Financial and Operating Results

Q2 and H1 2015

nordgold
more than gold

Nord Gold N.V. reports financial and operating results for the second quarter and six months ended June 30, 2015

Amsterdam, Netherlands, August 28, 2015

Nord Gold N.V. ("Nordgold" or the "Company", LSE: NORD), the internationally diversified low-cost gold producer, announces **a 36% increase in EBITDA**[1] to US$332.1 million and **a 20% decrease of all-in sustaining costs**[1] ("AISC") to US$722 per ounce in H1 2015.

H1 2015 Highlights:

- Gold production up 7% year-on-year ("YoY") to 507.5 thousand gold equivalent ounces ("koz").
- EBITDA up 36% to US$332.1 million. EBITDA margin increased to 51.9%.
- The lower end of the global cost curve: total cash costs[1] ("TCC") down 21% to US$558/oz and AISC down 20% to US$722/oz.
- Full year 2015 AISC guidance decreased further to US$750/oz - US$800/oz (from US$800/oz - US$850/oz).
- Operating cash flow up 89% to US$252.1 million and free cash flow[1] up 94% to US$141.2 million.
- The Board has declared a dividend of 4.12 US cents per share / GDR for Q2 2015, a total of US$15.4 million.

Highlights	Q2 2015	Q2 2014	Change YoY	Q1 2015	Change QoQ	H1 2015	H1 2014	Change YoY
Gold production, koz	240.8	265.2	(9%)	266.7	(10%)	507.5	476.3	7%
Average realised gold price per ounce sold, US$/oz [2]	1,200	1,292	(7%)	1,210	(1%)	1,205	1,295	(7%)
Revenue, US$m [2]	289.0	342.1	(16%)	351.3	(18%)	640.3	617.0	4%
EBITDA, US$m [2]	146.6	141.3	4%	185.4	(21%)	332.1	244.8	36%
TCC, US$/oz	580	699	(17%)	539	8%	558	708	(21%)
AISC, US$/oz	769	905	(15%)	680	13%	722	899	(20%)
LTIFR	1.79	1.08	66%	2.95	(39%)	2.35	0.73	222%

[1] For detailed definition, please see "Non-IFRS Financial Measures".

[2] Q1 2015 revenue was recalculated using specific RUB/USD exchange rate for January 2015 sales due to significant exchange rate fluctuations, which led to respective change of Q1 2015 average realised gold price, EBITDA, net profit and normalised net profit attributable to shareholders.

Financial and Operating Results
Q2 and H1 2015

Message from the CEO

"I am proud that Nordgold has delivered another exceptional half year of operational and financial performance. With gold production up by 7% on last year, a very strong EBITDA increase of 36% and a near doubling of free cash flow to over $140 million we are driving healthy returns across the business."

"We are firmly on track to reach the upper end of our full year 2015 gold production guidance range of 925 – 985 koz. Our continued focus on driving down costs has meant that we were able to lower again our Full Year 2015 AISC guidance to US$750/oz - US$800/oz, which has comfortably placed us within the lower end of the global cost curve and we expect to maintain this position."

"Our portfolio of high-quality, low-cost mines, a strong development pipeline of significant growth opportunities and an increasingly well regarded operational and financial track record gives me confidence that our company will have the ability to generate consistent growth and sustainable returns for our shareholders despite a challenging market environment."

Nikolai Zelenski, Chief Executive Officer, Nordgold

Operating Highlights

- Gold production in H1 2015 increased by 7% YoY to 507.5 koz mainly due to increased volumes of ore mined and processed, as well as higher recovery.
- In H1 2015, production increased at Bissa, Lefa, Berezitovy, Neryungri, Suzdal and one of the Buryatzoloto underground mines, Irokinda.
- In Q2 2015, gold output was 240.8 koz. The previous quarter's refined gold production of 266.7 koz included 28.5 koz of gold doré produced but not refined at the end of 2014, which was refined in Q1 2015. Similarly, Q2 2014 refined gold production of 265.2 koz included 20.1 koz of gold doré produced at Suzdal but not refined in Q1 2014, which was refined in Q2 2014.
- Nordgold is on track to reach the upper end of the full year ("FY") 2015 gold production guidance range of 925 – 985 koz.

Financial Highlights

- The average realised gold price in H1 2015 was US$1,205/oz compared with US$1,295/oz in H1 2014. In Q2 2015, the average realised gold price was US$1,200/oz compared with US$1,292/oz for Q2 2014 and US$1,210/oz for Q1 2015.
- Despite a lower gold price, revenue in H1 2015 increased by 4% to US$640.3 million compared with US$617.0 million in H1 2014 due to higher gold production and sales volumes, which included 24.5 koz of refined gold and 28.5 koz of gold doré, which were produced in the end of 2014 and sold in Q1 2015. Revenue in Q2 2015 was US$289.0 million.
- EBITDA in H1 2015 increased by 36% YoY to US$332.1 million mainly driven by improved operational efficiencies, higher gold sales volumes and lower costs, as well as the depreciation of local currencies in countries where Nordgold operates, against the US dollar, which more than offset decreased gold prices. EBITDA margin in H1 2015 increased to 51.9% from 39.7% in H1 2014. Q2 2015 EBITDA was US$146.6 million, up 4% YoY.
- Net profit increased by 83% YoY to US$134.7 million in H1 2015. Net profit for Q2 2015 was US$50.4 million, up 3% YoY.
- Normalised net profit attributable to shareholders[3] in H1 2015 almost doubled YoY to US$132.1 million from US$67.3 million in H1 2014. In Q2 2015, normalised net profit attributable to shareholders increased to US$51.4 million from US$48.0 million in Q2 2014.

[3] Normalised Net Profit attributable to shareholders adjusted for the non-current assets and inventories impairment or utilisation of impairment.

- Nordgold maintained its position within the industry lowest cost quartile with consolidated AISC down by 20% YoY to US$722/oz in H1 2015. In Q2 2015, AISC decreased by 15% YoY to US$769/oz with the most significant reductions recorded at Lefa (down 36%), Neryungri (down 22%), Buryatzoloto (down 17%), Berezitovy (down 14%) and Bissa (down 11%).
- Based on significant improvement of AISC in H1 2015, Nordgold is further reducing its FY 2015 AISC guidance to US$750/oz - US$800/oz (previous range was US$800/oz - US$850/oz).
- TCC decreased by 21% YoY to US$558/oz in H1 2015 mainly driven by the benefit from the depreciation of local currencies in countries where Nordgold operates, against the US dollar. The TCC reduction also related to increased production, improved operational and consumption efficiency, as well as reduced general and administrative ("G&A") expenses. TCC was US$580/oz in Q2 2015 compared with US$699/oz in Q2 2014 and US$539/oz in Q1 2015. In Q2 2015, seven out of Nordgold's nine mines achieved TCC improvement YoY and the most significant reductions were recorded at Lefa (down 38%), Berezitovy (down 27%), Neryungri (down 27%), two Buryatzoloto mines (down 16%) and Bissa (down 10%). We continue to implement cost optimisation and operational improvement programmes at all our mines.
- In H1 2015, Nordgold generated US$252.1 million of cash flow from operating activities (after interest and income tax paid), compared with US$133.7 million in H1 2014. In Q2 2015, cash flow from operating activities was US$94.4 million, compared with US$82.0 million in Q2 2014 and US$157.7 million in Q1 2015.
- Capital expenditure ("capex")[4] in H1 2015 was on budget and increased by 52% YoY to US$107.6 million as planned. The increase mainly related to the start of preliminary works and pre-ordering of equipment for the Bouly project in Burkina Faso. Q2 2015 capex was US$75.6 million.
- In H1 2015, Nordgold almost doubled free cash flow YoY to US$141.2 million highlighting the high quality of the Company's mines.
- Cash and cash equivalents as at June 30, 2015 were US$397.8 million with net debt[4] of US$546.2 million, compared with US$317.1 million cash and cash equivalents and net debt of US$627.3 million as at December 31, 2014.

Outlook Update

- Nordgold is on track to reach the upper end of FY 2015 gold production guidance range of 925 – 985 koz.
- Nordgold reiterates FY 2015 capex of approximately US$300 million, including US$95 million for Bouly mine construction and approximately US$8.5 million for Gross project development, as well as investments in exploration, development, maintenance and capitalised stripping.
- Based on significant improvement of AISC in H1 2015, Nordgold is reducing its FY 2015 AISC guidance for the second time this year. The new FY2015 AISC range is US$750/oz - US$800/oz (previous range was US$800/oz - US$850/oz).

Capital Management

Dividend

The Board has approved an interim dividend of 4.12 US cents per share or per GDR in respect of the three months ended June 30, 2015, representing a total pay-out of US$15.4 million.

The dividend record date is set on September 18, 2015 with payment on September 30, 2015.

In 2015, the Company has already paid an interim dividend of 6.40 US cents per share or per GDR for Q1 2015 for a total amount of US$24.2 million. The total dividend for two quarters of 2015 is 10.52 US cents per share or per GDR and the total pay-out is US$39.6 million.

We remain focused on continuing to deliver a dividend to shareholders. In line with our dividend policy, we intend to distribute 30% of normalised net profit attributable to shareholders as dividends on a quarterly basis.

[4] For detailed definition, please see "Non-IFRS Financial Measures".

Share and GDR Buyback

Given Nordgold's outstanding operational performance and strong cash flow generation, as well as relatively low share price the Board approved on February 24, 2015 a share and GDR buyback programme for up to 19,000,000 shares/GDRs to a maximum total amount of US$30 million at a price of up to US$4 per share/GDR. The buyback programme will end as soon as the aggregate purchase price of the shares/GDRs acquired by the Company has reached the amount of US$30 million or ultimately, by 31 December 2015.

Since the announcement of the buyback programme up until August 27, 2015 Nordgold has purchased a total of 8,138,284 GRDs for the total amount of US$23.1 million. Since February 24, 2015 up until August 27, 2015 a total of 6,548,360 GDRs, which were purchased in accordance with the share buyback programme, have been withdrawn from the GDR programme and the treasury shares representing such GDRs subsequently cancelled.

The Company's entire issued share capital as at August 27, 2015 consists of 374,449,930 ordinary shares.

The Board and management consider return of capital to the shareholders in the form of share and GDR repurchases to be a good supplement to stable dividend payments. Moreover, they are confident the Company's shareholder value will appreciate as more investors understand Nordgold's operational track record and strong growth pipeline and the structure of the minority shareholder base improves.

Safety

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

We continue to invest our efforts into improving our overall safety performance. Nordgold continues to pursue the integration of safety methodologies and sharing of best practices between our international mines, as well as investing in the safety of our employees.

LTIFR for Q2 2015 was 1.79, an improvement of 39% compared with Q1 2015 (2.95), but higher than in Q2 2014 (1.08). In H1 2015, LTIFR increased to 2.35 comparing with 0.73 in H1 2014 due to a number of low severity incidents, which were nonetheless recorded. Every injury, no matter how small, is taken seriously. We have implemented further changes to ensure visible and resourceful leadership, and that all our employees remain committed to safety and are aware of their responsibilities.

It is with great regret that we report a fatality at the beginning of May 2015 at our Zun-Holba underground mine. Our deepest sympathy goes to the bereaved family and work colleagues. Full investigations have taken place to ensure that we learn from the incident.

While we recognise that we operate in a hazardous environment, we remain dedicated to our goal of ensuring every one of our employees returns home safely at the end of each shift.

LTIFR by mine

Mines	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
Bissa	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Taparko	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Lefa	2.34	0.00	n.a.	0.00	n.a.	1.11	0.00	n.a.
Buryatzoloto *(Irokinda and Zun-Holba mines)*	2.33	2.17	7%	5.13	(55%)	3.60	1.75	106%
Berezitovy	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Neryungri	2.79	5.18	(46%)	6.02	(54%)	4.35	2.66	64%
Aprelkovo	4.21	0.00	n.a.	8.13	(48%)	6.20	0.00	n.a.
Suzdal	2.33	0.00	n.a.	6.79	(66%)	4.59	0.00	n.a.
Nordgold	**1.79**	**1.08**	**66%**	**2.95**	**(39%)**	**2.35**	**0.73**	**222%**

Development Highlights

Bouly

- Bouly is a development project located 5 km from Nordgold's active Bissa mine in Burkina Faso. The project represents a large low-grade gold mineralisation, favourable for heap leach treatment. As a result of the 2013-2014 intensive exploration programmes, Bouly Mineral Resources tripled to 3.5 Moz, and maiden Ore Reserves of 1.3 Moz were declared following the completion of a Feasibility Study in Q1 2015.
- The Feasibility Study demonstrated excellent economic fundamentals for the project, according to which Bouly's IRR is approximately 26% at a gold price of US$1,100/oz and 40% at a gold price of US$1,250/oz.
- Nordgold will expand the Bissa mine with the construction of a heap leach operation at the nearby Bouly project, which is expected to commence production in 2016.
- In Q2 2015, US$27.6 million were invested in preliminary works and pre-ordering of equipment for the Bouly project. FY 2015 Bouly mine planned construction capex is approximately US$95 million. Total construction capex is expected at approximately US$154 million.
- Bouly's average annual production will be around 120 koz over a life of mine of 10 years.

Gross

- Gross is an all-season open-pit heap leach project located in southwestern Yakutia, Russia, 4 km to the east of the Neryungri mine.
- Nordgold updated the Gross Feasibility Study at the beginning of 2015, which confirmed the economic viability of the project giving an IRR of approximately 25% at a long-term gold price of US$1,100/oz and an IRR of almost 40% at a long-term gold price of US$1,250/oz.
- Gross is expected to mine approximately 12 million tonnes of ore and to produce approximately 230 koz of gold per year at full production for 17 years.
- In July 2015, Nordgold received a construction permit for Gross. The project is fully permitted, which enables Nordgold to progress it towards construction.
- Detailed design work will be commenced in Q3 2015, in which Nordgold will invest approximately US$8.5 million in H2 2015.
- Construction is expected to begin in late 2015 or early 2016 (subject to Board approval), with production starting up to two years later. The project will require approximately US$260 million of capital investment during construction.
- The Company continues the Gross pilot stage operations with the aim of producing approximately 35 koz of gold this year. As part of the pilot stage operation, in H1 2015 Gross' run of mine amounted to 2.5 million tonnes, with 1.6 million tonnes of waste mined and 896 thousand tonnes of ore mined. The mined ore is being processed at the Neryungri mine leach pads. This pilot stage production is delivering recoveries at above 80% and low production costs, which provides strong confidence in the successful performance of the Gross project.

Montagne d'Or

- The Montagne d'Or gold deposit is located in north-west French Guiana. Pursuant to an agreement with Columbus Gold Corp. (CGT: TSX-V, CBGDF: OTCQX) Nordgold has a right to earn a 50.01% interest in the Montagne d'Or gold deposit and the Paul Isnard mineral claims, by funding a minimum of US$30 million in expenditures and completing a Bankable Feasibility Study by no later than the end of Q1 2017.
- The NI 43-101 compliant Preliminary Economic Assessment ("PEA") for Montagne d'Or was finalised on July 8, 2015. The PEA demonstrated positive economic data for an open pit mine with conventional CIL processing technology and average annual production of 273 koz in the first 10 years.
- Based on a set of conservative estimates, which represent significant upside potential for the operation, after-tax NPV is US$324 million at 8% and IRR is 23% at a gold price of US$1,200 per ounce.
- The positive PEA results give Nordgold confidence to progress the project towards a Feasibility Study to de-risk and further improve its economics. Nordgold will start the Feasibility Study in Q3 2015, targetting

completion in Q4 2016. The Preliminary Environmental and Social Impact Assessment (ESIA) and terms of references were completed in Q1 2015 and completion of the ESIA is expected by Q4 2016.

Ronguen Gold Project

- Ronguen Gold Project is a late stage exploration project located just 10 kilometres northwest of Nordgold's Bissa mine.
- The Feasibility Study for the Ronguen project was finalised and an application for the Mining Licence was filed in Q2 2015.
- The project shares very similar ore properties to Bissa, which will therefore enable Nordgold to process the ore at the Bissa facilities, thereby extending the Bissa Life of Mine, while contributing to low-cost gold production at this world-class facility.

Capital Expenditure

- Capex was on budget and increased to US$107.6 million in H1 2015 and to US$75.6 million in Q2 2015 as planned. The increase mainly due to US$27.6 million invested in Q2 2015 in preliminary works and pre-ordering of equipment for the Bouly project.
- In H1 2015, Nordgold increased exploration and evaluation capex by 35% YoY to US$13.5 million with aim to replace depleted Ore Reserves at operating mines. Investments in near mine exploration were mainly intensified at the mines with the greatest conversion potential, which include Lefa, Bissa, Zun-Holba and Neryungri.
- Maintenance capex increased in H1 2015 by 23% YoY to US$62.0 million mainly due to temporarily higher capitalised stripping at Tarparko, which is undergoing a mine extension.
- Capex for development and new technology decreased in H1 2015 to US$4.4 million from US$9.9 million in H1 2014 as the Company got past the peak level of investments in SAP implementation in 2014.
- The Company remains focused on keeping a tight control over capex and reiterates FY 2015 capex guidance of approximately US$300 million, including US$95 million for Bouly mine construction and approximately US$8.5 million for Gross project development, as well as investments in exploration, development, maintenance and capitalised stripping.

H1 2015 Capex by Mine, US$m [5]

Mine	Maintenance	Development and New Technology	Exploration and Evaluation	Mine Construction	Total
Bissa	8.4	0.0	2.5	27.6	38.5
Taparko	16.2	0.0	1.6	0.0	17.8
Lefa	18.4	4.1	2.0	0.0	24.5
Buryatzoloto *(Irokinda and Zun-Holba mines)*	4.0	0.0	3.0	0.0	7.0
Berezitovy	9.0	0.0	0.6	0.0	9.6
Aprelkovo	1.0	0.0	0.0	0.0	1.0
Neryungri	2.6	0.0	0.5	0.0	3.1
Gross	0.0	0.0	0.8	0.1	0.9
Suzdal	2.4	0.3	0.2	0.0	2.9
Others	0.0	0.0	2.3	0.0	2.3
Nordgold	**62.0**	**4.4**	**13.5**	**27.7**	**107.6**

[5] May include the effect of rounding.

Cash Flow Optimisation and Cost Management

In H1 2015, Nordgold generated US$252.1 million of cash flow from operating activities (after interest and income tax paid), compared with US$133.7 million in H1 2014. In Q2 2015, cash flow from operating activities was US$94.4 million, compared with US$82.0 million in Q2 2014 and US$157.7 million in Q1 2015.

In H1 2015, Nordgold almost doubled free cash flow YoY to US$141.2 million highlighting the high quality of the Company's mines.

In Q2 2015, seven out of nine of Nordgold's mines delivered positive free cash flow due to a forensic approach to cost management, diligent capex and working capital optimisation. Aprelkovo posted US$1.7 million of negative free cash flow in Q2 2015 due to a temporary lower recovery and tonnes crushed as a result of the crusher relocation projects to free up space for leach pad construction, the completion of which is scheduled for Q3 2015. Taparko generated US$4.4 million of negative free cash flow in Q2 2015 mainly due to a temporary higher capitalised stripping and lower grade at the mine, which is undergoing an extension. Taparko is targeting a decrease in stripping ratio and improvement of head grade in H2 2015.

A combination of reduction in general and administrative expenses, improvements in operational efficiency, as well as the on-going implementation of Business System of Nordgold (BSN) with the aim of realising a positive effect on 2015 EBITDA of approximately US$56 million, is key to ensuring the Company remains focused on driving down costs.

In Q2 2015, net working capital increased by US$10.7 million to US$226.1 million from US$215.5 million as at the end of March 2015. The reduced balance of work in progress mainly at Lefa and Suzdal mines and VAT recoverable was offset mainly by income tax and other taxes paid during the reporting quarter. We expect to see a reduction in net working capital in H2 2015, primarily due to decrease of inventories (warehouses and ore stockpiles).

Business System of Nordgold

Business System of Nordgold (BSN) aims to establish best-in-class sustainable processes at the Company's operating assets, ensuring they are as efficient, low cost, sustainable and, above all, as safe as possible. BSN roll out began in mid-2012 and has now been implemented across all mine sites, with the ultimate aim of reducing total cash costs.

The positive impact from BSN totalled approximately US$63.2 million in 2014, compared with US$80 million in 2013 and US$17 million in 2012.

We expect a further substantially positive impact from BSN in 2015 as we continue to roll out operational improvements and cost saving initiatives. BSN's targeted effect on 2015 EBITDA is approximately US$56 million, US$38 million of which is expected to be achieved mainly due to production improvements and US$17.8 million from cost reduction programmes. Approximately 80% of the targeted effect on 2015 EBITDA will be driven by cost optimisation and production improvements at our West African mines.

2015 BSN programmes include an improvement in primary equipment productivity, such as excavators, trucks and drill rigs, while we expect to see further improvement in equipment utilisation and productivity. In H1 2015, overall equipment efficiency (OEE) project was successfully implemented at Nordgold's six open pit mines, which included a specific action plan for each mine with target equipment availability, utilisation and productivity improvement. In H2 2015, the OEE project will be rolled out across Nordgold's three underground mines.

In Q2 2015, the Company completed drilling and blasting assessment at four open pits in Russia and West Africa. As a result, the action plan was developed to improve efficiency of drilling and blasting operations and reduce costs.

SAP was implemented at all CIS mines and was launched at West African mines in Q4 2014. In 2015, BSN continues to realise SAP post implementation plan, which includes constant on-site training and regular communication between mines in order to share best practices.

In H1 2015, the overall BSN effect on EBITDA exceeded US$19.0 million. In H2 2015, we expect to see further costs and production improvements.

Financial Results Summary[6]

Financial Results, US$m	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
Revenue	289.0	342.1	(16%)	351.3	(18%)	640.3	617.0	4%
EBITDA	146.6	141.3	4%	185.4	(21%)	332.1	244.8	36%
EBITDA margin, %	50.7	41.3	9.4 pp	52.8	(2.1 pp)	51.9	39.7	12.2 pp
Net profit [7]	50.4	49.1	3%	84.3	(40%)	134.7	73.7	83%
Normalised net profit attributable to shareholders [7]	51.4	48.0	7%	80.7	(36%)	132.1	67.3	96%
Cash flows from operating activity	94.4	82.0	15%	157.7	(40%)	252.1	133.7	89%
Capital expenditures	75.6	48.2	57%	31.9	137%	107.6	70.6	52%
incl. Exploration	*8.1*	*4.7*	*73%*	*5.3*	*54%*	*13.5*	*10.0*	*35%*
Free cash flow	21.1	49.6	(58%)	120.2	(82%)	141.2	72.6	95%
Cash and cash equivalents	397.8	306.9	30%	421.4	(6%)	397.8	306.9	30%
Total debt	943.9	993.8	(5%)	950.2	(1%)	943.9	993.8	(5%)
Net debt	546.2	686.9	(20%)	528.8	3%	546.2	686.9	(20%)
TCC	138.8	184.3	(25%)	142.9	(3%)	281.7	335.2	(16%)
TCC, US$/oz	580	699	(17%)	539	8%	558	708	(21%)
AISC, US$/oz	769	905	(15%)	680	13%	722	899	(20%)

Revenue

In H1 2015, revenue increased by 4% YoY to US$640.3 million despite a 7% decrease in the average realised gold price YoY to US$1,205/oz in H1 2015 (0.5% above The London Bullion Market Association average of US$1,199/oz) offset by higher production (up 7% YoY to 507.5 koz) and sales volumes (up 12% YoY to 531.3 koz), which included 24.5 koz of refined gold and 28.5 koz of gold doré, which were produced in the end of 2014 and sold in Q1 2015.

Q2 2015 revenue decreased by 16% YoY to US$289.0 million due to the fact that Q2 2014 sales volumes included 20.1 koz of gold doré produced at Suzdal in Q1 2014, which was sold in Q2 2014, as well as on the back of lower average realised gold price (down 7% YoY).

Quarter-on-quarter (“QoQ”) revenue decreased by 18% mainly due to the fact that Q1 2015 sales volumes included 24.5 koz of refined gold and 28.5 koz of gold doré, which were produced in the end of 2014 and sold in Q1 2015.

Nordgold does not have any gold hedging in place, and we therefore expect our realised gold price to remain close to the market price in 2015. The low gold price environment remains one of the biggest challenges for the Company. However, Nordgold’s focus on growing production, as well as its stringent cost cutting measures, ensures that the Company remains well positioned to deliver sustainable returns to our shareholders and continued profitable growth.

Net Profit

Net profit increased in H1 2015 by 83% YoY to US$134.7 million. Net profit for Q2 2015 was US$50.4 million, a 3% increase compared with US$49.1 million in Q2 2014.

[6] May include the effect of rounding.

[7] Q1 2015 revenue was recalculated using specific RUB/USD exchange rate for January 2015 sales due to significant exchange rate fluctuations, which led to respective change of Q1 2015 average realised gold price, EBITDA, net profit and normalised net profit attributable to shareholders.

Normalised net profit attributable to shareholders in H1 2015 almost doubled YoY to US$132.1 million from US$67.3 million in H1 2014. In Q2 2015, normalised net profit attributable to shareholders was US$51.4 million, up 7% YoY.

QoQ decrease in both net profit and normalised net profit attributable to shareholders mainly related to the fact that Q1 2015 net profit was positively affected by higher production and sales volumes, which included 24.5 koz of refined gold and 28.5 koz of gold doré, which were produced in the end of 2014 and sold in Q1 2015.

In H1 2015, earnings per share, basic and diluted ("EPS") increased to US$0.33 compared with US$0.17 in H1 2014. EPS were based on the net profit attributable to shareholders of the Company and a weighted average number of outstanding ordinary shares of the Company. In Q2 2015, EPS was US$0.12, in line with Q2 2014.

Total Cash Costs

In H1 2015, seven of Nordgold's mines achieved TCC improvement compared with H1 2014. As a result, Nordgold's consolidated TCC decreased by 21% YoY to US$558/oz in H1 2015 mainly driven by the depreciation of local currencies in countries where Nordgold operates, against the US dollar. The TCC reduction also benefited from increased production, improved operational and consumption efficiency, as well as reduced general and administrative ("G&A") expenses.

TCC was US$580/oz in Q2 2015 compared with US$699/oz in Q2 2014 and US$539/oz in Q1 2015. In Q2 2015, seven out of Nordgold's nine mines achieved TCC improvement YoY and the most significant reductions were recorded at Lefa (down 38%), Berezitovy (down 27%), Neryungri (down 27%), Buryatzoloto (down 16%) and Bissa (down 10%).

We continue to implement BSN and other cost cutting initiatives in order to control our costs.

TCC by Mine, US$ per ounce of gold

Mines	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
Bissa	429	476	(10%)	430	0%	429	466	(8%)
Taparko	773	740	4%	642	21%	673	672	0%
Lefa	567	915	(38%)	605	(6%)	583	988	(41%)
Buryatzoloto *(Irokinda and Zun-Holba mines)*	690	822	(16%)	626	10%	659	847	(22%)
Berezitovy	444	605	(27%)	428	4%	436	635	(31%)
Neryungri	626	858	(27%)	516	21%	569	794	(28%)
Aprelkovo	831	1,093	(24%)	581	43%	713	1,090	(35%)
Suzdal	802	629	27%	751	7%	778	709	10%
Nordgold	**580**	**699**	**(17%)**	**539**	**8%**	**558**	**708**	**(21%)**

In H1 2015, **Bissa** mine decreased TCC by 8% YoY to US$429/oz mainly due to higher ore mined and processed volumes (up 47% and 8% respectively) and lower stripping ratio (down 36%) partially offset by lower grade (down 16%). In Q2 2015, TCC at Bissa decreased to US$429/oz from US$476/oz in Q2 2014 and US$430/oz in Q1 2015. Lower fuel and energy consumption rate had a positive impact on Bissa's TCC, as well as lower staff costs and G&A expenses.

At **Taparko**, TCC in H1 2015 was US$673/oz, in line with H1 2014 (US$672/oz). Q2 2015 TCC increased to US$773/oz from US$642/oz in Q1 2015 mainly due to the fact that the mine is undergoing an extension, which has led to a temporarily higher stripping ratio and lower grade. In H2 2015, the mine is planning to decrease stripping ratio and to improve head grade. In Q2 2015, Taparko TCC was positively impacted by decreased spare parts and fuel and energy consumption rate, as well as the reduction of staff costs and G&A expenses.

In H1 2015, **Lefa** achieved significant TCC reduction to US$583/oz compared with US$988/oz in H1 2014. The decrease was driven by increased ore mined and processed volumes (up 142% and 15% respectively), lower stripping ratio (down 38%), as well as improved grade (up 15%) and recovery (up 3.3 percentage points ("pp"). The TCC decrease was also supported by lower staff costs and G&A expenses, as well as decreased spare parts, and fuel and energy consumption rate. In Q2 2015, TCC decreased by 38% YoY and by 6% QoQ to US$567/oz. QoQ TCC reduction mainly related to a 10% decrease in the stripping ratio and lower third party service costs as stock analysis was completed in Q1 2015.

Buryatzoloto recorded significant TCC improvement, achieving US$659/oz in H1 2015, down 22% YoY. Cost reduction was supported by higher ore processed volumes (up 4% YoY), improved fuel and energy and spare parts consumption, as well as lower G&A expenses and ruble devaluation. Q2 2015 TCC decreased by 16% YoY to US$690/oz. QoQ TCC increased by 10% mainly due to lower grade, recovery and ruble appreciation in Q2 2015, which was partially offset by lower fuel and energy consumption, as well as staff costs and G&A expenses.

Berezitovy improved its TCC in H1 2015 by 31% YoY to US$436/oz mainly due to higher grade (up 6%) and recovery (up 0.3 pp). Cost reduction was also related to the lower materials and spare parts consumption, decreased G&A expenses and staff costs, as well as ruble devaluation. In Q2 2015, TCC was US$444/oz, down 27% compared with Q2 2014. TCC increased by 4% QoQ as the higher grade was offset by lower production volumes and recovery, as well as ruble appreciation in Q2 2015.

In H1 2015, **Neryungri** recorded a 28% TCC decrease YoY to US$569/oz due to higher ore mined (up 17%), processed volumes (up 43%) and recovery, as well as reduction of stripping ratio (down 9%) related mainly to ongoing development of the low stripping ratio at Gross' pilot stage operation. Ruble devaluation and BSN programmes, such as headcount optimisation, decrease of cyanide and sodium hydroxide consumption rate, as well as savings on fuel and spare parts, has also helped improve Neryungri TCC. Q2 2015 TCC decreased by 27% YoY to US$626/oz. QoQ TCC increased by 21% mainly due to ruble appreciation in Q2 2015.

TCC at **Aprelkovo** in H1 2015 decreased by 35% YoY to US$713/oz mainly due to higher grade (up 8%) and lower stripping ratio (down 49%), as well as ruble devaluation. In Q2 2015, the mine decreased TCC by 24% YoY to US$831/oz. QoQ TCC increased by 43% on the back of higher stripping ratio due to stripping of the Southwest Extension pit to provide access to high recovery oxide ores in Q3 2015. Ruble appreciation in Q2 2015 also negatively impacted Aprelkovo costs.

At **Suzdal**, TCC increased in H1 2015 by 10% YoY to US$778/oz due to the fact that improved recovery (up 1.6 pp), higher processed volumes (up 2%) and lower G&A expenses, were offset by lower grade (down 9%) and increased materials consumption. Q2 2015 Suzdal costs were negatively affected by low utilisation of milling and BIOX, as well as decreased BIOX recovery related to the power cut due to a severe storm in June 2015. Normal production levels resumed on 2 July 2015.

General and administrative expenses

In H1 2015, general and administrative expenses decreased to US$25.2 million from US$33.4 million in H1 2014. Corporate centre and seven of Nordgold's mines, including Lefa, two Buryatzoloto's mines, Berezitovy, Neryungri, Aprelkovo and Suzdal reduced G&A expenses YoY. G&A costs per ounce decreased to US$50/oz in H1 2015 from US$70/oz in H1 2014. In Q2, G&A was US$12.6 million, down from US$16.1 million in Q2 2014 and in line with Q1 2015 (US$12.6 million). We continue to control and review our G&A costs to achieve further improvements to increase profitability.

All-In Sustaining Costs

Nordgold maintained its position within the industry's lowest cost quartile with consolidated AISC down 20% YoY to US$722/oz in H1 2015 due to a 7% production increase, 21% TCC decrease and in spite of planned higher sustaining capex (up 24%). Eight of Nordgold's mines improved AISC in H1 2015 and the most significant reductions were recorded at Lefa (down 40%), Buryatzoloto (down 25%), Berezitovy (down 21%) and Bissa (down 10%). Only Taparko mine AISC increased by 30% YoY mainly due to significantly higher capitalised stripping related to mine extension, which led to temporarily higher sustaining capex (up almost three-fold YoY).

In Q2 2015, AISC decreased by 15% YoY to US$769/oz with the most significant reductions recorded at Lefa (down 36%), Neryungri (down 22%), Buryatzoloto (down 17%), Berezitovy (down 14%) and Bissa (down 11%). QoQ AISC increased by 13% due to higher sustaining capex (up 1.5 folds), TCC (up 8%) and lower gold production (down 10%).

Based on the significant AISC improvement in H1 2015, Nordgold is reducing its FY 2015 AISC guidance for the second time this year. The new FY2015 AISC range is US$750/oz - US$800/oz (previous range was US$800/oz - US$850/oz).

AISC by Mine, US$ per ounce of gold

Mines	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
Bissa	536	600	(11%)	491	9%	511	565	(10%)
Taparko	1,004	857	17%	1,053	(5%)	1,033	793	30%
Lefa	809	1,257	(36%)	698	16%	753	1,274	(41%)
Buryatzoloto *(Irokinda and Zun-Holba mines)*	840	1,007	(17%)	728	15%	786	1,041	(25%)
Berezitovy	653	758	(14%)	561	16%	604	761	(21%)
Neryungri	783	1,004	(22%)	556	41%	664	918	(28%)
Aprelkovo	1,014	1,188	(15%)	676	50%	854	1,161	(26%)
Suzdal	856	788	9%	828	3%	843	855	(1%)
Nordgold	**769**	**905**	**(15%)**	**680**	**13%**	**722**	**899**	**(20%)**

Finance Income and Finance Costs

Net finance costs in H1 2015 decreased by US$17.3 million to US$35.2 million compared with US$52.5 million in H1 2014. H1 2015 interest expense decreased to US$24.0 million from US$27.7 million in H1 2014. H1 2015 net finance costs included a foreign exchange loss of US$11.1 million. Other finance costs decreased to US$4.5 million in H1 2015 compared with US$13.2 million in H1 2014. In H1 2015, other finance costs included US$1.5 million of royalties related to Bissa operations, while in H1 2014, these costs were mainly related to US$7.1 million of costs related to the discontinuance of hedge accounting and US$2.2 million of royalties related to Bissa operations.

Net finance costs in Q2 2015 decreased by US$6.9 million to US$17.2 million compared with US$24.1 million in Q2 2014 and by US$0.8 million compared with US$18.0 million in Q1 2015. Q2 2015 interest expense decreased to US$12.2 million from US$12.8 million in Q2 2014 and slightly increased compared with Q1 2015 (US$11.8 million). In Q2 2015 net finance costs included US$5.1 million of net foreign exchange loss. Other finance costs decreased to US$1.9 million in Q2 2015 compared with US$3.8 million in Q2 2014 and US$2.7 million in Q1 2015.

Taxation

Nordgold reported an income tax expense of US$42.9 million in H1 2015 compared with US$17.7 million of income tax expense in H1 2014. In Q2 2015, income tax expense amounted US$22.3 million compared with US$14.1 million in Q2 2014 and US$20.6 million in Q1 2015.

Cash Flow

The Company continues to pay close attention to its liquidity position and to optimise cash flow in order to maximise shareholder value. We are pleased to report that despite the volatile gold price, in H1 2015 Nordgold generated US$252.1 million of cash flow from operating activities (after interest and income tax paid), compared with US$133.7 million in H1 2014.

H1 2015 operating cash flow was positively affected by higher refined gold production and also due to the fact that 24.5 koz of refined gold produced in the end of 2014 was sold in Q1 2015. Q1 2015 refined gold production included 28.5 koz of gold doré produced and unrefined at Bissa, Taparko, Berezitovy and Neryungri mines at the end of 2014, which was refined in Q1 2015.

In H1 2015, Nordgold almost doubled free cash flow YoY to US$141.2 million highlighting the high quality of the Company mines. Nordgold will be using the cash generated for capital expenditures, organic debt reduction and for dividend distributions.

In Q2 2015, cash flow from operating activities was US$94.4 million, compared with US$82.0 million in Q2 2014 and US$157.7 million in Q1 2015. Bissa mine remained the main cash-generating asset with US$43.2

million of operating cash flow. Lefa mine also continued its excellent performance in Q2 2015 with US$38.0 million of operating cash flow. The only mine with the negative operating cash flow was Aprelkovo (US$1.0 million) due to temporarily lower recovery and tonnes crushed as a result of the crusher relocation projects to free up space for new leach pad construction, the completion of which is scheduled for Q3 2015.

Q2 2015 free cash flow was US$21.0 million, lower than in Q2 2014, due to increased capex mainly related to the beginning of the Bouly project funding and increased income tax paid. In Q2 2015, seven out of nine Nordgold's mines delivered positive free cash flow due to a forensic approach to cost management, diligent capex and working capital optimisation. Aprelkovo posted US$1.7 million of negative free cash flow in Q2 2015. Taparko generated US$4.4 million of negative free cash flow in Q2 2015 mainly due to temporarily higher capitalised stripping and lower grade at the mine, which is undergoing an extension. Taparko is planning to decrease the stripping ratio and improve head grade in H2 2015.

Cash used in investing activities for H1 2015 amounted to an outflow of US$82.2 million compared with an outflow of US$72.8 million in H1 2014. The difference mainly relates to higher capex and exploration and evaluation related cash outflow partially offset by proceed from short-term deposits. Nordgold reported a cash outflow of US$48.4 million in H1 2015 from financing activities compared with inflow of US$6.9 million in H1 2014. Outflow from financing activities in H1 2015 included US$28.8 million of dividend paid compared with US$10.9 million in H1 2014 and US$16.9 million invested in GDRs buyback in H1 2015.

Cash used in investing activities for Q2 2015 amounted to an outflow of US$46.1 million compared with US$36.1 million in Q1 2015. Nordgold reported a cash outflow of US$39.1 million in Q2 2015 from financing activities compared with outflow US$9.3 million in Q1 2015.

Nordgold recorded cash and cash equivalents of US$397.8 million as at June 30, 2015, reflecting positive free cash flow generated and dividend payment of US$24.2 million in Q2 2015 on the back of Q1 2015 results. We will continue to focus on our strategy to operate with positive free cash flow at all our producing units through further improvement of our operational efficiency and optimisation of working capital.

For management purposes short-term deposits are treated as cash and cash equivalents as the Company has opportunity to withdraw cash at any moment according to its operational needs. Thus the short-term deposits of US$155 million are shown as part of cash and cash equivalents.

Debt Position

As at June 30, 2015 Nordgold's total debt was US$943.9 million, in line with US$944.4 million as at December 31, 2014. Cash and cash equivalents as at June 30, 2015 were US$397.8 million, reflecting positive free cash flow generated and dividend payment of US$24.2 million in Q2 2015 on the back of Q1 2015 results.

The Company's net debt position at June 30, 2015 was US$546.2 million, US$81.2 million lower than net debt at December 31, 2014 (US$627.3 million) and US$17.3 million higher than net debt at March 31, 2014 (US$528.8 million).

Net debt/LTM EBITDA was 1.0x at the end of June 2015, which is significantly below our covenant level of 3.0x net debt/LTM EBITDA.

Production Overview

Refined Gold Production by Mine, koz [8] [9]

Operating results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
Bissa	60.5	65.8	(8%)	75.8	(20%)	136.3	134.0	2%
Taparko	20.2	30.8	(34%)	29.9	(32%)	50.2	63.9	(21%)
Lefa	58.4	46.5	26%	59.8	(2%)	118.2	86.6	36%
Buryatzoloto *(Irokinda and Zun-Holba mines)*	28.7	30.5	(6%)	26.8	7%	55.5	55.4	0%
Berezitovy	31.8	32.1	(1%)	35.5	(10%)	67.3	59.0	14%
Neryungri	16.8	16.7	1%	18.4	(9%)	35.1	28.8	22%
Aprelkovo	4.6	7.4	(38%)	4.1	12%	8.7	12.7	(31%)
Suzdal	19.9	35.5	(44%)	16.4	21%	36.3	35.9	1%
Nordgold	**240.8**	**265.2**	(9%)	**266.7**	(10%)	**507.5**	**476.3**	7%

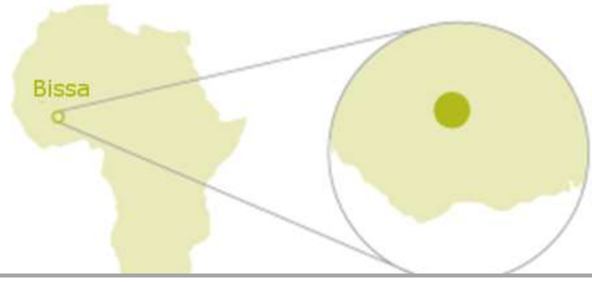
Operating Results Summary [8]

Operating results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
LTIFR	1.79	1.08	66%	2.95	(39%)	2.35	0.73	222%
Run of mine, kt [10]	26,084	24,536	6%	25,352	3%	51,436	46,862	10%
Waste mined, kt [10]	21,661	20,474	6%	20,727	5%	42,388	39,179	8%
Ore mined, kt	4,725	4,365	8%	4,930	(4%)	9,655	8,293	16%
Stripping ratio, t/t [11]	4.90	5.04	(3%)	4.48	9%	4.68	5.10	(8%)
Ore processed, kt [12]	6,212	6,201	0%	5,309	17%	11,521	10,546	9%
Grade, g/t	1.49	1.63	(9%)	1.76	(15%)	1.61	1.77	(9%)
Recovery, %	81.6	80.8	0.8 pp	82.8	(1.2 pp)	82.2	81.6	0.6 pp
Gold production, koz	240.8	265.2	(9%)	266.7	(10%)	507.5	476.3	7%
Gold sold, koz	240.8	264.9	(9%)	290.5	(17%)	531.3	476.5	12%
Average realised gold price per ounce sold, US$/oz	1,200	1,292	(7%)	1,210	(1%)	1,205	1,295	(7%)
Revenue, US$m	289.0	342.1	(16%)	351.3	(1%)	640.3	617.0	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

[8] May include the effect of rounding.
[9] Including 1.433 and 2.934 thousand gold equivalent ounces of silver production for Q2 2015 and H1 2015 respectively (Based on ~ 1:70 Au/Ag).
[10] Presented only for open pit mines.
[11] Calculated for total ore mined and waste mined only for open pits.
[12] Including ore processed at Berezitovy heap leach.

Burkina Faso
Bissa



Bissa gold production for H1 2015 was 136.3 koz, up 2% compared with 134.0 koz in H1 2014. Bissa increased ore mined by 47% YoY to 2,399 thousand tonnes ("kt") and decreased stripping ratio by 36% YoY to 3.75 t/t, while increasing throughput by 8% YoY to 2,017 kt.

The Bissa mine continued its excellent performance in Q2 2015, producing 60.5 koz of refined gold in the quarter. QoQ production of refined gold decreased by 20% due to the fact that Q1 2015 refined gold production included approximately 14.5 koz of gold doré produced and unrefined at the end of 2014, which was refined during Q1 2015. In Q2 2015 gold doré production was 60.5 koz, in line with Q1 2015 and Q4 2014.

In Q2 2015, Bissa increased ore mined by 2% QoQ to 1,211 kt. The mine increased ore processed by 4% QoQ to a record quarterly volume of 1,026 kt. The average stripping ratio increased by 5% QoQ to 3.84 t/t due to higher volumes of waste mined. Bissa continues the development of two new pits, Zone 51 and Zone 52, in addition to the South West pit. In H2 2015, the average stripping ratio is planned to increase to approximately 5.4 t/t due to the commencement of the Gougre pit and cutbacks to the current pits for future ore supply.

The average head grade was 2.06 g/t for the quarter and 2.15 g/t for H1 2015, on target with the 2015 business plan. The average planned head grade for H2 2015 is 1.95 g/t.

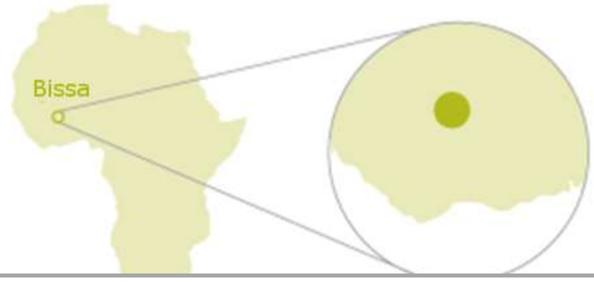
In Q2 2015, recovery decreased by 2.8 percentage points ("pp") QoQ to 85.5% due to processing increased volumes of South West pit fresh ore, increased overall processing volumes and lower plant feed grade. By the end of Q2 2015, Bissa completed construction and commissioned an oxygen plant and lead nitrate dosing system to improve recovery by over 1% per ore lithology. The installation and commissioning of a pebble crusher to assist throughput from processing future harder ores was also completed in Q2 2015.

The near mine exploration programme continues to identify high potential targets west and north of Zone 21, east west and north of Zone 51 and north of the current Gougre pit region.

Drilling was completed at Zinigma (Yargo permit) including nine diamond drill holes totalling 931 metres. Mining Licence applications for Zinigma and Ronguen (Tikare and Kongoussi I permits) were submitted in May 2015. A tender process is underway for 36,300 m of drilling at prospective area of Yimiougou.

Financial and Operating Results
Q2 and H1 2015

Burkina Faso
Bissa

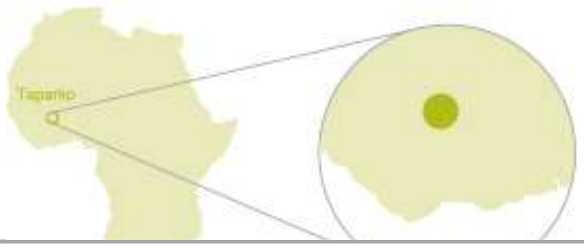


Bissa Operating Results Summary

Financial and Operating Results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
LTIFR	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Run of mine, kt	5,860	6,020	(3%)	5,537	6%	11,396	11,266	1%
Waste mined, kt	4,648	5,183	(10%)	4,349	7%	8,997	9,631	(7%)
Ore mined, kt	1,211	838	45%	1,188	2%	2,399	1,636	47%
Stripping ratio, tn/tn	3.84	6.19	(38%)	3.66	5%	3.75	5.89	(36%)
Ore processed, kt	1,026	971	6%	991	4%	2,017	1,860	8%
Grade, g/t	2.06	2.42	(15%)	2.25	(8%)	2.15	2.55	(16%)
Recovery, %	85.5	88.5	(3.0 pp)	88.3	(2.8 pp)	86.9	88.5	(1.6 pp)
Gold production, koz	60.5	65.8	(8%)	75.8	(20%)	136.3	134.0	2%
Gold sold, koz	60.2	65.8	(9%)	75.9	(21%)	136.1	134.0	2%
Average realised gold price per ounce sold, US$/oz	1,198	1,292	(7%)	1,213	(1%)	1,207	1,298	(7%)
Revenue, US$m	72.2	85.1	(15%)	92.0	(22%)	164.2	174.0	(6%)
EBITDA, US$m	46.3	53.1	(13%)	58.8	(21%)	105.1	110.0	(4%)
EBITDA margin, %	64.1	62.4	1.7 pp	63.9	0.2%	64.0	63.2	0.7 pp
TCC, US$/oz	429	476	(10%)	430	0%	429	466	(8%)
AISC, US$/oz	536	600	(11%)	491	9%	511	565	(10%)

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.

Burkina Faso
Taparko



Taparko gold production for H1 2015 was 50.2 koz, a 21% decrease compared with 63.9 koz in H1 2014 owing to lower processed ore head grade and recovery. In Q2 2015 the mine produced 20.2 koz of gold, down 32% QoQ and 34% YoY.

In Q2 2015, Taparko continued with cutting back pits aligned with the mining schedule. Q2 2015 ore mined decreased by 49% QoQ to 141 kt, while ore processed increased by 10% QoQ to 450 kt with some of the process plant feed ore coming from historical stockpiles.

Stripping ratio increased in Q2 2015 to 32.68 t/t from 13.37 t/t in Q1 2015. In H1 2015, stripping ratio increased to 19.91 t/t from 4.91 t/t in H1 2014. The mine completed ore mining from the 35 South pit cutback in Q2 2015, and continued with the 35 North and Central cutbacks for future ore production. During the quarter, Taparko mined ore at the high-grade Bouroum pit and 2N2K pit. Mining also recommenced at the GT pit with a cutback at the South end of the pit, to secure additional ore production during H2 2015.

In H2 2015, the average stripping ratio is planned to decrease to 8.50 t/t due to increased ore mined from the four sources: the Bouroum, 35 North, 2N2K and the GT pits.

In Q2 2015, the average head grade decreased by 34% QoQ to 1.58 g/t owing to the processing of lower grade ore from stockpiles. The average head grade in H1 2015 decreased to 1.98 g/t from 2.65 g/t in H1 2014. In H2 2015, the planned average head grade is 2.40 g/t.

Q2 2015 recovery increased to 85.9% from 82.7% in Q1 2015 due to an oxygen plant commissioned at the end of April 2015. In H1 2015, recovery was 83.9%. The 2015 recovery forecast remains 84.0%, as the positive effect of the oxygen plant will continue to support recovery in the second half of the year.

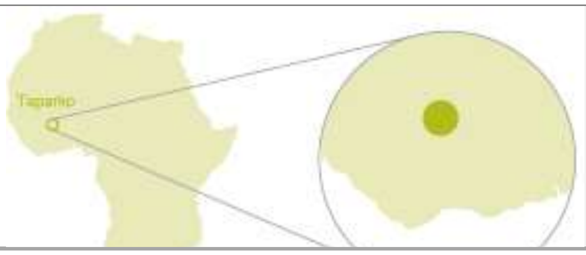
Positive results were received from diamond drilling at Goengo (15 km south of Taparko mine). A selection of some of the most interesting drill intersections are presented below (Diamond drilling 2014-2015 composite, cut-off value at 0.5 g/t; dilution length - 2m):

HOLE-ID	FROM m	TO m	LENGTH m	Au g/t
KGSC15-001	0	2.25	2.25	3.07
KGSC15-001	107	108	1	3.8
KGSC15-002	4	6	2	1.83
KGSC15-002	158.9	165.15	6.25	22.99
KGSC15-002t	167.9	172.35	4.45	6.63
KGSC15-002	193.5	194.6	1.1	6.72

Air core drilling on the Taparko Mining Licence, carried out mainly at the Kangarse target immediately to the east of Goengo, totalled 387.1 m in two drill holes.

A follow-up RC drill programme totalling approximately 14,000 metres will commence in H2 2015, including additional in-fill and extension drilling at Goengo West. In Q2 2015, consulting company Wardell Armstrong International began the Feasibility Study at Yeou with aim to complete the study in H1 2016. An application for a Mining License at Yeou will be submitted to the Ministry of Mines in Q3 2015.

Burkina Faso
Taparko

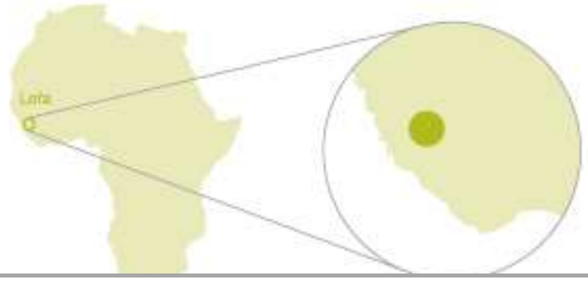


Taparko Operating Results Summary

Financial and Operating Results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
LTIFR	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Run of mine, kt	4,750	3,826	24%	3,960	20%	8,710	7,325	19%
Waste mined, kt	4,609	3,244	42%	3,685	25%	8,293	6,086	36%
Ore mined, kt	141	582	(76%)	276	(49%)	417	1,240	(66%)
Stripping ratio, tn/tn	32.68	5.57	487%	13.37	144%	19.91	4.91	305%
Ore processed, kt	450	441	2%	409	10%	859	842	2%
Grade, g/t	1.58	2.45	(36%)	2.41	(34%)	1.98	2.65	(25%)
Recovery, %	85.9	90.9	(5.0 pp)	82.7	3.2 pp	83.9	88.2	(4.3pp)
Gold production, koz	20.2	30.8	(34%)	29.9	(32%)	50.2	63.9	(21%)
Gold sold, koz	20.3	30.7	(34%)	30.0	(32%)	50.2	63.8	(21%)
Average realised gold price per ounce sold, US$/oz	1,198	1,285	(7%)	1,169	2%	1,181	1,288	(8%)
Revenue, US$m	24.3	39.5	(38%)	35.0	(31%)	59.3	82.2	(28%)
EBITDA, US$m	11.7	15.2	(23%)	13.5	(13%)	25.3	37.2	(32%)
EBITDA margin, %	48.3	38.5	9.8 pp	38.6	9.7 pp	42.6	45.2	(2.6 pp)
TCC, US$/oz	773	740	4%	642	21%	673	672	0%
AISC, US$/oz	1,004	857	17%	1,053	(5%)	1,033	793	30%

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

Guinea
Lefa



Lefa achieved an increase of 36% YoY in gold production in H1 2015 to 118.2 koz due to the improvement of all mining and processing parameters. Lefa increased run of mine by 66% YoY to 12,808 kt and ore mined by 142% to 3,134 kt leading to a 38% decrease in the average stripping ratio to 3.09 t/t. Volumes of ore processed increased by 15% YoY to 3,458 kt as a result of a softer mill feed blend from satellite pits and improved mill utilisation. The average head grade in H1 2015 reached 1.20 g/t compared with 1.04 g/t in H1 2014 and recovery increased by 3.3 pp YoY to 88.4%.

In Q2 2015, Lefa produced 58.4 koz, a 26% increase compared with 46.5 koz in Q2 2014 and a 2% decrease compared with 59.8 koz in Q1 2015. QoQ production decrease mainly related to lower head grade (down 9%) and recovery (down 1.1 pp).

Lefa plans to maintain plant throughput at 6.8 million tonnes in 2015, with an expected average head grade at above 1.2 g/t. Recovery will remain around 87.0% in 2015.

The Q2 2015 stripping ratio decreased by 10% QoQ to 2.93 due to increased ore production from ex-Firifirini pits as a result of optimisation of the mining plan in line with higher plant ore feed requirements. The stripping ratio is expected to be higher in H2 2015. Full year 2015 stripping ratio expected at around 3.5 t/t.

In Q2 2015, Lefa continued construction work on the reclaim feeder in the process plant, which will increase productivity when processing harder ores due to improved ore blend consistency to both milling circuits. Completion is expected in Q4 2015.

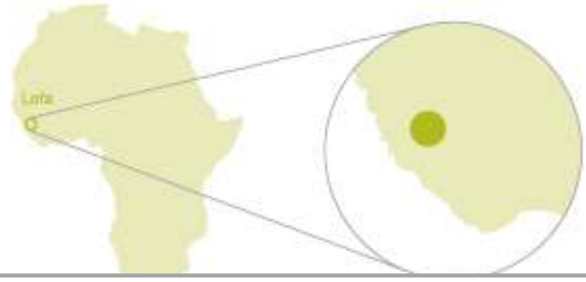
Lefa also continued construction of the final stage of the current Tambico tailings facility in Q2 2015, targetting completion in Q3 2015.

In H1 2015, Resource Definition work at Lefa comprised 274 holes (14,975 m) of reverse circulation drilling at the Firifirini, Toume-Toume, Fayalala, and Karta deposits.

The search for new mineralisation comprised aircore and reverse circulation drilling (288 holes / 12,315 m) and Kankarta East prospect yielded results that should produce additional resources after infill drilling.

Exploration planned for the remainder of 2015 includes continuing the search for new deposits, concentrating efforts at Solabe, Banko South, Lero South and Kankarta North and evaluating immediate projections of existing deposits at Firifirini, Fayalala South and Banko South. A 2,500 m diamond core programme is also planned to define mineralisation under the Karta pit.

Guinea
Lefa



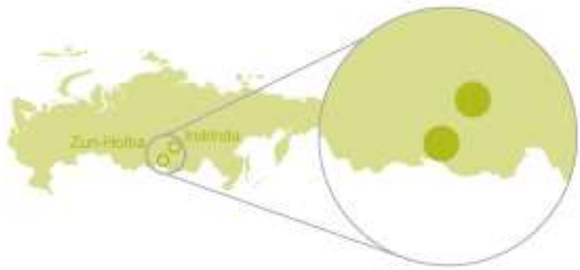
Lefa Operating Results Summary

Financial and Operating Results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
LTIFR	2.34	0.00	n.a.	0.00	n.a.	1.11	0.00	n.a.
Run of mine, kt	6,106	4,109	49%	6,702	(9%)	12,808	7,720	66%
Waste mined, kt	4,551	3,617	26%	5,122	(11%)	9,673	6,424	51%
Ore mined, kt	1,555	492	216%	1,580	(2%)	3,134	1,296	142%
Stripping ratio, tn/tn	2.93	7.35	(60%)	3.24	(10%)	3.09	4.96	(38%)
Ore processed, kt	1,734	1,730	0%	1,724	1%	3,458	3,020	15%
Grade, g/t	1.15	1.00	15%	1.26	(9%)	1.20	1.04	15%
Recovery, %	87.8	85.4	2.4 pp	88.9	(1.1 pp)	88.4	85.1	3.3 pp
Gold production, koz	58.4	46.5	26%	59.8	(2%)	118.2	86.6	36%
Gold sold, koz	58.4	46.5	26%	69.1	(15%)	127.5	86.6	47%
Average realised gold price per ounce sold, US$/oz	1,200	1,295	(7%)	1,210	(1%)	1,205	1,292	(7%)
Revenue, US$m	70.1	60.2	16%	83.6	(16%)	153.7	111.9	37%
EBITDA, US$m	36.4	19.1	90%	43.6	(17%)	79.9	23.5	240%
EBITDA margin, %	51.9	31.8	20.1 pp	52.1	(0.2 pp)	52.0	21.0	31.0 pp
TCC, US$/oz	567	915	(38%)	605	(6%)	583	988	(41%)
AISC, US$/oz	809	1,257	(36%)	698	16%	753	1,274	(41%)

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

Russia

Buryatzoloto



Buryatzoloto produced 55.5 koz of gold at two underground mines - Irokinda and Zun-Holba - in H1 2015, in line with H1 2014. In Q2 2015, Buryatzoloto gold output was 28.7 koz, a 7% increase from Q1 2015 and a 6% decrease compared with Q2 2014. QoQ increase related to higher throughput (up 1% to 176 kt) and to an additional 1.1 koz of gold in concentrate, which was produced at Irokinda at the end of Q1 2015 and recovered in Q2 2015.

In H1 2015, Buryatzoloto's average head grade decreased to 5.03 g/t from 5.52 g/t in H1 2014. The grade was 4.99 g/t in Q2 2015, a decrease of 2% QoQ and 12% YoY. The average head grade for Buryatzoloto in 2015 is expected at 5.21 g/t.

Zun-Holba

In Q2 2015, Zun-Holba produced 88.2 kt of ore at 4.32 g/t from the Adits and Shaft levels. The highest grade ore blocks are mined in the Severnoye 3 area on the 1,390 level, while development to access the 1,340 level extensions are in progress.

Mechanised development of the Zun-Holba decline continued in Q2 2015 with the aim of gaining access to the levels below the current Shaft levels for extensional drilling along strike and at depth to explore high-grade Ore Reserves. A total of 350 metres have been completed.

Exploration continued to focus on delineating ore blocks on the Adits levels of Severnoye 5 and Dorozhnoye, and the Shaft levels of Severnoye and Listvinitovoye. Ore zones are being identified and will be included in the mining plan.

Irokinda

Irokinda is continuing to produce high-grade ore mainly from Vein Vysokaya and Vein #3. The mine produced 77.9 kt of ore at 6.20 g/t in Q2 2015.

Development of the mechanised declines and first ore levels at Vein #3 and Vein Serebryakovskaya continued. Preparation of ore blocks continues on the first Decline horizon of Vein #3, planned for ore production in Q3 2015.

Irokinda commissioned improvement projects of its gravity and flotation circuits in Q1 2015, realising a 2% improvement in throughput and a 0.4 pp increase in recovery. A reconstruction of the crushing complex aimed at increased plant efficiency and cost reductions has commenced and is scheduled for completion in Q4 2015.

Further operational improvement initiatives at both the Buryatzoloto mines include additional gold production from crushing of historical oversize ore, reduced cyanide consumption from the introduction of automated dosing, overheads and fuel spend reductions.

Russia
Buryatzoloto

Buryatzoloto Operating Results Summary

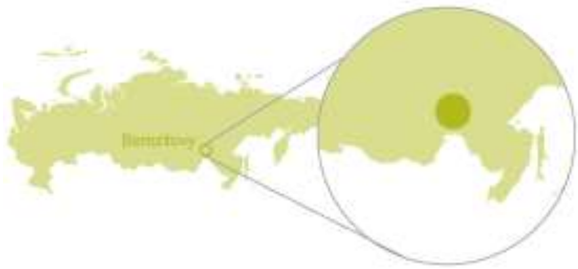
Financial and Operating Results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
LTIFR	2.33	2.17	7%	5.13	(55%)	3.60	1.75	106%
Ore mined, kt	166	176	(6%)	177	(6%)	343	358	(4%)
Ore processed, kt	176	172	2%	174	1%	350	338	4%
Grade, g/t	4.99	5.67	(12%)	5.07	(2%)	5.03	5.52	(9%)
Recovery, %	92.1	93.1	(1.0 pp)	93.2	(1.1 pp)	92.6	92.9	(0.3 pp)
Gold production, koz	28.7	30.5	(6%)	26.8	7%	55.5	55.4	0%
Gold sold, koz	28.6	30.5	(6%)	37.3	(23%)	65.9	55.5	19%
Average realised gold price per ounce sold, US$/oz [13]	1,219	1,288	(5%)	1,227	(1%)	1,224	1,296	(6%)
Revenue, US$m [13]	34.9	39.3	(11%)	45.7	(24%)	80.7	71.9	12%
EBITDA, US$m [13]	14.8	15.2	(2%)	23.0	(35%)	37.8	23.5	61%
EBITDA margin, %	42.5	38.6	3.9 pp	50.3	(7.8 pp)	46.9	32.7	14.2 pp
TCC, US$/oz	690	822	(16%)	626	10%	659	847	(22%)
AISC, US$/oz	840	1,007	(17%)	728	15%	786	1,041	(25%)

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.

[13] Q1 2015 revenue was recalculated using specific RUB/USD exchange rate for January 2015 sales due to significant exchange rate fluctuations, which led to respective change of Q1 2015 average realised gold price and EBITDA.

Russia

Berezitovy



In H1 2015, Berezitovy gold production increased by 14% YoY to 67.3 koz driven by higher grade (up 6% to 2.29 g/t) and recovery (up 0.3 pp to 90.1%), as well as due to the fact that approximately 9.7 koz of gold doré produced, but unrefined at the end of 2014, was refined during Q1 2015.

In Q2 2015, the mine produced 31.8 koz, a 1% decrease compared with Q2 2014. QoQ production of refined gold decreased by 10% due to the fact that Q1 2015 refined gold production included approximately 9.7 koz of gold doré produced and unrefined at the end of 2014, which was refined during Q1 2015. In Q2 2015, gold doré production increased by 4% QoQ to 30.7 koz.

The average grade in processing increased to 2.47 g/t in Q2 2015 from 2.13 g/t in Q1 2015. The average head grade is now expected to be higher in 2015 at approximately 2.25 g/t compared with previous forecast of 2.20 g/t for the year.

In Q2 2015, Berezitovy continued Phase 3 open pit waste stripping to secure ore supply for 2016 and 2017, while ore mining in Phase 1 continued at lower mining rates. As a result, stripping ratio increased to 16.39 t/t from 10.87 t/t in Q1 2015. In H1 2015, stripping ratio was 13.19 t/t, while the average stripping ratio for 2015 is expected at 13.41 t/t.

The planned Berezitovy mill girth gear replacement has been postponed to April 2016 as continued inspections and condition monitoring indicate no significant deterioration in condition for the last 12-months. The recovery improvement projects are on-going with the installation of Kemix interstage screens and circuit reconfiguration. Planned upgrades will be completed early in Q3 2015.

Drilling to support the evaluation of the underground potential at Berezitovy commenced in Q2 2015. Three holes (896 m) of a planned 24 holes (10,073 m) have been completed.

Stage 1 drilling on the regional exploration programme at Kolbachy is complete, comprising 15 holes (767 m). Analytical results are expected to be received in Q3 2015.

Russia
Berezitovy

Berezitovy Operating Results Summary

Financial and Operating Results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
LTIFR	0.00	0.00	0%	0.00	0%	0.00	0.00	0%
Run of mine, kt	3,887	3,554	9%	3,669	6%	7,557	7,082	7%
Waste mined, kt	3,664	3,043	20%	3,360	9%	7,024	6,080	16%
Ore mined, kt	223	510	(56%)	309	(28%)	533	1,002	(47%)
Stripping ratio, tn/tn	16.39	5.96	175%	10.87	51%	13.19	6.07	117%
Ore processed, kt	411	462	(11%)	455	(10%)	866	911	(5%)
Grade, g/t	2.47	2.34	6%	2.13	16%	2.29	2.17	6%
Recovery, %	90.0	90.4	(0.4 pp)	90.3	(0.3 pp)	90.1	89.8	0.3 pp
Gold production, koz[14]	31.8	32.1	(1%)	35.5	(10%)	67.3	59.0	14%
Gold sold, koz	31.9	32.0	0%	39.7	(20%)	71.6	59.2	21%
Average realised gold price per ounce sold, US$/oz [15]	1,187	1,288	(8%)	1,212	(2%)	1,201	1,298	(7%)
Revenue, US$m [15]	37.8	41.2	(8%)	48.1	(21%)	85.9	76.8	12%
EBITDA, US$m [15]	23.1	20.1	15%	29.4	(21%)	52.4	36.3	45%
EBITDA margin, %	61.0	48.8	12.7 pp	61.1	(0.1 pp)	61.0	47.2	13.8 pp
TCC, US$/oz	444	605	(27%)	428	4%	436	635	(31%)
AISC, US$/oz	653	758	(14%)	561	16%	604	761	(21%)

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

[14] Including gold from heap leach
[15] Q1 2015 revenue was recalculated using specific RUB/USD exchange rate for January 2015 sales due to significant exchange rate fluctuations, which led to respective change of Q1 2015 average realised gold price and EBITDA.

Russia
Neryungri

Neryungri increased production in H1 2015 by 22% YoY to 35.1 koz due to higher throughput (up 43% to 2,344 kt), as well as to the fact that Q1 2015 refined gold production benefited from additional volumes of approximately 6.0 koz of gold doré produced and unrefined at the end of 2014, which was refined during the reporting period.

In Q2 2015, the mine produced 16.8 koz compared with 16.7 koz in Q2 2014 and 18.4 koz in Q1 2015, when refined gold production benefited from additional volumes of gold doré produced and unrefined at the end of 2014, which was refined during Q1 2015.

The stripping ratio decreased by 32% QoQ to 2.94 t/t in Q2 2015 and by 9% YoY to 3.56 in H1 2015 driven by continued development of the low stripping ratio Gross pilot stage operation. The average stripping ratio for 2015 is planned at 4.3 t/t.

In H1 2015, Gross' run of mine amounted to 2.5 million tonnes, with 1.6 million tonnes of waste mined and 896 thousand tonnes of ore mined. The mined ore is being processed at the Neryungri mine leach pads.

In H1 2015, Neryungri ore processed totalled 2,344 kt at 0.68 g/t comprising of 1,301 kt ore at 0.63 g/t from Gross and 1,043 kt at 0.75 g/t from Tabornoe.

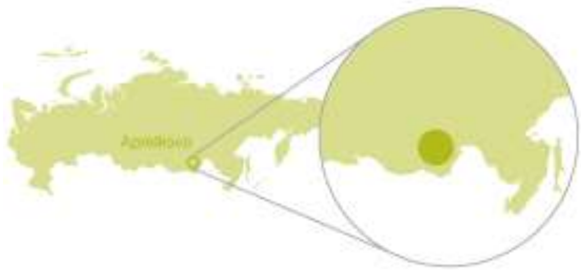
Stage 1 of the 2015 Tabornoe drilling programme, comprising 6,870 m has been completed. Stage 2 is planned for Q3 2015 and will include 5,510 m.

Financial and Operating Results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
LTIFR	2.79	5.18	(46%)	6.02	(54%)	4.35	2.66	64%
Run of mine, kt	3,893	4,025	(3%)	4,342	(10%)	8,234	7,635	8%
Waste mined, kt	2,905	2,898	0%	3,525	(18%)	6,429	6,087	6%
Ore mined, kt	988	1,126	(12%)	817	21%	1,805	1,548	17%
Stripping ratio, tn/tn	2.94	2.57	14%	4.31	(32%)	3.56	3.93	(9%)
Ore processed, kt	1,478	1,132	31%	866	71%	2,344	1,637	43%
Grade, g/t	0.66	0.71	(7%)	0.72	(8%)	0.68	0.70	(3%)
Recovery, %[16]	75.0	75.0	0.0 pp	75.0	0.0 pp	75.0	75.0	0.0 pp
Gold production, koz	16.8	16.7	1%	18.4	(9%)	35.1	28.8	22%
Gold sold, koz	16.8	16.6	1%	18.3	(8%)	35.0	28.7	22%
Average realised gold price per ounce sold, US$/oz [17]	1,189	1,290	(8%)	1,247	(5%)	1,219	1,291	(6%)
Revenue, US$m [17]	20.0	21.4	(7%)	22.8	(12%)	42.7	37.1	15%
EBITDA, US$m [17]	9.2	4.7	95%	13.1	(30%)	22.3	10.7	109%
EBITDA margin, %	46.0	22.0	24.0 pp	57.7	(11.7pp)	52.3	28.9	23.4 pp
TCC, US$/oz	626	858	(27%)	516	21%	569	794	(28%)
AISC, US$/oz	783	1,004	(22%)	556	41%	664	918	(28%)

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.

[16] Technical recovery rate. Actual recovery may differ due to seasonal effects.
[17] Q1 2015 revenue was recalculated using specific RUB/USD exchange rate for January 2015 sales due to significant exchange rate fluctuations, which led to respective change of Q1 2015 average realised gold price and EBITDA.

Russia
Aprelkovo



Aprelkovo gold production decreased by 31% in H1 2015 YoY to 8.7 koz, mainly due to lower tonnes crushed as a result of the crusher relocation projects to free up space for leach pad construction and lower recovery associated with harder ore from the Main Aprelkovo pit and the current stacking plan.

In Q2 2015, the mine increased production by 12% QoQ to 4.6 koz mainly due to higher throughput (up 45% to 396), which includes the processing of historical stockpiled lower grade ore.

The Q2 2015 stripping ratio was 4.22 t/t compared with 4.36 t/t in Q2 2014 and compared with 1.51 t/t in Q1 2015. QoQ stripping ratio increased due to stripping of the Southwest Extension pit to access high recovery oxide ores in Q3 2015.

Relocated crusher complexes #2 and #1 were commissioned in April 2015 and June 2015 respectively. The construction of an additional heap leaching pad with the capacity of 5 Mt commenced in May 2015 with first ore being stacked in June 2015, construction completion is scheduled for Q3 2015.

The decision was taken to defer the 2015 exploration drilling programme at Aprelkovo to 2016 in an effort to focus funding on other short-term priorities.

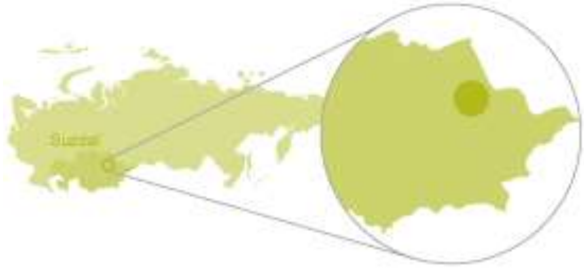
Financial and Operating Results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
LTIFR	4.21	0.00	n.a.	8.13	(48%)	6.20	0.00	n.a.
Run of mine, kt	1,589	3,001	(47%)	1,143	39%	2,732	5,834	(53%)
Waste mined, kt	1,284	2,441	(47%)	688	87%	1,971	4,872	(60%)
Ore mined, kt	305	560	(46%)	456	(33%)	760	962	(21%)
Stripping ratio, tn/tn	4.22	4.36	(3%)	1.51	179%	2.59	5.07	(49%)
Ore processed, kt	396	730	(46%)	273	45%	670	1,010	(34%)
Grade, g/t	1.21	1.20	1%	1.42	(15%)	1.30	1.20	8%
Recovery, %[18]	47.7	47.7	0.0 pp	47.7	0.0 pp	47.7	47.7	0.0 pp
Gold production, koz	4.6	7.4	(38%)	4.1	12%	8.7	12.7	(31%)
Gold sold, koz	4.9	7.4	(34%)	3.8	29%	8.6	12.8	(33%)
Average realised gold price per ounce sold, US$/oz	1,230	1,290	(5%)	1,180	4%	1,208	1,297	(7%)
Revenue, US$m	6.0	9.5	(37%)	4.4	36%	10.4	16.5	(37%)
EBITDA, US$m	1.9	1.0	94%	2.2	(15%)	4.1	2.0	101%
EBITDA margin, %	31.5	10.3	21.3 pp	49.9	(18.3pp)	39.3	12.3	27.0 pp
TCC, US$/oz	831	1,093	(24%)	581	43%	713	1,090	(35%)
AISC, US$/oz	1,014	1,188	(15%)	676	50%	854	1,161	(26%)

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

[18] Technical recovery rate. Actual recovery may differ due to seasonal effects.

Kazakhstan

Suzdal



Suzdal refined gold production in H1 2015 increased to 36.3 koz compared with 35.9 koz in H1 2014. The mine increased ore mined (up 5% YoY to 264 kt) and processed volumes (up 2% to 270 kt). The recovery increased by 1.6 pp YoY to 67.6% partially offset by lower average head grade (decreased to 6.23 g/t in H1 2015).

In Q2 2015, Suzdal produced 19.9 koz of refined gold, an increase of 21% compared with 16.4 koz in Q1 2015. The mine decreased refined gold output in Q2 2015 by 44% YoY due to the fact that Q2 2014 gold production included 20.1 koz of doré produced in Q1 2014, which was refined and sold during Q2 2014. The average head grade increased in Q2 2015 by 10% QoQ and 1% YoY to 6.55 g/t. The average head grade for the full year 2015 is expected at 6.52 g/t.

Due to a severe storm event on 14 June 2015, which cut power to the plant and resulted in turbo failure on the main back-up generator, BIOX reactors were left without air for 2.5 hours and all but one reactor completely lost activity. Grid power was restored to the plant within 3 days, but due to slow recovery of BIOX activity normal production levels were only achieved on 2 July 2015. Gold production for Q2 2015 was impacted by 2.2 koz as a result.

On-going plant improvement projects resulted in recovery increase of 2.4 pp QoQ to 68.9% in Q2 2015, approaching the targeted 70.0%. CCD automation upgrade was completed in late June 2015 during the power outage.

Development of the historical Ore body 4 continued in Q2 2015, ore development included 5,007 tonnes at 5.90 g/t that was stockpiled for future batch treatment.

A pilot hot-leach project was launched in March 2015, with design throughput being reached in May 2015, since then the project recovers approximately 5 kg of gold per month. Design of a full scale hot-leach project is on schedule for commissioning in Q3 2016.

Financial and Operating Results	Q2 2015	Q2 2014	Change, YoY	Q1 2015	Change, QoQ	H1 2015	H1 2014	Change, YoY
LTIFR	2.33	0.00	n.a.	6.79	(66%)	4.59	0.00	n.a.
Ore mined, kt	136	126	8%	128	6%	264	252	5%
Ore processed, kt	120	136	(12%)	150	(20%)	270	264	2%
Grade, g/t	6.55	6.50	1%	5.97	10%	6.23	6.84	(9%)
Recovery, %	68.9	63.7	5.2 pp	66.5	2.4 pp	67.6	66.0	1.6 pp
Gold production, koz[19]	19.9	35.5	(44%)	16.4	21%	36.3	35.9	1%
Gold sold, koz	19.8	35.5	(44%)	16.5	20%	36.3	35.8	1%
Average realised gold price per ounce sold, US$/oz	1,201	1,300	(8%)	1,187	1%	1,195	1,300	(8%)
Revenue, US$m [19]	23.8	46.1	(48%)	19.6	21%	43.4	46.5	(7%)
EBITDA, US$m [19]	8.8	22.0	(60%)	6.6	34%	15.4	18.8	(18%)
EBITDA margin, %	37.0	47.6	(10.6pp)	33.6	3.5 pp	35.5	40.5	(5.0pp)
TCC, US$/oz	802	629	27%	751	7%	778	709	10%
AISC, US$/oz	856	788	9%	828	3%	843	855	(1%)

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

[19] Suzdal's doré produced in Q1 2014 was refined and sold during Q2 2014 and therefore was accounted in Q2 2014 revenue and EBITDA.

Financial and Operating Results
Q2 and H1 2015

Telephone Conference and Q&A Session

Nikolai Zelenski, Chief Executive Officer of Nordgold, Dmitry Guzeev, Chief Financial Officer and Louw Smith, Chief Operating Officer will present the Company's financial results for Q2 and H1 2015 on a conference call to be held on September 1, 2015 at 1.30 pm London time (3.30 pm Moscow time). The presentation will be followed by a Q&A session. To participate in the telephone conference, please register in advance.

Registration Details

Conference Title: Nordgold's Presentation of Q2 and H1 2015 Financial Results

To participate in the telephone conference, please dial:

Great Britain
+44 (0) 203 043 2439
0808 238 1775

USA
+1 855 402 7761

Russia
+7 495 705 9472

Webcast
The presentation will be broadcast live over the Internet and will also be available as a recording after the conference.

To participate in the webcast please follow the link:

http://www.anywhereconference.com?UserAudioMode=DATA&Name=&Conference=135295759&PIN=416192

Materials

The Company's financial and operating results for the second quarter and six months ended June 30, 2015 will be available on the Company's official website: www.nordgold.com on August 28, 2015 and associated presentation materials on September 1, 2015.

Non-IFRS Financial Measures

This press release includes certain measures that are not measures defined by International Financial Reporting Standards (as adopted by the European Union) ("IFRS"). These measures are EBITDA and EBITDA margin, total cash costs, all-in sustaining cost and net debt, and they are used by the management of Nordgold to assess the Company's financial performance. However, these measures should not be used instead of or considered as alternatives to Nordgold's historical financial results based on IFRS. There are no generally accepted principles governing the calculation of these measures and the criteria upon which these measures are based can vary from company to company.

EBITDA and EBITDA Margin

Normalised EBITDA results from profit from operations adjusted for income tax expense, finance income and costs, depreciation and amortisation charges, impairment / (reversal of impairment) of non-current assets, the net result from the disposal of property, plant and equipment, equity remeasurement loss / (gain), social expenses and charity donations, and net gain on disposal of subsidiaries. Nordgold uses EBITDA in the reporting of its segments and in assessing its growth and operational efficiencies. The EBITDA margin is EBITDA as a percentage of sales.

Information regarding EBITDA and the EBITDA margin or similar measures is sometimes used by investors to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditures and working capital requirements.

EBITDA, by itself, does not provide a sufficient basis to compare Nordgold's performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity.

Total Cash Cost

Total cash costs measure what Nordgold considers to be the cash costs most relevant to its principal operations. Total cash cost is calculated by subtracting non-cash, central corporate and ancillary or exceptional operational costs (including depreciation and amortisation, provision for asset retirement obligations, allowance for slow-moving and obsolete inventories, corporate overheads, allowance for bad debts, unused employee vacation time and employee bonuses, change in finished goods and revenue of by-products) from cost of production, general and administrative expenses and taxes other than income tax.

All-In Sustaining Costs

All-in-sustaining cost ("AISC") stands for the costs related to sustaining production and is calculated as the amount of production cost (corrected for depreciation and amortisation), plus selling, general and administrative expenses and other cash operating result with addition of capital expenditure spent to sustain the production level. The latter includes maintenance capex on all the mines, exploration capex on operating mines and capitalised stripping together with underground development performed on operating mines.

Net Debt

In order to assess Nordgold's liquidity position, management uses a measure of net cash or debt, which is the sum of short- and long-term debt finance less cash and cash equivalents. Short-term and long-term debt includes loans and other credit facilities, accrued interest and bank overdrafts.

Capex

Capital expenditure ("capex") is the amount of additions to construction in progress ("CIP"), property, plant and equipment and intangible assets as disclosed in IFRS financial statements, adjusted for net change of advances paid for CIP and result of dismantling of fixed assets into materials.

Free cash flow

Free cash flow represents cash flows from operating activities less cash used for capital expenditure.

Enquiries

Nordgold

Valentina Bogomolova Head of IR	Cell: +7 916 474 5996 valentina.bogomolova@nordgold.com
Olga Ulyeva Head of Media Relations	Cell: +7 916 510 1411 olga.ulyeva@nordgold.com

Maitland

David Sturken James Devas	Tel: +44 (0)20 7379 5151

For further information on Nordgold please visit the Company's website - 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. The Company has expanded rapidly through carefully targeted acquisitions and organic growth, achieving a rate of growth unmatched in the industry during that period. In 2014, Nordgold's gold production increased to 985 koz from 924 koz in 2013.

The Company operates 9 mines and has 2 development projects, 4 advanced exploration projects and a diverse portfolio of early-stage exploration projects and licenses in Burkina Faso, Guinea, Russia, Kazakhstan, French Guiana and Canada. Nordgold employs more than 8,000 people.

Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this press release, including any information as to Nordgold's estimates, strategy, projects, plans, prospects, future outlook, anticipated events or results or future financial or operating performance and production may constitute "forward-looking information" within the meaning of applicable securities laws. All statements, other than statements of historical fact, constitute forward-looking information. Forward-looking information can often, but not always, be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "predicts", "potential", "continue" or "believes", or variations (including negative variations) of such words, or statements that certain actions, events or results "may", "could", "would", "should", "might", "potential to", or "will" be taken, occur or be achieved or other similar expressions concerning matters that are not historical facts. The purpose of forward-looking information is to provide the reader with information about management's expectations and plans. Readers are cautioned that forward-looking statements are not guarantees of future performance.

All forward-looking statements made or incorporated in this press release are qualified by these cautionary statements.

Forward-looking information involves significant risks, assumptions, uncertainties and other factors that may cause actual future realities or anticipated events to differ materially from those expressed or implied in any forward-looking information and, accordingly, should not be read as guarantees of future performance or realities. Material factors or assumptions that were applied in formulating the forward-looking information contained herein include the assumption that the business and economic conditions affecting Nordgold's operations will continue substantially in their current state, including, without limitation, with respect to industry conditions, general levels of economic activity, market prices for gold, competition for and scarcity of gold mine assets, achievement of anticipated mineral reserve and mineral resource tonnages or grades, ability to develop additional mineral reserves, acquisition of funding for capital expenditures, adequacy and availability of production, processing and product delivery infrastructure, electricity costs, continuity and availability of personnel and third party service providers, local and international laws and regulations, foreign currency exchange rates and interest rates, inflation, taxes, and that there will be no unplanned material changes to Nordgold's facilities, equipment, customer and employee relations and credit arrangements. Nordgold cautions that the foregoing list of material factors and assumptions is not exhaustive. Many of these assumptions are based on factors and events that are not within the control of Nordgold and there is no assurance that they will prove correct. The risks and other factors that may cause actual future realities or anticipated events to differ materially from those expressed or implied in any forward-looking information include, but are not limited to Nordgold's ability to execute its development and exploration programs; the financial and operational performance of Nordgold; civil disturbance, armed conflict or security issues at the mineral projects of Nordgold; political factors; the capital requirements associated with operations; dependence on key personnel; compliance with environmental regulations; estimated production; and competition.

Actual performance or achievement could differ materially from that expressed in, or implied by, any forward-looking information in this press release and, accordingly, investors should not place undue reliance on any such forward-looking information. Further, any forward-looking information speaks only as of the date on which such statement is made, and Nordgold does not undertake any obligation to update any forward-looking information to reflect information, events, results, circumstances or realities after the date on which such statement is made or to reflect the occurrence of unanticipated events, except as required by applicable securities laws. All forward-looking information contained in this press release is qualified by such cautionary statements. New risk factors 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.

Financial and Operating Results

Q2 and H1 2015

Nord Gold N.V.

Interim Condensed Consolidated Financial Statements as at and for the Six Months Ended 30 June 2015

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NORD GOLD N.V.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The following statement is made with a view to confirm the responsibilities of the Directors in relation to the interim condensed consolidated financial statements of Nord Gold N.V. and its subsidiaries (the "Group").

The Directors are responsible for the preparation of the interim condensed consolidated financial statements that present fairly the consolidated financial position of the Group as at 30 June 2015, and financial performance, cash flows and changes in equity for the six months then ended, in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34").

In preparing the interim condensed consolidated financial statements, Directors are responsible for:

- Selecting suitable accounting principles and applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Stating whether IAS 34 has been followed, subject to any material departures disclosed and explained in the interim condensed consolidated financial statements; and
- Preparing the interim condensed consolidated financial statements on a going concern basis, unless it is inappropriate to presume that the Group will continue in business for the foreseeable future.

The Directors are also responsible for:

- Designing, implementing and maintaining an effective system of internal controls, throughout the Group;
- Maintaining statutory accounting records in compliance with the legislation and accounting standards in the jurisdictions in which the Group operates;
- Taking steps to safeguard the assets of the Group; and
- Detecting and preventing fraud and other irregularities.

The Board of Directors hereby declares that, to the best of their knowledge the semi-annual report ("Interim Condensed Consolidated Financial Statements") for the six months ended 30 June 2015, which have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union, gives a true and fair view of the assets, liabilities, financial position, and profit and loss of the Company, and the undertakings included in the consolidation taken as a whole, and the semi-annual management report ("Financial and Operating Results Q2 and H1 2015") for the six months period ended 30 June 2015 gives a fair view of the information required pursuant to section 5:25d paragraph 8 and 9 of the Dutch Financial Markets Supervision Act ("Wet op het financieel toezicht").

The interim condensed consolidated financial statements for the six months ended 30 June 2015 were approved on 28 August 2015 on behalf of the Board of Directors by:

Zelensky N.G.
Chief Executive Officer

Guzeev D.V.
Chief Financial Officer

Deloitte Accountants B.V.
Wilhelminakade 1
3072 AP Rotterdam
P.O.Box 2031
3000 CA Rotterdam
Netherlands

Tel: +31 (0)88 288 2888
Fax: +31 (0)88 288 9929
www.deloitte.nl

Review report

To: the shareholders of Nord Gold N.V.

Introduction

We have reviewed the accompanying interim condensed consolidated financial information of Nord Gold N.V., Amsterdam, which comprises the statement of financial position as at 30 June 2015, the statements of profit or loss, profit or loss and other comprehensive income, changes in equity, and cash flows for the period of six months ended 30 June 2015, and the notes. Management is responsible for the preparation and presentation of this consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information as at 30 June 2015 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Rotterdam, August 28, 2015
Deloitte Accountants B.V.

K.G. Auw Yang

NORD GOLD N.V.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (UNAUDITED)
(Amounts in thousands of US dollars, except as otherwise stated)

		Six months ended 30 June		Three months ended 30 June	
		2015	**2014**	**2015**	**2014**
Sales	4	640 337	617 017	289 000	342 121
Cost of sales		(394 513)	(422 841)	(181 147)	(220 641)
Gross profit		**245 824**	**194 176**	**107 853**	**121 480**
General and administrative expenses	5	(25 221)	(33 355)	(12 600)	(16 054)
Impairment of non-current assets		(8 574)	(15 638)	(8 575)	(15 023)
Other operating (expenses)/income, net		766	(1 323)	3 224	(3 108)
Profit from operations		**212 795**	**143 860**	**89 902**	**87 295**
Finance income	6	4 502	1 269	1 988	644
Finance costs	6	(39 684)	(53 810)	(19 138)	(24 742)
Profit before income tax		**177 613**	**91 319**	**72 752**	**63 197**
Income tax expense	7	(42 934)	(17 651)	(22 333)	(14 130)
Profit for the period		**134 679**	**73 668**	**50 419**	**49 067**
Attributable to:					
Shareholders of the Company		125 379	64 296	47 217	45 030
Non-controlling interests		9 300	9 372	3 202	4 037
Weighted average number of shares outstanding during the period (millions of shares) – basic and diluted	8	379.536	378.122	378.091	378.122
Earnings per share					
Basic and diluted earnings per share (US dollars)	8	0.33	0.17	0.12	0.12

NORD GOLD N.V.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2015 (UNAUDITED)

(Amounts in thousands of US dollars, except as otherwise stated)

	Six months ended 30 June		Three months ended 30 June	
	2015	**2014**	**2015**	**2014**
Profit for the period	**134 679**	**73 668**	**50 419**	**49 067**
Items that may be reclassified subsequently to profit or loss:				
Foreign exchange differences	(39 454)	(40 916)	31 458	39 811
Change in fair value of cash flow hedges	-	2 372	-	-
Revaluation of available-for-sale financial assets	11 952	31 288	8 938	13 987
Deferred tax on revaluation of available-for-sale financial assets	(1 644)	(3 958)	(1 208)	(1 884)
Other comprehensive (loss)/income for the period, net of tax	**(29 146)**	**(11 214)**	**39 188**	**51 914**
Total comprehensive income for the period	**105 533**	**62 454**	**89 607**	**100 981**
Attributable to:				
Shareholders of the Company	99 764	54 651	84 720	94 936
Non-controlling interests	5 769	7 803	4 887	6 045

NORD GOLD N.V.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015 (UNAUDITED)

(Amounts in thousands of US dollars, except as otherwise stated)

	Note	30 June 2015	31 December 2014
ASSETS			
Current assets			
Cash and cash equivalents		243 071	127 692
Short-term deposits		156 252	190 175
Accounts receivable		28 564	34 103
Inventories		308 147	326 858
VAT receivable		43 927	46 507
Income tax receivable		8 681	4 345
Total current assets		**788 642**	**729 680**
Non-current assets			
Property, plant and equipment	10	651 298	672 607
Intangible assets		679 345	707 570
Long-term financial investments	12	59 261	47 020
Investments in joint venture and associate		6 237	2 663
Restricted cash		8 958	8 170
Deferred tax assets		20 652	21 739
Other non-current assets		62 163	56 302
Total non-current assets		**1 487 914**	**1 516 071**
TOTAL ASSETS		**2 276 556**	**2 245 751**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term borrowings	11	4 936	4 851
Accounts payable		142 203	172 287
Income tax payable		17 463	17 869
Provisions		3 703	7 556
Total current liabilities		**168 305**	**202 563**
Non-current liabilities			
Long-term borrowings	11	938 993	939 531
Provisions		54 018	52 714
Deferred tax liabilities		45 809	39 094
Other non-current liabilities		9 542	10 657
Total non-current liabilities		**1 048 362**	**1 041 996**
Total liabilities		**1 216 667**	**1 244 559**
Equity	8		
Share capital		1 296 383	1 315 951
Treasury shares		(1 038)	-
Additional paid-in capital		881 053	894 352
Foreign exchange differences		(471 585)	(435 662)
Accumulated losses		(733 396)	(846 670)
Revaluation reserve		23 383	13 075
Total equity attributable to shareholders of the Company		**994 800**	**941 046**
Non-controlling interests		65 089	60 146
Total equity		**1 059 889**	**1 001 192**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2 276 556**	**2 245 751**

NORD GOLD N.V.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (UNAUDITED)
(Amounts in thousands of US dollars, except as otherwise stated)

	Six months ended 30 June	
	2015	**2014**
Operating activities		
Profit for the period	**134 679**	**73 668**
Adjustments for non-cash movements:		
Finance income	(4 502)	(1 269)
Finance costs	39 684	53 810
Income tax expense	42 934	17 651
Depreciation and amortisation	109 831	98 560
Impairment of non-current assets	8 574	15 638
Utilization of impairment of work-in-progress	-	(13 783)
Net loss from joint ventures	-	2 909
Loss on disposal of property, plant and equipment	1 630	(957)
Movements in provisions for inventories, receivables and other provisions	(173)	1 349
	332 657	**247 576**
Changes in operating assets and liabilities:		
Accounts receivable	(652)	276
Inventories	1 429	1 674
VAT recoverable	(7 265)	(10 887)
Accounts payable	(11 404)	(23 764)
Other changes in operating assets and liabilities, net	2 454	(5 985)
Cash flows from operations	**317 219**	**208 890**
Interest paid	(23 630)	(28 162)
Income taxes paid	(41 454)	(46 995)
Cash generated from operating activities	**252 135**	**133 733**
Investing activities		
Acquisition of property, plant and equipment	(93 964)	(50 529)
Acquisition of exploration and evaluation assets	(16 960)	(10 598)
Proceeds from short-term deposits	34 000	-
Interest received	3 527	599
Acquisition of associate	(3 574)	-
Purchase of financial investments	(2 290)	(12 401)
Other movements	(2 965)	81
Cash used in investing activities	**(82 226)**	**(72 848)**
Financing activities		
Proceeds from borrowings	-	500 229
Repayment of borrowings	(1 800)	(474 056)
Dividends paid	(28 774)	(10 934)
GDRs buyback	(16 876)	-
Finance and equity transaction costs paid	-	(7 500)
Other movements	(947)	(802)
Cash (used in) / generated from financing activities	**(48 397)**	**6 937**
Net increase in cash and cash equivalents	**121 512**	**67 822**
Cash and cash equivalents at beginning of the period	127 692	244 042
Effect of exchange rate fluctuations on cash and cash equivalents	(6 133)	(4 949)
Cash and cash equivalents at end of the period	**243 071**	**306 915**

NORD GOLD N.V.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2015 (UNAUDITED)
(Amounts in thousands of US dollars, except as otherwise stated)

	Attributable to the shareholders of the Company								
	Share capital	**Treasury shares**	**Additional paid-in capital**	**Foreign exchange differences**	**Accumulated losses**	**Revaluation reserve**	**Total**	**Non-controlling interests**	**Total**
Balance at 1 January 2014	**1 307 121**	**-**	**894 352**	**(114 152)**	**(912 439)**	**(2 759)**	**1 172 123**	**78 474**	**1 250 597**
Profit for the period	-	-	-	-	64 296	-	64 296	9 372	73 668
Other comprehensive (loss) / income for the period, net of tax	-	-	-	(39 347)	-	29 702	(9 645)	(1 569)	(11 214)
Total comprehensive income for the period							54 651	7 803	62 454
Dividends	-	-	-	-	(10 977)	-	(10 977)	(1 437)	(12 414)
Balance at 30 June 2014	**1 307 121**	**-**	**894 352**	**(153 499)**	**(859 120)**	**26 943**	**1 215 797**	**84 840**	**1 300 637**
Balance at 1 January 2015	**1 315 951**	**-**	**894 352**	**(435 662)**	**(846 670)**	**13 075**	**941 046**	**60 146**	**1 001 192**
Profit for the period	-	-	-	-	125 379	-	125 379	9 300	134 679
Other comprehensive (loss)/income for the period, net of tax	-	-	-	(35 923)	-	10 308	(25 615)	(3 531)	(29 146)
Total comprehensive income for the period							99 764	5 769	105 533
GDRs buyback	-	(16 910)	-	-	-	-	(16 910)	-	(16 910)
Treasury shares cancelation	(19 568)	15 872	(13 299)	-	16 995	-	-	-	-
Dividends	-	-	-	-	(29 100)	-	(29 100)	(826)	(29 926)
Balance at 30 June 2015	**1 296 383**	**(1 038)**	**881 053**	**(471 585)**	**(733 396)**	**23 383**	**994 800**	**65 089**	**1 059 889**

1. OPERATIONS

Nord Gold N.V. (the “Company”) is a Dutch public limited liability company as defined in the Netherlands Civil Code. The Company’s registered office is Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam Zuidoost, the Netherlands.

As at 30 June 2015 and 31 December 2014, the immediate parent company of the Company Ocean Management S.A.R.L. (“the Parent Company”), registered in the Luxembourg. The controlling shareholder of the Company as at 30 June 2015 and 31 December 2014 was Mr. Alexey A. Mordashov.

The principal activity of the Company and its subsidiaries (together referred to as the “Group”) is the extraction, refining and sale of gold. Mining and processing facilities are located in Burkina Faso, Guinea, the Republics of Buryatia and Yakutia and the Amur and Transbaikal regions of the Russian Federation and in Kazakhstan.

2. BASIS FOR PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. These interim condensed consolidated financial statements are not the statutory financial statements, and are unaudited.

The interim condensed consolidated financial statements do not include all of the information required in the annual financial statements. The Group omitted disclosures which would substantially duplicate the information contained in its audited annual consolidated financial statements for the year ended 31 December 2014 prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted in the European Union (“IFRSs EU”), such as full set of accounting policies and details of accounts which have not changed significantly. The Group has disclosed significant events occurred during six months ended 30 June 2015. Management believes that disclosures provided in these interim condensed consolidated financial statements are adequate to make the information presented not misleading if these interim condensed consolidated financial statements are read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2014.

Significant accounting policies

The accounting policies applied by the Group in these interim condensed consolidated financial statements are the same as those applied by the Group in its annual consolidated financial statements for the year ended 31 December 2014.

Critical accounting judgments, estimates and assumptions

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were consistent with those that were applied in the Group’s annual consolidated financial statements for the year ended 31 December 2014.

Renewal of licenses

The Group’s geological research licenses with a carrying value of US$ 14 million, primarily in Burkina Faso fields, were partially expired or near expiry term as at 30 June 2015. Management is in the process of applying for renewal of these licenses and, based on the historical experience of renewal of the licenses in Burkina Faso, assessed the probability of the renewal as high.

The consolidated financial statements of the Group have been prepared based on management's expectation that all geological licenses will be renewed. If management is unsuccessful in renewal the licenses, it may lead to an additional impairment charge.

Financial risk management

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities.

The Directors monitor compliance with the Group's risk management policies and procedures and regularly review the adequacy of the risk management framework.

There has been no material changes in the risk profile compared to the risk management disclosed in the 2014 integrated report.

3. SEGMENT REPORTING

The Group has nine reportable segments, as described below, representing the strategic business units. Each strategic business unit is managed separately with relevant results regularly reviewed by the Group's CEO. The following summary describes the operations of each reportable segment:

- *Neryungri and Aprelkovo.* The segment includes gold mining activities in the Republic of Yakutia and the Chitinskaya region of the Russian Federation, including open-pit operating mines with the heap-leaching technology for gold processing Tabornoye and Pogromnoye and Gross gold development project.
- *Suzdal and Balazhal.* Includes the Suzdal underground gold mine located in Kazakhstan with the flotation, bio-oxidation and carbon-in-leach ("CIL") technology for gold processing and the Balazhal gold deposit in Kazakhstan.
- *Buryatzoloto.* Includes two underground gold mines located in the Republic of Buryatia of the Russian Federation: Zun-Holba with the gravity, flotation and carbon-in-pulp ("CIP") technology for gold processing and Irokinda with gravity and flotation technology for gold processing.
- *Berezitovy*. An open-pit gold mine located in the Amur region of the Russian Federation with the CIP technology for gold processing.
- *Taparko.* An open-pit gold mine located in Burkina Faso, West Africa with the CIL technology for gold processing.
- *Lefa.* Includes the Lefa open-pit gold mine located in Guinea, West Africa with the CIP technology for gold processing.
- *Bissa.* An open-pit gold mine located in Burkina Faso, West Africa with the CIL technology for gold processing.
- *Burkina Faso Greenfields.* Includes a number of gold deposits at exploration and evaluation stage located in Burkina Faso, West Africa.
- *Russian Greenfields.* Includes a number of gold deposits at exploration and evaluation stage located in the Russian Federation.

Operations of the holding company and subsidiaries involved in non-core activities are disclosed as "Other companies", none of which meet the criteria for separate reporting.

The Group's CEO uses normalised EBITDA in assessing each segment's performance and allocating resources. Normalised EBITDA represents profit for the period adjusted to exclude income tax expense, finance income, finance costs, depreciation and amortisation, impairment of non-current assets, net loss on disposal of property, plant and equipment, impairment of work-in progress, and other (expenses)/income, net.

Business segment assets and liabilities are not reviewed by the CODM and therefore are not disclosed in these consolidated financial statements.

(Amounts in thousands of US dollars, except as otherwise stated)

Segment financial performance

The following is an analysis of the Group's sales and normalised EBITDA by segment:

	Six months ended 30 June		Three months ended 30 June	
	2015	**2014**	**2015**	**2014**
Sales				
Neryungri and Aprelkovo	53 167	53 609	25 941	30 880
Suzdal and Balazhal	43 373	46 531	23 757	46 092
Buryatzoloto	80 651	71 946	34 922	39 273
Berezitovy	85 936	76 847	37 825	41 215
Taparko	59 305	82 202	24 280	39 451
Lefa	153 683	111 907	70 100	60 159
Bissa	164 222	173 975	72 175	85 051
Total	**640 337**	**617 017**	**289 000**	**342 121**

	Six months ended 30 June		Three months ended 30 June	
	2015	**2014**	**2015**	**2014**
Normalised EBITDA by segment				
Neryungri and Aprelkovo	26 484	12 732	11 074	5 683
Suzdal and Balazhal	15 316	18 731	8 732	21 927
Buryatzoloto	37 822	23 539	14 838	15 162
Berezitovy	52 439	36 277	23 064	20 125
Taparko	25 256	37 158	11 734	15 202
Lefa	79 939	23 535	36 371	19 144
Bissa	105 083	110 029	46 264	53 065
Burkina Faso Greenfields	(121)	(181)	(80)	(74)
Russian Greenfields	22	(151)	23	-
Normalised EBITDA of other companies	(10 212)	(16 857)	(5 406)	(8 895)
Total	**332 028**	**244 812**	**146 614**	**141 339**

(Amounts in thousands of US dollars, except as otherwise stated)

The reconciliation of profit for the period to normalised EBITDA:

	Six months ended 30 June		Three months ended 30 June	
	2015	2014	2015	2014
Profit for the period	134 679	73 668	50 419	49 067
Income tax expense	42 934	17 651	22 333	14 130
Finance income	(4 502)	(1 269)	(1 988)	(644)
Finance costs	39 684	53 810	19 138	24 742
Depreciation and amortisation	109 831	98 560	47 706	52 030
Impairment of tangible and intangible assets	8 574	15 638	8 574	15 023
Net loss/(income) on disposal of property, plant and equipment	1 630	(957)	1 543	(1 110)
Utilisation of impairment of work-in-progress recognised in cost of sales	-	(13 783)	-	(13 783)
Other (income)/expenses	(802)	1 494	(1 111)	1 884
Normalised EBITDA for the period	**332 028**	**244 812**	**146 614**	**141 339**

4. SALES

	Six months ended 30 June		Three months ended 30 June	
	2015	2014	2015	2014
By product				
Gold	636 896	613 271	287 325	340 038
Silver	3 441	3 746	1 675	2 083
Total	**640 337**	**617 017**	**289 000**	**342 121**

	Six months ended 30 June		Three months ended 30 June	
	2015	2014	2015	2014
By customer				
Switzerland: Metalor Technologies S.A.	223 526	256 616	96 454	124 503
Switzerland: MKS Finance S.A.	153 683	111 907	70 100	60 159
Russia: VTB	125 310	122 939	61 582	87 307
Russia: NOMOS bank	91 090	88 495	40 912	48 766
Russia: Sberbank	42 729	37 060	19 952	21 386
Kazakhstan: Tau-Ken Altyn	3 999	-	-	
Total	**640 337**	**617 017**	**289 000**	**342 121**

5. GENERAL AND ADMINISTRATIVE EXPENSES

	Six months ended 30 June		Three months ended 30 June	
	2015	2014	2015	2014
Wages and salaries	13 458	19 743	6 556	9 099
Professional services	6 794	9 431	3 491	4 681
Depreciation and amortisation	3 456	1 225	2 018	737
Other expenses	1 513	2 956	535	1 537
Total	**25 221**	**33 355**	**12 600**	**16 054**

For the six months ended 30 June 2015 key management’s remuneration, representing short-term employee benefits, amounted to US$ 2.9 million (six months ended 30 June 2014: US$ 4.3 million).

(Amounts in thousands of US dollars, except as otherwise stated)

6. FINANCE INCOME AND COSTS

	Six months ended 30 June		Three months ended 30 June	
	2015	**2014**	**2015**	**2014**
Finance income				
Interest income	4 502	1 269	1 988	644
Total	**4 502**	**1 269**	**1 988**	**644**
Finance costs				
Interest expenses	(24 018)	(27 722)	(12 187)	(12 795)
Foreign exchange loss	(11 141)	(12 841)	(5 091)	(8 117)
Other	(4 525)	(13 247)	(1 860)	(3 830)
Total	**(39 684)**	**(53 810)**	**(19 138)**	**(24 742)**

During the six months ended 30 June 2015 other finance costs include US$ 1.5 million of royalties related to Bissa operations.

During the six months ended 30 June 2014 other finance costs include US$ 7.1 million of costs related to the discontinuance of hedge accounting and $US 2.2 million of royalties related to Bissa operations.

7. INCOME TAX

Income tax is accrued based on the estimated average annual effective income tax rate of 24.2% (2014: 19.3%). The increase of the effective tax rate during the six months ended 30 June 2015 resulted primarily from the increase of Lefa’s share in profit before income tax, which is subject to tax rate of 30%.

8. EARNINGS PER SHARE

Basic earnings per share for the six months ended 30 June 2015 were based on the profit attributable to shareholders of the Company of US$ 125.4 million (six months ended 30 June 2014: US$ 64.3 million) and a weighted average number of outstanding ordinary shares of 379.5 million (30 June 2014: 378.1 million), calculated as per below (in million of shares):

	Issued shares	Weighted average number of shares
1 January 2014	**378.122**	**378.122**
30 June 2014		**378.122**
1 January 2015	**380.998**	**380.998**
Shares cancelled in April 2015	(2.958)	(1.144)
Shares cancelled in May 2015	(1.516)	(0.285)
Shares cancelled in June 2015	(1.191)	(0.033)
30 June 2015		**379.536**

In February 2015, the Board of Directors of Nordgold approved a share and GDR buyback programme for up to 19,000,000 shares/GDRs to a maximum total amount of US$30 million at a price of up to US$4 per share/GDR. The buyback programme will end as soon as the aggregate purchase price of the shares/GDRs acquired by the Company has reached the amount of US$30 million or ultimately, by 31 December 2015. Following the withdrawal from the GDR programme of the shares underlying the GDRs, the Company intends to cancel the shares. Since the announcement of the buyback programme through 30 June 2015 the Company has purchased a total of 6,036,730 GDRs for the total amount of US$16.9 million. 5,665,501 of purchased GDRs were cancelled during second quarter of 2015.

(Amounts in thousands of US dollars, except as otherwise stated)

9. RELATED PARTY TRANSACTIONS AND BALANCES

Transactions with entities under common control were the following:

	Six months ended 30 June		Three months ended 30 June	
	2015	**2014**	**2015**	**2014**
Operating expenses	887	1 786	573	687
Capital expenditures	87	7 080	4	7 070

As at 30 June 2015, balances with entities under common control included accounts payable of US$ 1.9 million (31 December 2014: US$ 4.1 million), which are to be settled in cash.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2015, the Group acquired items of property, plant and equipment for US$ 79 394 thousand (six months ended 30 June 2014: US$ 47 863 thousand).

11. BORROWINGS

	30 June 2015	31 December 2014
Short-term borrowings		
Accrued interest	4 936	4 851
Total	**4 936**	**4 851**

	30 June 2015	31 December 2014
Long-term borrowings		
Notes and bonds issued	448 000	450 000
Bank loans	500 000	500 000
Unamortised balance of transaction costs	(9 007)	(10 469)
Total	**938 993**	**939 531**

In May 2013, the Company issued US$ 500 million unsecured notes. The notes are denominated in US Dollars, mature in May 2018, and bear interest of 6.375% per annum payable semi-annually in May and November, commencing November 2013. The notes are unconditionally and irrevocably guaranteed by certain Group subsidiaries.

During 2014, the Company repurchased US$ 50 million of the notes in the open-market for the total consideration of US$ 46.4 million. The resulting gain of US$ 3.6 million was recognised as finance income. During six months ended 30 June 2015, the Company repurchased US$ 2 million of the notes in the open-market for the total consideration of US$ 1.8 million. The resulting gain of US$ 0.2 million was recognised as finance income.

As at 30 June 2015, bank loans were represented by the loan facility from Sberbank, which was secured by the Group's subsidiaries shares:

- 75% of the Group's ownership in Bissa Gold S.A., securing not more than US$ 10 million of the liability;
- 75% of the Group's ownership in Societe des Mines de Taparko, securing not more than US$ 10 million of the liability;
- 75% of the Group's ownership in LLC Berezitovy Rudnik;
- 75% of the Group's ownership in OJSC Buryatzoloto;
- 100% of the Group's ownership in High River Gold Mines (West Africa) Ltd.;
- 100% of the Group's ownership in Jilbey Burkina SARL, securing not more than US$ 10 million of the liability.

The carrying value of the pledged entities' net assets amounted to US$ 860.4 million.

The fair value of debt instruments approximated their carrying value at 30 June 2015, except for the fair value of notes which had a market value of US$ 443.8 million (31 December 2014: US$ 380.3 million).

12. LONG-TERM FINANCIAL INVESTMENTS

As at 30 June 2015, the Group's long-term financial investments included the following:

- 1.8% equity interest in Detour Gold Corporation, valued at US$ 35.6 million (31 December 2014: 2.0% valued at US$ 25.3 million) held by the Group's Canadian subsidiary;
- US$ 18.0 million of advances paid to Columbus Gold Corporation (31 December 2014: US$ 16.2 million) for the bankable feasibility study, as a requirement of the Option agreement to acquire 50.01% stake in Montagne d'Or gold mining project in French Guiana. Nord Gold may earn the option by completing a bankable feasibility study and by expending not less than US$ 30 million in 2 years in staged work expenditures;
- Other individually immaterial investments of US$ 5.6 million (31 December 2014: US$ 5.5 million) represented by a number of holdings in gold exploration and mining companies.

13. COMMITMENTS AND CONTINGENCIES

Capital commitments

As at 30 June 2015, the Group had contractual capital commitments of US$ 33.5 million (31 December 2014: US$ 11.2 million).

Operating environment

Starting from March 2014, sanctions have been imposed by the U.S. and E.U. on certain Russian officials, businessmen and companies.

In December 2014, the Central Bank of the Russian Federation significantly increased its key interest rate, which resulted in growth of interest rates on domestic borrowings. International credit agencies downgraded Russia's long-term foreign currency sovereign rating with a negative outlook.

During 2015 the economic situation is more stable, although the above mentioned events have led to reduced access of the Russian businesses to international capital markets, increased inflation, slackening of the economic growth rates and other negative economic consequences. The impact of further economic developments on future operations and financial position of the Group's Russian subsidiaries is difficult to determine at this stage. No impact is expected on the Group's subsidiaries located in other countries.

Legal proceedings

The Group entities are currently and may be from time to time involved in a number of legal proceedings, including inquiries from and discussions with governmental authorities, that are incidental to their operations. Some of the current proceedings related to taxation are discussed below. However the Group is not currently involved in any legal proceedings which may have a significant effect on the financial position or profitability of the Group.

Tax contingencies

The taxation system and regulatory environment of the Russian Federation, Kazakhstan, Burkina Faso and Guinea are relatively new and characterised by frequently changing legislation, which is often unclear, contradictory and subject to varying interpretations between the differing regulatory authorities and jurisdictions. Events during recent years suggest that the regulatory authorities within these countries are adopting a more assertive stance regarding the interpretation and enforcement of legislation. This situation creates substantial tax and regulatory risks.

Russian Federation

At 30 June 2015, management assessed total amount of potential claims from Russian tax authorities at US$ 21.4 million, including mineral extraction tax at US$ 13.6 million and income tax at US$ 5.2 million.

Burkina Faso

The total amount of various tax and legal risks of Group's entities located in Burkina Faso, which may lead to negative consequences, is estimated at US$ 5.3 million.

Guinea

The total amount of tax risks of Société Minière de Dinguiraye ("SMD") located in Guinea, which may lead to negative consequences, is estimated at US$ 3.7 million.

In September 2011, the Republic of Guinea issued a new mining code which is intended to repeal and replace the existing mining code.

The government has begun applying the provisions of the new code and has indicated that re-negotiation of existing mining concessions and increased economic interest in existing mining companies may be appropriate. The new code entitles the Republic of Guinea to a free 15% interest in the share capital of a company to which it has granted title and the right to acquire an additional 20% in the share capital of the mining company on terms to be negotiated with each company. The new code also includes a new fiscal and customs regime applicable to mining activities and provides for the renegotiation of existing mining concessions.

Given the uncertainty as to the application and interpretation of the new mining code, its impact on to the Group's ownership of SMD to the mining concession itself and to the Group's activities in Guinea and the introduction of the new fiscal and customs regime, there can be no assurance that the actions of the Government of Guinea, or the impact of the new legislation, will not have a significant negative impact on the Group's ownership interest in SMD, or result in an increase in taxation or the costs of doing business in Guinea, any of which could have a material adverse effect on the Group's business, results of operations and financial condition.

Other jurisdictions

Guinor, a subsidiary of the Group, which is a Canadian tax resident, is exposed to tax risks up to US$ 9.5 million. Management assesses the probability of unfavourable outcome of this risk as possible.

14. EVENTS AFTER THE REPORTING PERIOD

According to the buyback programme (see Note 8), from 1 July 2015 until the date of authorization of the interim condensed consolidated financial statements the Company has purchased 1,819,883 GRDs for the total amount of US$5.5 million.

In July 2015, 882,859 GDRs, which were purchased in the course of the share buyback programme, has been withdrawn from the GDR programme and the treasury shares representing such GDRs were cancelled. As a result, the share capital of the Company reduced to US$1,293.3 million.