

## **Nordgold Enters into a Binding Letter of Intent with Columbus Gold Corp. to Acquire 50.01% of Montagne d'Or Deposit in French Guiana**

- Montagne d'Or deposit fits Nordgold's greenfield project criteria:
  - Significant resource for open pit mining with upside potential
  - High grade non-refractory ores
  - Key infrastructure already in place to pursue rapid development
- Provides entry into highly prospective and underexplored region of Guiana Gold Belt
- Columbus Gold is a strong local partner with significant operational experience in French Guiana

**Amsterdam, Netherlands, September 18, 2013** – Nord Gold N.V. ("Nordgold" or the "Company", LSE: NORD), the internationally diversified, pure-play gold producer strategically focused on emerging markets, is pleased to announce that it has entered into a binding letter of intent (the "Agreement") with Columbus Gold Corp. (CGT: TSX-V) ("Columbus Gold") under which Columbus Gold has granted Nordgold the exclusive right to earn a 50.01% interest in certain licences at Columbus Gold's 100%-owned Paul Isnard project. Paul Isnard contains inferred gold resources of 4.15 million ounces at 2.22 g/t Au in the Montagne d'Or deposit ("the Project") in French Guiana.

As part of the Agreement, Nordgold can earn a 50.01% interest in the Project by completing a bankable feasibility study (the "BFS") and by spending not less than US\$30 million over three years ("the Option Period") in staged work expenditures ("Property Expenditures"), which includes a requirement for Nordgold to pay Columbus Gold US\$4.2 million in cash no later than May 21, 2014. The US\$4.2 million payment is due in consideration of Columbus Gold purchasing an underlying royalty on the Project. During the Option Period, Columbus Gold will act as operator on the Project and charge a 10% management fee on certain expenditures.

With the exception of the mandatory US\$4.2 million payment, all expenditure requirements are optional and the Agreement does not impose upon Nordgold any obligation to perform any act hereunder, including without limitation making any Property Expenditures. The parties have not created a partnership.

The Agreement is subject to several conditions that must be satisfied on or before January 31, 2014, including obtaining the consent of underlying royalty holders and the approval of the TSX Venture Exchange.

### **Rationale for the Acquisition:**

- Participation in the Project is another step in the implementation of Nordgold's strategy to expand our portfolio through the development of high quality projects to deliver long term growth and value to shareholders.
- Montagne d'Or fits Nordgold's criteria for greenfield projects:
  - Significant resource for open pit mining with upside potential.
  - High grade non-refractory ores amenable to simple metallurgy.
  - Key infrastructure already in place to pursue rapid development. Qualified labor is also available.
- The deal provides an opportunity for Nordgold to enter an underexplored and highly prospective region with multiple styles and types of gold mineralisations in a country with a stable political regime and a willingness to engage with international companies and assist foreign investment.
- The Project is located within the Guiana Gold Belt. The mineral deposits of the Guiana Gold Belt are very similar to those in other greenstone terrains such as in West Africa. This will enable Nordgold to apply its deep knowledge of West African geology to the Project and other projects in the region. Columbus Gold, with its many years of operational experience in French Guiana and unique local knowledge will serve as a strong partner in the advancement of the Project.

**Nikolai Zelenski, Chief Executive Officer of Nordgold, said:**

"Today, there are very few high quality development projects available to gold companies worldwide. I believe Montagne d'Or exhibits all the characteristics necessary to become one, and we are pleased to have an opportunity to develop it together with Columbus Gold. I am confident that our extensive experience of operating in four diverse countries, strong track record of developing new reserves and building mines, and our experienced management team will ensure a successful implementation of the Project".

### **Location, Access and Infrastructure**

The 4.15 million ounce Montagne d'Or gold deposit is located in north-west French Guiana, 180 kilometers west of the capital, Cayenne, and 80 kilometres south of the department capital, Saint-Laurent-du-Maroni. The Project is accessible via a 120 kilometre all-season forest road from the town of Saint-Laurent-du-Maroni, where the port of St. Laurent is located, or by small aircraft to the Project's base camp. Several roads traverse the mining concessions providing truck access. The full service camp can accommodate 65 people.

### **Resources, Mineralisation & Metallurgy**

- Columbus Gold recently completed a Phase I drilling program that consisted of 15,824 metres in 45 core holes at the Montagne d'Or gold deposit.
- Estimated Inferred Mineral Resources for the Montagne d'Or Deposit were produced using the drill hole data available as of November 23, 2012 in accordance with National Instrument 43-101 ("NI 43-101") standards.
- At a cut-off of 0.3 grams per tonne gold (g/t Au), Inferred Mineral Resources are estimated to total 117.1 million tonnes of ore at 1.43 g/t Au. (5.37 million ounces). At a cut-off of 1.0 g/t Au, Inferred Mineral Resources are estimated to total 58.1 million tonnes at 2.22 g/t Au (4.15 million ounces), representing an increase of 184% from the previous inferred resource estimate.
- Preliminary metallurgical testing indicates +85% gold recoveries by gravity, flotation and cyanidation (the tests were conducted in 2008, but not by Columbus Gold). Nordgold intends to conduct intensive metallurgical tests to determine the optimum flowsheet and technologies for the production of gold Dore.
- Mineralisation consists of semi-massive sulphide bands, stringers and dissemination of probable volcanic origin. Visible gold is rarely observed and preliminary mineralogical work suggests that it occurs along microfractures and on sulphide grain boundaries. Mineral deposits are typical of those in other greenstone terrains such as in Canada, Australia and West Africa. Potential future mining will be by open pit.

### **Development Milestones**

Nordgold expects the following steps to be undertaken for the development of the Project within the Option Period:

- Nordgold intends to conduct geophysical and geological surveys, drilling, sampling, assaying and metallurgical testing, the cost of which will be treated as a Property Expenditure.
- Nordgold intends to commission an independent technical report on the Project that is compliant with NI 43-101, the cost of which will be treated as a Property Expenditure.
- Nordgold intends to commission a preliminary economic assessment or scoping study on the Project during the Option Period. The cost of these reports will be treated as Property Expenditure.
- Nordgold will complete a bankable feasibility study ("BFS") on or before September 17, 2016. The cost of the BFS will be treated as a Property Expenditure.
- The Agreement provides for a 50.01%/49.99% joint venture (the "JV") to be formed between the parties upon Nordgold earning its full 50.01% interest in the Project.
- Once formed, the JV will have a period of 4.5 months to make a firm production decision to proceed to mine construction on the Project, to be initiated as soon as possible after such decision.
- Upon the mine construction decision being made, each party will be responsible to fund that percentage of the JV's costs equal to its interest within a set time period after a cash call by the JV.

- If a party to the JV does not fund its requisite percentage of JV costs as required, its interest in the JV will be diluted pursuant to a straight-line dilution formula. The initial deemed value of each party's interest in the JV, which affects the rate of dilution, will vary based on the ounces of proven & probable reserves indicated in the BFS. For example, pursuant to the formula, 2 million ounces would require Nordgold to spend approximately US\$240 million to dilute Columbus Gold to a 25% interest; and 3 million ounces would require Nordgold to spend approximately US\$315 million to dilute Columbus Gold to a 25% interest.
- In the event that the JV decides not to move forward to mine construction and commercial production within 4.5 months after completion of the BFS, Nordgold must offer 0.01% of the overall JV to Columbus Gold for a determinable price and each party will hold 50% in the JV.

**To view Nordgold's Presentation on the Project please click on the link below:**

*[RNS Please Insert Link here]*

### Exploration History

The Paul Isnard concessions have been a regional center of alluvial and colluvial gold production since 1873 with some minor underground development. The Montagne d'Or Deposit was first identified as a result of a regional geochemical program in 1976 by the Bureau de Recherches Géologiques et Minières ("BRGM"), but its potential was not recognised until the data was reinterpreted in 1984 when BRGM undertook detailed surficial geochemical work and geological mapping. In addition to Columbus Gold's drilling, modern exploration at Paul Isnard includes geological, geochemical and geophysical surveys, and diamond core drilling carried out primarily from 1996 to 1999. Most of this work included 54 holes for 10,600 metres directed at the Montagne d'Or gold deposit. Until the Paul Isnard Gold Project was acquired by Columbus Gold in 2011, little additional exploration work was undertaken.

### French Guiana

French Guiana has been an Overseas Department of France since 1946. French Guiana is one of 27 Regions of France, is part of the European Union and the Eurozone and is subject to French laws, with certain modifications and differences that are applicable to overseas departments. It is a sparsely populated tropical area located on the northeast coast of South America. The local administration is run under the direction of the Prefect, who is the representative of the French government. Mineral exploration and mining are subject to the provisions of the Mining Code, which specifies that the State can grant to an operator a right to prospect or exploit the mineral resources over a specified area and period. The State has limited industry and is therefore eager to develop gold mining. The population of French Guiana is 229,000 (Cayenne - 120,000). Skilled, semi - skilled and unskilled labour is readily available in French Guiana, with most professional and technical personnel having been trained in Metropolitan France.

### About Nordgold

**Nordgold (LSE: NORD)** is publicly traded on the London Stock Exchange international pure-play emerging-markets gold producer established in 2007. Nordgold has expanded rapidly through acquisitions and organic investment, achieving a rate of growth unmatched in the industry during that period. In 2012, Nordgold's gold production was 717 Koz. The Company operates nine mines in Russia, Kazakhstan, Burkina Faso and Guinea. Nordgold has one development project, four advanced exploration projects and a diverse portfolio of early exploration projects and licenses in CIS and West Africa. Nordgold employs over 10,000 workers on two continents.

[www.nordgold.com](http://www.nordgold.com)

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**Technical Information**

*All of the disclosure of a scientific or technical nature in this press release regarding the Project has been taken from and is based solely upon Columbus Gold's "Paul Isnard, French Guiana Mining Resource Estimate, NI 43-101 Technical Report" dated February 27, 2013, which is publicly available on under Columbus Gold's profile on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com). Although Nordgold has no knowledge that would indicate that any information or statements contained in this press release concerning Columbus Gold taken from, or based upon, such public disclosure contain any untrue statement of a material fact or omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made, neither Nordgold nor any of its affiliates, directors or officers have verified, nor do they assume any responsibility for, the accuracy or completeness of such information or statements or for any failure by Columbus Gold to disclose events or facts which may have occurred or which may affect the significance or accuracy of any such information or statements, but which are unknown to Nordgold.*

**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 Canadian 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 all conditions to which the Agreement is subject are satisfied on or before January 31, 2014, 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 Canadian 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.*