainly due to higher grade and recovery.

In Q3 2016, Bissa run of mine decreased by 4% QoQ to 9,378 kt while ore mined increased by 25% to 917 kt. Bissa continues cutback programmes at its active pits Zone 51, Zone 52 and Gougre, while cutbacks for 2017 ore mining commenced at SW and IO pits.

Average stripping ratio decreased in Q3 2016 to 9.23 t/t from 12.30 t/t in Q2 2016. For 9m 2016 the stripping ratio was 9.83 t/t. We expect the stripping ratio to reduce further in Q4 2016 to deliver a full year stripping ratio of 9.2 t/t in 2016.

Bissa's average head grade increased in Q3 2016 by 3% QoQ to 1.49 g/t. Head grade for 9m 2016 was 1.50 g/t. Head grade is expected to increase further in Q4 2016 to reach an average of 1.56 g/t for 2016 when higher grade ore blocks from Zone 51 and Zone 52 are fed into the mill.

In Q3 2016, ore processed remained flat QoQ at 1,063 kt, while in 9m 2016 ore processed increased by 1% YoY to 3,082 kt. Throughput is expected to decrease in Q4 2016 due to a 59hr reline planned in October 2016; while total throughput of 4.1 Mt is expected for 2016.

Recovery increased by 0.9 percentage points ("pp") QoQ and by 2.6 pp YoY to 89.7% in Q3 2016 due to absence of lower recovery SW fresh ores in the mill feed blend. Recovery in January - September 2016 increased by 1.3 pp YoY to 88.2%. The 7th leach tank was commissioned in October 2016. It will increase residence time and will help to maintain recoveries at above 88% in 2016.

In 9m 2016 Bissa's gold production decreased by 22% YoY to 132.7 koz mainly due to lower ore mined volumes (down 20%) and head grade (down 23%) partially offset by higher throughput (up 1%) and recovery (up 1.3 pp).

The mine continues to work on operational efficiency programmes, which include improvements in grade control practices, blasting and mining practices and movement monitoring, mining productivity and optimisation of processing conditions; all supported by training programmes.

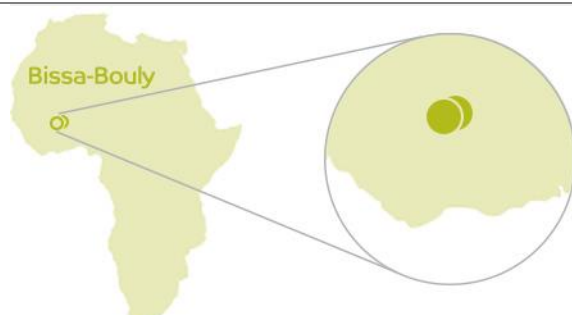
In work to increase reserves in existing pits drilling in SW Pit produced very encouraging results in the pit floor including 5m at 4.07 g/t Au and 6m at 7.46 g/t Au.

In Q3 2016, Bissa continued near mine exploration and exploration focused on extensions of current pits and the producing Gougre satellite pit targeting reserve replacement. Exploration teams completed drilling programmes at satellite deposits Yimiougou (14,991m) and Nougou (8,049m), encountering additional mineralisation that will be included in the annual resource update. Additionally environmental and community work continued at the Ronguen, Yimiougou and Nougou deposits in anticipation of their inclusion in mine plans and production.

# Operating Results Q3 and 9m 2016



## Burkina Faso Bissa-Bouly



### Bissa Operating Results Summary

Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR (Bissa-Bouly)	0.00	0.00	0%	2.70	(100%)	0.60	0.00	n.a.
Run of mine, kt	9,378	6,437	46%	9,771	(4%)	29,877	17,833	68%
Waste mined, kt	8,461	5,401	57%	9,036	(6%)	27,118	14,398	88%
Ore mined, kt	917	1,036	(11%)	735	25%	2,759	3,435	(20%)
Stripping ratio, t/t	9.23	5.21	77%	12.30	(25%)	9.83	4.19	135%
Ore processed, kt	1,063	1,039	2%	1,061	0%	3,082	3,055	1%
Grade, g/t	1.49	1.53	(3%)	1.45	3%	1.50	1.94	(23%)
Recovery, %	89.7	87.1	2.6pp	88.8	0.9pp	88.2	86.9	1.3pp
Gold production, koz	46.4	33.9	37%	42.9	8%	132.7	170.2	(22%)
Gold sold, koz	46.4	34.3	35%	42.9	8%	132.7	170.4	(22%)
Average realised gold price per ounce sold, US\$/oz	1,333	1,118	19%	1,265	5%	1,261	1,189	6%
Revenue, US\$m	61.8	38.4	61%	54.2	14%	167.3	202.6	(17%)

### Bouly Operating Results Summary

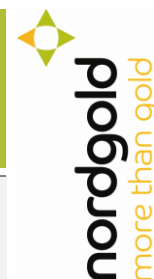
Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR (Bissa-Bouly)	0.00	0.00	0%	2.70	(100%)	0.60	0.00	n.a.
Run of mine, kt	2,918	-	-	1,730	69%	5,283	-	-
Waste mined, kt	1,760	-	-	1,298	36%	3,693	-	-
Ore mined, kt	1,158	-	-	432	168%	1,590	-	-
Stripping ratio, t/t	1.52	-	-	3.00	(49%)	2.32	-	-
Ore processed, kt	1,072	-	-	362	196%	1,434	-	-
Grade, g/t	0.56	-	-	0.35	60%	0.49	-	-
Recovery, % <sup>6</sup>	83.0	-	-	-	-	83.0	-	-
Gold production, koz	2.6	-	-	-	-	2.6	-	-
Gold sold, koz	2.6	-	-	-	-	2.6	-	-
Average realised gold price per ounce sold, US\$/oz	1,313	-	-	-	-	1,313	-	-
Revenue, US\$m	3.4	-	-	-	-	3.4	-	-

Ore processed multiplied by head grade and multiplied by recovery may not be equal to gold produced due to differences in work in progress figures and volumes of silver production.

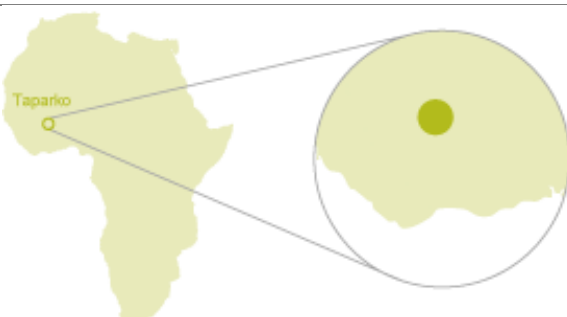
<sup>6</sup> Technical recovery rate. Actual recovery may differ due to seasonal effects.



# Operating Results Q3 and 9m 2016



## Burkina Faso Taparko



Taparko performance continued to improve in Q3 2016. Gold production increased by 14% QoQ and more than doubled YoY to 29.6 koz mainly due to higher average head grade (up 16% QoQ and 86% YoY to 2.89 g/t).

In Q3 2016, Taparko mined 333 kt of ore compared with 607 kt in Q2 2016 due to completion of the 35-3 Stage. Stripping ratio increased in Q3 2016 to 14.47 t/t from 6.95 t/t in Q2 2016. We expect the stripping ratio to reduce slightly in Q4 2016 to deliver an H2 2016 stripping ratio of approximately 14.1 t/t.

Ore processed volumes increased by 5% QoQ and by 21% YoY to 405 kt. Taparko's throughput for 9m 2016 increased by 3% YoY to 1,236 kt. Full year 2016 throughput will be at approximately 1.7 Mt.

Recovery in Q3 2016 decreased to 81.5% (down 0.5 pp QoQ and 4.0 pp YoY) due to continued processing of an increased amount of preg-robbing ores from 35 pit.

In 9m 2016, Taparko gold production increased by 32% YoY to 81.3 koz mainly driven by higher ore mined and processed volumes, as well as increase average head grade (up 34% YoY to 2.49 g/t) partially offset by lower recovery (down by 1.9 pp to 82.4%).

In Q3 2016, specialists completed drilling programmes at the Goengo West and Kanagarse satellite deposits comprising a total of 19,311m. Environmental and community work at Goengo and Kanagarse is in progress in parallel to ensure that the deposits can be scheduled for production in a timely way.

Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Run of mine, kt	5,158	5,118	1%	4,820	7%	16,142	13,828	17%
Waste mined, kt	4,824	4,873	(1%)	4,213	15%	14,552	13,166	11%
Ore mined, kt	333	245	36%	607	(45%)	1,590	661	141%
Stripping ratio, t/t	14.47	19.91	(27%)	6.95	108%	9.15	19.91	(54%)
Ore processed, kt	405	336	21%	386	5%	1,236	1,195	3%
Grade, g/t	2.89	1.55	86%	2.49	16%	2.49	1.86	34%
Recovery, %	81.5	85.5	(4.0pp)	82.0	(0.5pp)	82.4	84.3	(1.9pp)
Gold production, koz	29.6	11.5	157%	26.0	14%	81.3	61.7	32%
Gold sold, koz	29.6	11.3	162%	26.0	14%	81.7	61.5	33%
Average realised gold price per ounce sold, US\$/oz	1,336	1,113	20%	1,258	6%	1,267	1,168	8%
Revenue, US\$ m	39.5	12.5	216%	32.7	21%	103.5	71.8	44%

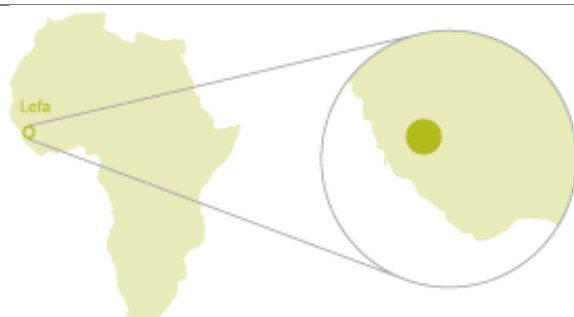
*Ore processed multiplied by head grade and multiplied by recovery may not be equal to gold produced due to differences in work in progress figures and volumes of silver production.*

## Operating Results Q3 and 9m 2016



### Guinea

#### Lefa



In Q3 2016, Lefa gold production decreased by 9% QoQ, but increased by 6% YoY to 44.8 koz.

Lefa decreased run of mine by 8% QoQ and by 2% YoY to 5,795 kt in Q3 2016. Ore mined decreased by 24% QoQ and by 6% YoY to 1,186 kt. The higher grade Karta pit was flooded in August 2016, following the heavy rainy season. Dewatering of the pit was completed on 10 October 2016 and on 20 October 2016 access onto the pit floor was re-established and mining continued.

In Q3 2016, the average stripping ratio increased to 3.89 t/t from 2.99 t/t in Q2 2016 due to planned completion of cutbacks at the Camp de Base, Kankarta North and Fayalala South & Central pits. In Q3 2016, the mine continued the development of a number of stages at the Karta, Lero and Lero South pits, as well as Firifirini pit. Stripping ratio for 9m 2016 was 3.26 t/t, in line with full year guidance of approximately 3.7 t/t. Lefa has engaged a mining contractor dedicated to the waste stripping of the Karta Stage 2 pit.

The average head grade decreased by 5% both QoQ and YoY to 0.98 g/t in Q3 2016, mainly due to the inability to access the flooded Karta pit for ore mining. In Q4 2016, Lefa plan is to mine 1,290 kt at 1.24 g/t.

Ore processed only decreased by 3% QoQ to 1,590 kt in Q3 2016 supported by ore supply from historical stockpiles. 9m 2016 throughput decrease by 2% YoY to 4,817 kt. In 2016 Lefa is expected to process 6.3 Mt of ore.

Construction of a 10 tonnes per day oxygen plant to replace peroxide addition in the leach continued in Q3 2016, delivery of the unit has been delayed and commissioning is now scheduled for Q1 2017.

Recovery decreased in Q3 2016 by 0.5 pp QoQ and by 0.7 pp YoY to 87.4%. Recovery for 9m 2016 was 88.0%. 2016 average recovery could decrease to 87.5% due to processing increased amounts of lower grade oxide ore and lower recovery harder ores.

In 9m 2016, Lefa gold production decreased by 9% YoY to 145.7 koz due to lower throughput, average head grade and recovery.

The design and permitting of the new tailings storage facility continued in Q3 2016 and is expected to be finalised by end of the year.

The Lefa geological team continues to proactively explore for additional resources near current operating pits and regionally on the Lefa exploration license. Fayalala West, Kankarta Extension, Bofeco South and Moriba (South Firifirini) areas have seen a cumulative total of 22,624m of drilling during 2016 up to the end of Q3 2016. A structural study of the Lefa region has contributed to an ongoing re-analysis of all regional data on the Lefa permit resulting in drilling targets within trucking distance of Lefa that will be tested starting in Q4 2016. Meanwhile, drilling near existing pits continues to add resources that will be included in the year-end resource update.

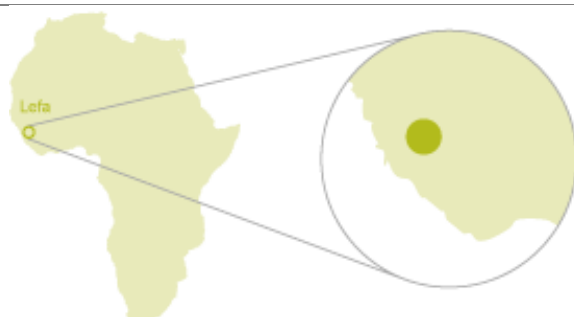


# Operating Results Q3 and 9m 2016



## Guinea

### Lefa



## Lefa Operating Results Summary

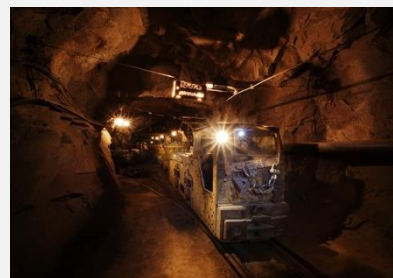
Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR	0.00	0.00	0%	1.17	(100%)	0.80	0.74	8%
Run of mine, kt	5,795	5,904	(2%)	6,266	(8%)	18,705	18,711	0%
Waste mined, kt	4,609	4,643	(1%)	4,697	(2%)	14,310	14,316	0%
Ore mined, kt	1,186	1,261	(6%)	1,568	(24%)	4,395	4,396	0%
Stripping ratio, t/t	3.89	3.68	6%	2.99	30%	3.26	3.26	0%
Ore processed, kt	1,590	1,476	8%	1,633	(3%)	4,817	4,934	(2%)
Grade, g/t	0.98	1.03	(5%)	1.03	(5%)	1.06	1.15	(8%)
Recovery, %	87.4	88.1	(0.7pp)	87.9	(0.5pp)	88.0	88.3	(0.3pp)
Gold production, koz	44.8	42.2	6%	49.5	(9%)	145.7	160.4	(9%)
Gold sold, koz	44.5	42.2	5%	49.7	(10%)	146.1	169.7	(14%)
Average realised gold price per ounce sold, US\$/oz	1,343	1,121	20%	1,269	6%	1,258	1,185	6%
Revenue, US\$m	59.8	47.3	26%	63.1	(5%)	183.8	201.0	(9%)

Ore processed multiplied by head grade and multiplied by recovery may not be equal to gold produced due to differences in work in progress figures and volumes of silver production.

## Operating Results Q3 and 9m 2016



### Russia Buryatzoloto



Buryatzoloto, which operates the Irokinda and Zun-Holba underground mines, decreased production in Q3 2016 by 24% QoQ and by 27% YoY to 22.0 koz mainly due lower ore volumes mined and ore volumes processed, as well as lower grade in ore at Zun-Holba. Recovery decreased slightly QoQ (down 0.2pp) but increased YoY (up 0.4pp) to 92.5% in Q3 2016.

In 9m 2016, Buryatzoloto decreased gold production by 8% YoY to 78.2 koz mainly due to lower ore processed volumes (down 6% YoY to 498 kt) and lower grade (down 1% to 5.09 g/t).

#### Zun-Holba

In Q3 2016, mechanised development of the Zun-Holba 2 Decline continued in order to access the Deep horizons. A focused Decline development productivity improvement programme was successful, going from 160m per month in Q2 2016 to achieving 197m in September 2016. Mechanized development to access the Kwartsevaya and Kontaktovoe ore bodies from the main Decline commenced in Q3 2016.

A new twin boom jumbo is scheduled for delivery in Q4 2016, which will focus on the main Decline development. The first production drill, required for ore production, will be delivered in Q2 2017.

The mine also continues to develop exploration platforms from which targets in the Dalnaya, Kwartsevaya, Kontaktovoe and Severnoe-3 zones can be drilled out in the most efficient manner. The new Granitnoe zone was defined in Q3 2016.

At Zun-Holba, exploration efforts focused on the Kontaktovoe, Kwartsovoe, Severnoe-3 and Sulphidnoe-1 zones. Drilling continues at deep locations of the mine from the new decline that is progressing to drilling positions from which new deep ore horizons are being defined. Results during Q3 2016 included an intersection in the Kontaktovoe zone of 3.1m at 70.6 g/t Au.

#### Irokinda

In Q3 2016, earthworks for the Medvegaya vein portal development was completed, followed by 100m of Decline development. Earthworks commenced for the portal development of Adit 72 located at the high-grade Vein Vysokya, where development will commence in Q4 2016.

In Q3 2016, Irokinda continued Decline development and ore production from Vein #3 lower horizons, and Vein Serebryakovskaya.

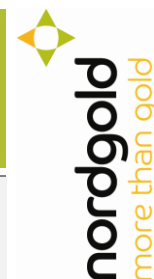
The mine purchased a CAT D6 dozer and CAT 725 articulated truck for surface ore transportation, with delivery expected in Q1 2017.

The review of Irokinda plant efficiency improvements associated with the reconstruction of the crushing circuit has been completed, the plant capacity expansion from 350 ktpa to 380 ktpa project will have a noticeable impact, design for the expansion is in progress and will aim to maintain as much of the initial project benefits as possible. Procurement of long lead items for the expansion project will commence in Q4 2016.

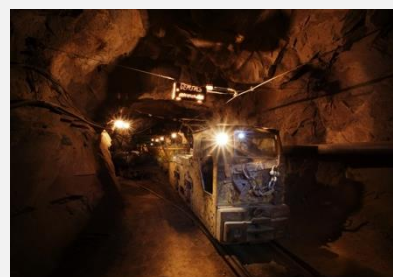
The processing plant personnel structure was reviewed aimed at addressing identified skills shortages, an expanded and more experienced management team has been appointed during the quarter.

Exploration at Irokinda continued during Q3 2016 in the Vein №3, Petrovskaya, Visokaya-Poperechnaya, and Serebryakovskaya zones. Intersections as high as 146 g/t Au indicate that the drilling is adding resources and mine life to the mine. Resources defined by the drilling will be added to the annual resource update and included in mine planning.

# Operating Results Q3 and 9m 2016



## Russia Buryatzoloto

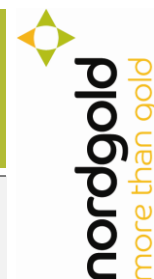


### Buryatzoloto Operating Results Summary

Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR (Zun-Holba mine)	6.81	1.46	366%	3.37	102%	5.04	3.40	48%
LTIFR (Irokinda mine)	0.00	0.00	0%	1.83	(100%)	1.85	1.80	3%
Ore mined, kt	165	166	(1%)	179	(8%)	508	509	0%
Ore processed, kt	160	178	(10%)	173	(8%)	498	528	(6%)
Grade, g/t	4.45	5.36	(17%)	5.10	(13%)	5.09	5.14	(1%)
Recovery, %	92.5	92.1	0.4pp	92.7	(0.2pp)	92.7	93.0	(0.3pp)
Gold production, koz	22.0	30.0	(27%)	28.8	(24%)	78.2	85.4	(8%)
Gold sold, koz	22.1	30.0	(26%)	28.8	(23%)	78.6	95.9	(18%)
Average realised gold price per ounce sold, US\$/oz	1,328	1,131	17%	1,248	6%	1,244	1,195	4%
Revenue, US\$m	29.3	33.9	(13%)	35.9	(18%)	97.8	114.6	(15%)

Ore processed multiplied by head grade and multiplied by recovery may not be equal to gold produced due to differences in work in progress figures and volumes of silver production.

## Operating Results Q3 and 9m 2016



### Russia Berezitovy



Berezitovy gold production decreased to 17.4 koz in Q3 2016 from 18.8 koz in Q2 2016 and 29.5 koz in Q3 2015 on the back of processing lower grade ore from historical stockpiles while waste stripping continues in the main pit Stage 1. On 24 July 2016, the main pit Stage 1 was flooded following a very high rainfall event; access to Stage 1 was re-established on 30 August 2016. The average head grade was 1.42 g/t in Q3 2016, down 4% QoQ and 33% YoY. The average process head grade is expected to increase in Q4 2016 to 2.35 g/t in Q4 2016, as the final Stage 1 benches will yield higher volumes of high-grade ore.

The run of mine in Q3 2016 was 4,589 kt, while waste mined was 4,481 kt. Berezitovy mined 107 kt of ore in Q3 2016 against 8 kt in Q2 2016. Waste stripping was focused on Stage 1, and the Stages 3 and 4 cutbacks. In Q1 2017, first ore will be mined from Stage 3 cutback, which will replace Stage 1 ore mining in Q2 2017.

Throughput in Q3 2016 decreased by 16% QoQ and by 20% YoY to 331 kt due to unplanned downtime associated with the 42" Wichita coupling of the SAG mill which deteriorated more than expected. A programme is underway to refurbish the current unit with OEM spares. A complete replacement unit was also ordered for delivery in Q1 2017, while a 48" coupling was identified as an emergency replacement.

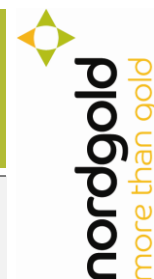
The recovery increased by 2.4pp QoQ and 3.0pp YoY to 90.7%.

Berezitovy production decreased to 58.5 koz in 9m 2016 from 96.8 koz in 9m 2015 mainly due to lower throughput and grade. In 2016, Berezitovy will decrease gold production due to processing lower grade ore as the mine completes mining ore from Stage 1 and continues cutbacks of Stages 3 and 4, with mill throughput supported by ore supply from historical stockpiles.

In Q1 2016, the mine commenced design of a Feasibility Study for underground mining operations at Berezitovy, and it will be submitted to the authorities in Q4 2016 for permitting to commence Decline development.

Exploration teams completed fieldwork on the Khaikta greenfield project north of the Berezitovy mine during the quarter. The work included collection of 3,402 geochemical samples, geophysical surveys, 33 km of access roads, and 45m of trenching. Some results are still awaited from geochemical laboratories, but preliminary results include grab samples of up to 126 g/t Au. Planning is underway to aggressively drill the Khaikta anomalies that could provide additional resources for the Berezitovy mill if drilling confirms economic mineralisation.

# Operating Results Q3 and 9m 2016



## Russia Berezitovy



### Berezitovy Operating Results Summary

Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Run of mine, kt	4,589	3,912	17%	4,282	7%	11,782	11,468	3%
Waste mined, kt	4,481	3,714	21%	4,274	5%	11,541	10,738	7%
Ore mined, kt	107	198	(46%)	8	1238%	240	730	(67%)
Stripping ratio, t/t	41.69	18.79	122%	521.36	(92%)	48.06	14.70	227%
Ore processed, kt	331	416	(20%)	393	(16%)	1,099	1,282	(14%)
Grade, g/t	1.42	2.13	(33%)	1.48	(4%)	1.58	2.24	(29%)
Recovery, %	90.7	87.7	3.0pp	88.3	2.4pp	89.3	89.4	(0.1pp)
Gold production <sup>7</sup> , koz	17.4	29.5	(41%)	18.8	(7%)	58.5	96.8	(40%)
Gold sold, koz	17.2	29.6	(42%)	18.9	(9%)	58.4	101.1	(42%)
Average realised gold price per ounce sold, US\$/oz	1,329	1,121	19%	1,268	5%	1,251	1,178	6%
Revenue, US\$m	22.9	33.1	(31%)	24.0	(5%)	73.1	119.1	(39%)

Ore processed multiplied by head grade and multiplied by recovery may not be equal to gold produced due to differences in work in progress figures and volumes of silver production.

<sup>7</sup> Including gold from heap leach.

# Operating Results Q3 and 9m 2016



## Russia Neryungri



Neryungri production increased by 20% QoQ in Q3 2016 to 28.4 koz mainly due to higher recovery. Ore mined volumes and ore processed volumes decreased by 15% QoQ to 1,206 kt and by 20% to 1,394 kt respectively. The average head grade decreased by 8% QoQ to 0.66 g/t.

The mine increased its stripping ratio in Q3 2016 to 3.54 t/t from 2.41 t/t in Q2 2016 due to commencing two cutbacks to the south and east of the main Tabornoe pit.

In Q3 2016, Neryungri continued development of the Gross pilot stage operation. During the quarter Gross' run of mine amounted to 1,802 kt, with 1,032 kt of waste mined and 770 kt of ore mined. The mined ore is being processed at the Neryungri mine leach pads.

In 9m 2016, Neryungri increased gold production by 1% YoY to 64.6 koz. The increase was mainly driven by higher throughput (up 20%) at higher average head grade (up 4%).

In 9m 2016, Neryungri ore processed totalled 4,083 kt at 0.72 g/t comprising of 2,127 kt ore at 0.61 g/t from Gross and 1,956 kt at 0.85 g/t from Tabornoe.

In 2016, the Gross pilot stage operation is continuing with intention to mine approximately 2,700 kt of ore at a stripping ratio of 0.5 t/t, and process 2,160 kt of ore at Neryungri heap leach operation. Neryungri plans to mine approximately 2,270 kt of ore at a stripping ratio of 6.0 t/t at Tabornoe deposit with 2,270 kt of ore processed.

Near the Tabornoe pit, teams completed a 2,784m drilling programme at the Visokiy deposit, intersection high grade ore that will be incorporated into a resource for inclusion in the mine plan for exploitation. On the newly acquired adjacent Tokkinsky permit near Tabornoe surface geochemical sampling was carried out and 1,120m of diamond drilling were completed. Preliminary results are encouraging. Compilation and interpretation of all data and plans for 2017 drilling will be undertaken in Q4 2016.

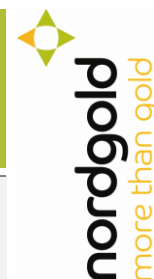
Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR	0.00	0.00	0%	0.00	0%	0.00	2.91	(100%)
Run of mine, kt	5,476	4,624	18%	4,858	13%	14,224	12,858	11%
Waste mined, kt	4,270	3,402	26%	3,432	24%	10,192	9,831	4%
Ore mined, kt	1,206	1,222	(1%)	1,426	(15%)	4,032	3,027	33%
Stripping ratio, t/t	3.54	2.78	27%	2.41	47%	2.53	3.25	(22%)
Ore processed, kt	1,394	1,055	32%	1,734	(20%)	4,083	3,399	20%
Grade, g/t	0.66	0.70	(6%)	0.72	(8%)	0.72	0.69	4%
Recovery, % <sup>8</sup>	75.0	75.0	0pp	75.0	0pp	75.0	75.0	0pp
Gold production, koz	28.4	28.6	(1%)	23.7	20%	64.6	63.8	1%
Gold sold, koz	28.2	28.6	(1%)	23.7	19%	64.3	63.7	1%
Average realised gold price per ounce sold, US\$/oz	1,340	1,114	20%	1,286	4%	1,301	1,172	11%
Revenue, US\$m	37.8	31.9	18%	30.5	24%	83.6	74.6	12%

Ore processed multiplied by head grade and multiplied by recovery may not be equal to gold produced due to differences in work in progress figures and volumes of silver production.

<sup>8</sup> Technical recovery rate. Actual recovery may differ due to seasonal effects.



# Operating Results Q3 and 9m 2016



## Russia Aprelkovo



In Q3 2016, Aprelkovo gold production decreased to 0.7 koz from 5.0 koz in Q2 2016, mainly due to lower grade and tons stacked and seasonality of the heap leach operation.

Aprelkovo crushed and stacked ore from historical stockpiles until 1 August 2016. The mine decreased ore processed volumes QoQ to 151 kt in Q3 2016 from 508 kt in Q2 2016. Head grade decrease by 10% QoQ to 0.64 g/t.

In September 2016, Aprelkovo was brought into winter mode until May 2017, operations were reduced to only maintaining irrigation and solution management.

The regional tax authority decided to impose an additional tax payment of 229 million rubbles (approximately US\$3.5 million) on the Aprelkovo mine operations related to the period 2011 and 2012. The additional tax assessment mainly comprises a further royalty, which was calculated by the tax authority based on the disputable taxation of lower recoveries. This assessment was confirmed by the Arbitration Court of Appeal. In July 2016 the Court of Cassation confirmed the decision of the Arbitration Court of Appeal. The claim was specific to Aprelkovo and is not expected to impact other Nordgold mines in Russia.

The additional tax assessment will result in Aprelkovo generating negative free cash flows, which are now expected to continue for the remaining two years life of mine. As a result, Aprelkovo, the smallest mine in Nordgold's portfolio by some distance, will be unsustainable as a standalone entity. These circumstances have resulted in the decision to file a petition for bankruptcy of Aprelkovo. The first court hearing was held on 24 October 2016 with the next court hearing date set on 31 October 2016. In 2015, Aprelkovo produced 19.8 koz of gold with zero free cash flow. Nordgold does not expect any material write-offs.

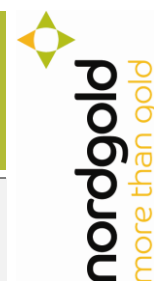
Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR	7.37	0.00	n.a.	0.00	n.a.	1.85	4.15	(55%)
Run of mine, kt	-	1,737	-	102	-	476	4,469	(89%)
Waste mined, kt	-	1,501	-	102	-	457	3,473	(87%)
Ore mined, kt	-	236	-	-	-	19	996	(98%)
Stripping ratio, t/t	-	6.37	-	0.00	-	24.29	3.49	596%
Ore processed, kt	151	453	(67%)	508	(70%)	912	1,123	(19%)
Grade, g/t	0.64	0.88	(27%)	0.71	(10%)	0.74	1.13	(35%)
Recovery, % <sup>9</sup>	47.7	47.7	0pp	47.7	0pp	47.7	47.7	0pp
Gold production, koz	0.7	5.9	(88%)	5.0	(86%)	9.2	14.6	(37%)
Gold sold, koz	0.7	5.9	(88%)	5.0	(86%)	9.2	14.6	(37%)
Average realised gold price per ounce sold, US\$/oz	1,349	1,125	20%	1,278	6%	1,237	1,174	5%
Revenue, US\$m	0.9	6.7	(87%)	6.3	(86%)	11.4	17.1	(33%)

*Ore processed multiplied by head grade and multiplied by recovery may not be equal to gold produced due to differences in work in progress figures and volumes of silver production.*

<sup>9</sup> Technical recovery rate. Actual recovery may differ due to seasonal effects.

# Operating Results

## Q3 and 9m 2016



### Kazakhstan

#### Suzdal



In Q3 2016, Suzdal gold production increased by 4% QoQ to 19.2 koz driven by higher average head grade (up 4% QoQ to 6.96 g/t) as well as higher recovery (up 3pp to 64.6%). In Q3 2016, the Suzdal mine performance improvement was driven by the effect of the Outotec HiTeCC unit launched in June 2016.

Ore mined volumes increased by 19% QoQ to 147 kt while ore processed volumes decreased by 4% QoQ to 133 kt as a result of downtime associated with loss of BIOX activity, which took approximately 2 weeks to correct. The increase in throughput after an event in which BIOX activity is lost is limited to between 10% and 20% daily.

Gold production slightly increased YoY (by 1% from 19.0 koz in Q3 2015) due to higher average head grade (up 4% YoY) partially offset by lower recovery (down 3.4pp YoY).

In 9m 2016, Suzdal increased gold production by 10% YoY to 60.8 koz on the back of the higher average head grade (up 7% to 6.86 g/t).

Progress was made with treatment of Ore Body 2 ore from lower mining horizons. However, recovery in Q3 2016 was negatively impacted by an incident where the BIOX lost biological activity, and processing increased amounts of lower recovery ore from Ore Body 4. The latter negative impacts were offset by the improved performance of the HiTeCC circuit. The HiTeCC circuit is currently achieving recovery of 60%.

The processing plant personnel structure was reviewed aimed at addressing identified skills shortages, two new Processing Directors on alternating shifts have been appointed and joined in September and October 2016 respectively to provide continuous operations cover. Given the increased complexity of the operation the team will further be strengthened by the appointment of experienced Chief Metallurgists to focus on continuous technical optimisation of the process.

The geological experts at Suzdal continue to expand resources in Ore Body 1-3 and 4. Drilling consisted of 6,558m during the quarter. Results include high grade (>70g/t Au) intersections with minable widths and continuity.

Operating results	Q3 2016	Q3 2015	Change, YoY	Q2 2016	Change, QoQ	9m 2016	9m 2015	Change, YoY
LTIFR	2.42	2.36	3%	0.00	n.a.	1.61	3.86	(58%)
Ore mined, kt	147	142	4%	124	19%	412	405	2%
Ore processed, kt	133	147	(10%)	138	(4%)	411	418	(2%)
Grade, g/t	6.96	6.70	4%	6.67	4%	6.86	6.40	7%
Recovery, %	64.6	68.0	(3.4pp)	61.6	3.0pp	62.7	67.8	(5.1pp)
Gold production, koz	19.2	19.0	1%	18.4	4%	60.8	55.3	10%
Gold sold, koz	19.2	18.9	2%	18.4	4%	60.9	55.2	10%
Average realised gold price per ounce sold, US\$/oz	1,332	1,117	19%	1,258	6%	1,275	1,168	9%
Revenue, US\$m	25.6	21.1	21%	23.1	11%	77.6	64.5	20%

*Ore processed multiplied by head grade and multiplied by recovery may not be equal to gold produced due to differences in work in progress figures and volumes of silver production.*

# Operating Results Q3 and 9m 2016



## Enquiries

### Nordgold

Valentina Bogomolova  
Head of IR

Tel: +7 (495) 644 4473  
valentina.bogomolova@nordgold.com

Olga Ulyeva  
Head of Media Relations

Tel: +7 (495) 644 4473  
olga.ulyeva@nordgold.com

### Powerscourt

Peter Ogden  
Giles Read  
Tessa Berry

Tel: +44 (0) 20 7250 1446

For further information on Nordgold please visit the Company's website - [www.nordgold.com](http://www.nordgold.com)

## About Nordgold

Nordgold (LSE: NORD) is an internationally diversified low-cost gold producer established in 2007 and publicly traded on the London Stock Exchange. Nordgold has a proven track record of operational excellence and benefits from a significant international development pipeline. The Company is relentlessly focused on shareholder value, committed to running safe, efficient, profitable operations, which enable it to generate strong cash flows and in turn, continue to invest in its pipeline of new growth opportunities while generating returns for investors. In 2015, Nordgold produced 950 koz of gold with all-in sustaining costs of US\$793 per ounce, maintaining its position at the lower end of the global cost curve.

Nordgold operates 9 mines (5 in Russia, 2 in Burkina Faso and one each in Guinea and Kazakhstan). It has one project in construction phase (Gross in Russia), several prospective projects in feasibility study, preliminary economic assessment and advanced exploration phase and a diverse portfolio of early-stage exploration projects and licences in Burkina Faso, Russia, French Guiana and Canada. Nordgold employs over 8,000 people.

### Cautionary Note Regarding Forward-Looking Statements

*The accompanying document has been prepared by Nord Gold SE, a company existing under the laws of the United Kingdom (the "Company" or "Nordgold" and, together with its subsidiaries, the "Group"), and is for informational purposes only. While information in this document is obtained from sources believed by the Company to be reliable, the Company has not undertaken an independent verification of such information, and no assurance can be provided as to the accuracy or completeness of any such information.*

*Certain statements in this document are not historical facts and constitute "forward-looking" statements regarding future events or the future financial performance of the Group, including within the meaning of Section 27A of the United States Securities Act of 1933, as amended and Section 21E of the United States Securities Exchange Act of 1934, as amended. Such forward looking statements may be identified by terms such as "expect", "believe", "estimate", "anticipate", "intend", "will", "could", "may", or "might", the negative of such terms or other similar expressions. These forward-looking statements include matters that are not historical facts and statements regarding the Group's intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies, and the industry in which the Group operates. By their nature, forward-looking statements involve risks and uncertainties, because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance, and the Groups' actual results of operations, financial condition, liquidity, prospects, growth, strategies and the development of the industry in which the Group operates may differ materially from those described in or suggested by the forward-looking statements contained in these materials. In addition, even if the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the development of the industry in which the Group operates are consistent with the forward-looking statements contained in these materials, those results or developments may not be indicative of results or developments in future periods. Any such statements speak as of the date on which they are made, and the Company does not undertake any obligation to update any such statements to reflect information, events, results or circumstances after the date on which it is made or to reflect the occurrence of unanticipated events, except as may be required by applicable law. Many factors could cause the actual results to differ materially from those contained in forward-looking statements of the Company, including, among others, general economic conditions, the competitive environment, risks associated with operating in the states where the Group operates, changes in the world gold market, as well as many other risks specifically related to the Group and its operations. Many of these assumptions are based on factors and events that are*

## Operating Results

# Q3 and 9m 2016



*not within the control of Nordgold and there is no assurance that they will prove correct. New risks and uncertainties emerge from time to time, and it is not possible for management to predict all of such risk factors and to assess in advance the impact of each such factor on Nordgold's business or the extent to which any factor, or combination of factors, may cause actual realities to differ materially from those contained in any forward-looking information. Actual performance or achievement could differ materially from that expressed in, or implied by, any forward-looking information in this document and, accordingly, investors should not place undue reliance on any such forward-looking information.*

*The information in these materials is provided as at the date hereof, and is subject to verification, completion and change. Accordingly, no representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its shareholders, directors, officers or employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in these materials, and no reliance may be placed for any purposes whatsoever on the information contained in this presentation or on its completeness, accuracy or fairness. None of the Company or any of its shareholders, directors, officers or any other person accepts any liability whatsoever for any loss howsoever arising from any use of the contents of these materials or otherwise arising in connection therewith.*