

Nord Gold plc

Announcement of Intention to Publish a Registration Document and Expected Intention to Float on the London Stock Exchange

London, 3rd June 2021: Nord Gold plc, the internationally diversified pure-play gold producer, is today announcing the intended publication of a registration document (the "**Registration Document**") and its potential intention to undertake an initial public offering (the "**IPO**" or the "**Offer**"). Should Nordgold proceed with the Offer, the Group will apply for admission of its Shares to the premium listing segment of the Official List of the FCA and to trading on the London Stock Exchange plc's main market for listed securities (together, "**Admission**"). The Company has also applied for admission of the Shares to trading on the Moscow Exchange.

Nikolai Zelenski, Chief Executive Officer of Nordgold said:

"Nordgold is an international gold miner of scale, with a diversified, high quality global asset portfolio and a proven track record of new mine development, having successfully launched three new large scale mines since 2013, each with a payback period of less than three years. We also benefit from an experienced well-established Board, a deeply ingrained commitment to the highest ESG standards, and a core management team that has led the growth of the Group since its inception.

"Following a record year in 2020, and with a low cost, low risk development pipeline centred on the highly prospective Gross Region in Russia, now is the right time for Nordgold to seek a premium London listing. We believe the combination of scale, a strong development pipeline, ambitious growth plans and excellent track record, together with consistent free cash flow generation, disciplined capital allocation, low leverage and a commitment to shareholder returns, makes for a compelling investment case. We look forward to sharing our story with potential investors over the coming weeks."

Highlights

- Â· Nordgold is a pure-play, internationally diversified gold producer with over one million ounces of production per annum and more than US\$1.0 billion of Adjusted EBITDA in 2020, operating a portfolio of nine mines: four in the Russian Federation, one in Kazakhstan, three in Burkina Faso and one in Guinea. 2020 gold production was split 52% Russia and Kazakhstan and 48% West Africa. Gold production has increased at a CAGR of approximately 15% in the period between 2008 and 2020 from approximately 193 koz in 2008 to approximately 1,046 koz in 2020.
- Â· Robust ESG and sustainable development framework which is implemented and overseen by the Board's Safety and Sustainable Development Committee. Nordgold ranks in the 1st quartile of the Sustainalytics Precious Metals Rankings, based on Sustainalytics' Precious Metals Companies Summary Report dated 6 December 2020 and has committed to achieving net zero carbon emissions by 2050.
- Â· 15.2 Moz of proved and probable gold reserves and 42.1 Moz of measured, indicated and inferred gold resources^[1] (JORC). While producing approximately 5.3 Moz of gold between 2015 and 2020, Nordgold increased its proved and probable gold reserves by approximately 6.5 Moz, a more than 120% replenishment of the Group's reserve

base.

- Â· A unique and proven track record of new mine development: between 2013 and 2018, Nordgold successfully constructed three mines (Bissa & Bouly in Burkina Faso, Gross in Russia), all on time and on budget and with a payback period of less than 3 years. Those new mines represented approximately half Nordgold's total 2020 gold production.
- Â· An established position in the world class, highly prospective Gross Region in Yakutia, Russia, which includes the Group's current largest mine Gross, as well as the Taborny mine and the Tokko project. Nordgold anticipates additional production from expanding Gross and the Tokko project of approximately 350 koz per annum.
- Â· The Group has ambitious growth plans and is targeting approximately 20% production growth and a reduction in operating costs over the next five years, primarily as a result of the development of the Gross region.
- Â· A strong financial position with consistent Free Cash Flow generation (FCF of US\$551.9 million in 2020, positive FCF in seven of the last eight years) and low leverage (Net Debt/ Adj. EBITDA: 0.2x^[2]), as a result of its focus on operational efficiency through technical excellence, increased automation and digitalisation. Nordgold reported Adjusted EBITDA of US\$1,017 million for 2020.
- Â· Commitment to shareholder returns: Nordgold has distributed cash to its shareholders in each of the previous eight years (from 2013 to 2020).
- Â· Under its new dividend policy announced on 19 March 2021, the Group intends to pay a minimum dividend of US\$400 million which will be paid in 2 equal instalments following the release of the interim and full year 2021 financial results. With effect from 2022 financial year, Nordgold intends to pay minimum dividends equivalent to 50% of the Group's free cash flow, pre-growth capex, subject to Net Debt / EBITDA remaining under 1.5x. The Group intends to pay dividends twice a year on a semi-annual basis.
- Â· Highly experienced, well established Board, under Chairman Michael Nossal, with an executive team led by CEO Nikolai Zelenski which has overseen the development of the business since inception in 2007. The Board has five Independent Non-Executive Directors, including the Chair, and nine Board members in total, fully compliant with the UK Corporate Governance Code.

Potential Offer Highlights

Should Nordgold proceed with an Offer, it is expected to have the following features:

- Â· Admission to listing on the premium listing segment of the Official List of the FCA and admission to trading on the main market for listed securities of the London Stock Exchange with a secondary listing on the Moscow Exchange.
- Â· The Offer would comprise a secondary sell-down of existing ordinary shares and there would be no primary element to the Offer.
- Â· Immediately following Admission, the Company intends to have a free float of at least 25% of the Company's issued share capital and expects that it would be eligible for inclusion in the FTSE UK indices.
- Â· Any additional details in relation to the potential Offer would be disclosed in an Intention to Float ("ITF") announcement and/or the Prospectus, if and when published.
- Â· Bacchus Capital Advisers ("**Bacchus Capital**") is acting as Financial Adviser on the IPO to Nordgold.
- Â· Citigroup Global Markets Limited is acting as Sponsor for the Offer ("**Citigroup**" or the "**Sponsor**").
- Â· Citigroup, J.P. Morgan Securities plc (which conducts its UK investment banking activities as J.P. Morgan Cazenove) and VTB Capital plc are acting as joint global co-ordinators and joint bookrunners for the Offer (the "**Joint Global Co-ordinators**").
- Â· BMO Capital Markets Limited, Credit Suisse Securities (Europe) Limited, Bank GPB International S.A. (member of Gazprombank group) and Renaissance Securities (Cyprus) Limited are acting as joint bookrunners for the Offer (the "**Joint Bookrunners**").
- Â· Peel Hunt LLP is acting as lead manager for the Offer (together with the Joint Global Co-ordinators and the Joint Bookrunners, the "**Underwriters**").
- Â· A copy of the Registration Document will be submitted to the National Storage Mechanism and will be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> once approved by the FCA. A copy of the Registration Document will be available on Nordgold's website at www.nordgold.com subject to certain access restrictions.

IPO Rationale

Nordgold is not receiving any proceeds from the Offer. The Board of Directors believes the Offer and Admission will position the Group for its next stage of development by:

- strengthening the Group's capital structure by giving it access to a wider range of capital raising options which may be of use in the future, in particular to fund the Group's future development plans and to allow it to continue to compete as an international gold producer;
- creating a liquid market in the Shares for shareholders; and
- assisting in the incentivisation and retention of key management and employees.

Further, the Group believes a number of factors appear supportive of future gold demand and prices, including uncertainty in the global financial markets, the amount of monetary stimulus being injected into the global economy, possible inflationary pressures in the medium term from an exceptionally low interest rate environment and the possibility of currency revaluations, including U.S. dollar depreciation.

Dividend policy

On 19 March 2021, Nordgold announced a new dividend policy aimed at increasing the transparency of the dividend decision-making process, and adding predictability into capital allocation:

- Â· For the 2021 financial year only, Nordgold will pay a minimum dividend of US\$400 million which will be paid in two equal instalments following the release of the interim and full year 2021 financial results, the dates of which will be communicated to shareholders with disclosure of the financial results.
- Â· With effect from 2022 financial year, Nordgold intends to pay minimum dividends equivalent to 50% of free cash flow, pre-growth capex, subject to Net Debt / EBITDA remaining under 1.5x.
- Â· In any reporting period that the Net Debt / EBITDA ratio increases to above 1.5x the Board will exercise its discretion and may reduce the dividend below the minimum 50% of free cash flow, pre-growth capex.
- Â· Nordgold intends to pay dividends twice a year on a semi-annual basis.
- Â· In applying this policy, the Board will have regard for a range of factors including the macroeconomic outlook, business performance, balance sheet position and growth outlook of the Company and may exercise its discretion and revise the calculated pay-out either up or down, to the extent these factors substantially impact the Company.

Investment Highlights

The Group believes it has a compelling combination of competitive advantages that position it as a leading pure-play, internationally diversified gold producer. In particular, the Directors believe that the business benefits from the following key competitive strengths that will help the Group succeed in the future:

Diversified, with a strong presence in CIS and West Africa

- Â· Nordgold is a pure-play internationally diversified gold producer with over 1.0 Moz of annual gold production, operating a portfolio of nine mines located in Russian, Kazakhstan, Burkina Faso and Guinea.
- Â· In the year ended 31 December 2020, the Group produced 1,046 koz of gold, with approximately 52% attributable to Russia and Kazakhstan and the remaining 48% to West Africa.
- Â· The Group's operations are centered on its largest and lowest cost mine - Gross, and near-term development plans are anchored by the highly prospective Gross Region in Russia's Southern Yakutia, which the Group believes has the potential to develop into a new world-class gold producing region given its substantial resource base, favourable geology, low mining costs and developed infrastructure.
- Â· The Group believes that the scale of its reserves and resources base, together with the geographic diversity of its asset portfolio, reduces regional / country concentration risks and provide it with better security of production than that enjoyed by many of its competitors.
- Â· The Group also believes that its presence and extensive experience of acquiring, constructing and operating mines in different jurisdictions enable it to identify and participate in more attractive growth opportunities than those of its competitors that are focused on a single country.

Strong position in world-class Gross Region with ~350 koz low-risk, low-cost growth and vast exploration potential

- Â· The Group believes that the Gross Region has significant potential to expand its resources and reserves as its mineable resources base exceeded 10 Moz as of 31 December 2020.
- Â· The Group sees a near / mid-term opportunity to increase annual production in the region to approximately 640 koz at a compelling 2025-2030 weighted average AISC of approximately US\$715/oz, following the completion of the Gross mine capacity expansion and construction of the Tokko mine. Gross Region projects include two near-term initiatives with high potential which are collectively expected to contribute approximately 350 koz of additional production per annum:
 - o Production expansion at Gross is anticipated to add approximately 130 koz gold production by increasing an ore processing capacity from the current level of 16 mtpa to 26 mtpa in 2023. The Group expects partial expansion to 18 mtpa to be completed in 2021.
 - o Tokko is a development project near the Gross and Taborny mines, with the potential to become a third low-cost mine in the Group, with expected annual gold production of approximately 220 (2025 - 2030 average) koz. Preliminary Economic Assessment for Tokko has already been completed and, in 2021, the Group will finish the project feasibility study and expects to receive the necessary permissions to prepare the project for construction in 2022-2023, with commissioning expected in 2024.

Portfolio of global expansion and standalone projects in the Russian Federation and abroad

- Â· The Group has a well-identified and geographically diversified development pipeline. One of the largest West African brownfield projects, which is expected to add approximately 120 koz to annual gold production after launch in 2022, is the Lefa Underground mine development. The Group aims to complete the Pre-feasibility Study for the project in the fourth quarter of 2021.
- Â· The Group has also built a portfolio of standalone development and exploration projects, with further upside potential to increase the Group's reserves base in a wide range of geographies, including the Pistol bay project in Canada, Montagne d'Or project in French Guiana, Uryakh project in the Russian Federation and the Niou project in Burkina Faso.
- Â· Given its track record of organic growth, selective acquisitions, asset optimisation and project development, the Group believes that it is well-positioned to convert its reserves and resources base into gold production while achieving a long-term sustainable low-cost profile.

Unique track record of mine construction enhanced by successful M&A

- Â· Nordgold has a unique and proven track record of building new mines with high returns on invested capital. From 2013 to 2018, the Group launched three new standalone mines - Bissa, Bouly (both Burkina Faso) and Gross (Russia) which currently contribute approximately 50% to the Group's total production.
- Â· All these mines were built on time and on budget within a 24-month period and had short payback periods on the invested capital, being less than 3 years each.

- Â· The Group considers its expertise in identifying high-quality greenfield projects, coupled with efficient mine construction and experience of launching mines with short ramp-up periods as its key competitive advantages, which will be brought to bear on the execution of future value accretive opportunities.
- Â· This track record of developing mines has been enhanced by successful public and private M&A, with acquisitions shown to be value accretive. The Group has pursued a highly disciplined strategy focusing on development projects providing the highest return potential.
- Â· By making development-stage investments as opposed to acquiring producing assets at a premium, the Group aims to maximise shareholder returns and utilise its strong development capabilities. However, while M&A created substantial value for the Group over the years, the Group views M&A as a supplementary capability to its core organic growth strategy.

Focus on operational efficiency to drive margins and cash flow

- Â· Nordgold focuses on improving the operational efficiency of its mines, applies the latest technologies to maximise safety and profitability and constantly reviews industry best practices to identify the relative performance of operating efficiency systems.
- Â· Top-class geological modelling and mine planning tools and systems enabled Nordgold to achieve above 80% mine compliance (adherence to the mine plan) in 2020 (with a target of 85% in 2021) and models reconciliation (accuracy of software-based geological models compared to actual gold volumes extracted) within 5% in 2020 on the Group level.
- Â· Nordgold is also pursuing margin improvement initiatives resulting in highly competitive open pit and underground mining costs as well as processing costs for Heap Leach and CIL in 2020.
- Â· Nordgold is focused on implementing innovative digital and IT projects to enhance its cost efficiency and optimise internal processes, with initiatives including the implementation of automated fleet and plant management systems as well as smart platform systems for planning and performance analysis, consumption control and inventory optimisation.
- Â· The Group believes that these measures improve its production capacity and enable it to maintain operating costs at competitive levels, and that its focus on operational efficiency and cost control supports its operating performance and profitability at all mines, as well as serving to enhance its overall ESG performance.

Consistent FCF generation, return of capital and low leverage

- Â· Over the last three years, Nordgold has demonstrated robust financial performance, which has enabled it to achieve and maintain strong profitability and a robust liquidity position.
- Â· The Group's gold production increased by 15.3% in the year ended 31 December 2020 compared to the year ended 31 December 2018, while Adjusted EBITDA increased by approximately 116.3% and Adjusted EBITDA margin improved by 13.5%.
- Â· Strong operational performance combined with a high average gold price and a relatively low capital expenditure in 2020, the Group achieved Free Cash Flow of US\$551.9 million and to decrease its leverage to as low as 0.2x as at 31 December 2020.
- Â· Free Cash Flow generation of the Group has been strong over the last eight years. Since 2013, the Group generated positive Free Cash Flow in seven out of eight years. Historically the Group has consistently paid dividends to shareholders, making payments each year since 2013.

Strong governance, backed by aligned majority shareholder

- Â· Nordgold is committed to high standards of corporate governance and transparency and is committed to full compliance with the UK Corporate Governance Code.
- Â· The Board of Directors comprises nine directors, of which two are executive directors (the CEO and Chief Legal Officer, Director of ESG), and seven are non-executive directors, five of whom are INEDs. The Board of Directors is led by Michael Nossal, the independent Chairman, who has a wide experience in a number of industries, including the mining industry.
- Â· Mr Alexey Mordashov, being one of the ultimate beneficial owners of the Group, will remain a member of the Board of Directors. Mr Mordashov has a strong track record of successful development of public metals and mining companies, including PAO Severstal, where Mr Mordashov is a controlling shareholder, which has delivered compelling total shareholder returns since its IPO in 2006 as compared to its global peers in the steel industry.

Experienced and diverse international management team

- Â· The Group's core management team has led the Group since its formation in 2007 and has a proven track record of completing major projects, successfully executing acquisitions and increasing operational efficiency.
- Â· The management team led by CEO Nikolai Zelenski has in-depth knowledge and expertise across the full cycle of project development from exploration to construction, operation and optimisation and broad experience across the full range of the Group's gold mining operations.
- Â· The Group believes that its ability to recruit and motivate its skilled workforce is one of its most significant competitive advantages. The Group has implemented comprehensive employee assessment, development and training programmes and places significant emphasis on creating a collaborative and respectful corporate culture with health and safety being the highest priority.

Strategy

The Group's long-term strategic objective is to be a best-in-class, globally competitive gold mining company and an industry leader in terms of health and safety, ESG, operational efficiency and asset portfolio quality. The Group seeks to achieve these aims through safe, sustainable and profitable production growth with a view to ensuring that it is in an optimal position to create value and generate returns for its shareholders and the communities in which it operates. The Group's strategy focuses on the following key priorities:

Expand operations in Gross Region

- Â· The Gross Region is a world-class mining district with high development potential which represents a solid foundation of the Group's current performance and future low cost growth.
- Â· Beyond the two currently producing mines (Gross and Taborny) and the Tokko project, which cumulatively contain 10 Moz of mineable resources, the district carries a significant further exploration potential.
- Â· In order to further expand its operations in the Gross Region, the Group received three new exploration licences granting the right of geological survey of Kremera, Pogradichnaya and Postoyannaya subsoil plots and submitted applications for licenses with respect to two additional subsoil plots located in this region.
- Â· The Group intends to successfully complete two near-term initiatives with high potential: the expansion of Gross and the development of the Tokko project and continue exploration activities in the region aiming to discover new prospect deposits.
- Â· The Group is targeting approximately 20% production growth and a reduction in operating costs over the next five years, primarily as a result of the development of the Gross region.

Pursue selective acquisitions of high-value-add gold projects

- Â· Nordgold will continue to seek growth through selective acquisitions and partnerships in high-value-add gold projects.
- Â· The Group has historically acquired gold reserves, development properties and operating mines, either as stand-alone assets or as a part of companies, including a 100% interest in the Pistol Bay project in Canada, a 55.01% interest in the Montagne d'Or project in French Guiana, and a sales contract to acquire the Niou Gold project in Burkina Faso (which remains conditional on approval of the Minister of Mines of Burkina Faso).
- Â· Nordgold's project selection criteria include, but are not limited to, potential mineable mineral resources in excess of 2 Moz, production potential in excess of 150 koz, favourable ore with low development capital expenditures, close proximity to other projects in order to benefit from economies of scale and a short payback period to maximise return. The Group will continue to consider new opportunities for acquiring premium-quality projects at competitive valuations to further enhance its asset portfolio.

Expand resources and reserve base

- Â· Nordgold aims to expand its resource and reserve base through organic growth and selective acquisitions of high-value projects, while pursuing a balanced pipeline of exploration and development projects and increasing the lives of existing mines through focused exploration and optimisation programmes.
- Â· The Group intends to continue to invest in exploration and development activities, near its existing mines, at satellite deposits and at new locations, in order to offset depletion and expand its resources and reserves base.

Increase operational efficiency

- Â· Nordgold intends to continue to successfully invest in new facilities and equipment and improve the quality of its existing facilities in order to increase operational efficiency, reduce risk, reduce costs, recover more gold from the ore it mines and expand capacity when it is required.
- Â· The Group has developed a range of initiatives targeting various groups of its assets, which include the development of industry best practice asset management standards, reducing mining costs, process optimisation, the outsourcing of auxiliary functions as well as a number of other cost-efficiency projects.

Deliver strong financial performance and create long-term shareholder value

- Â· Nordgold intends to generate strong and sustainable operating cash flows, which should enable it to continue to finance its exploration and development capital expenditure programmes as well as to maintain low leverage.
- Â· The Group is aiming to generate positive Free Cash Flow at all of its mines through the ongoing improvement of operational performance, cost efficiency and monitoring of capital expenditures.
- Â· The Group had a Net Debt / Adjusted EBITDA ratio of 0.2x as at 31 December 2020. The Group continues to have a comfortable leverage profile with limited repayments in the next few years and a strong cash position, which the Group believes will allow it to meet its financing obligations and planned capital expenditures programme.
- Â· The Group has consistently paid dividends to shareholders, making payments each year since 2013, and plans to distribute dividends in accordance with its dividend policy.
- Â· Under its new dividend policy announced on 19 March 2021, the Group will pay a minimum dividend of US\$400 million which will be paid in 2 equal instalments following the release of the interim and full year 2021 financial results. With effect from 2022 financial year, Nordgold intends to pay minimum dividends equivalent to 50% of free cash flow, pre-growth capex, subject to Net Debt/ EBITDA remaining under 1.5x.

Maintain stringent health and safety standards

- Â· The Group is committed to achieving zero harm for its employees and contractors. The safety of its employees and contractors remains a priority, as demonstrated by the steady improvement of the lost time injury frequency rate ("LTIFR") from 0.33 in 2019 to 0.14 in 2020. The Group had zero employee fatalities and one contractor fatality at its mines during 2020.
- Â· The Group continues to review existing processes with particular emphasis on improving their quality and effectiveness, these include such areas as safety behaviour audits, improving health and safety standard operating procedures, safety and environmental training, and contractor safety policies and capabilities.
- Â· The Group observes local legislation requirements in all of its operating regions, as well as best practice in the broader field of health and safety. The Group conducts a health and safety audit on OHSAS 18001 standards at all of its mines once a year.
- Â· The Group has started official certification under the ISO 14001 and 45001 standards in 2021.

Minimise environmental and social impact of operations

- Â· Nordgold is committed to responsible environmental stewardship and strives to minimise its impact on the environment in all regions of its operations.

- The Group's priority is to encourage and strengthen a shared, company-wide culture of environmentally responsible stewardship that will enable it to greatly minimise environmental incidents and, in doing so, become the industry leader in this field. Nordgold complies with all applicable national standards, environmental laws and regulatory requirements at its mines, and strives to adhere to international best practices across its asset base.
- The Group will continue to implement its robust ESG and sustainable development framework, which is overseen by the Board's Safety and Sustainable Development Committee together with the Director of ESG.
- The Group ranks in the 1st quartile of the Sustainalytics Precious Metals Rankings, based on Sustainalytics' Precious Metals Companies Summary Report dated 6 December 2020 and will work towards its target of net zero carbon emissions by 2050.

Selected Operational and Financial Highlights

	Year ended 31 December		
	2020	2019	2018
Refined gold produced, koz.....	1,045.6	1,041.1	907.0
Refined gold sold, koz.....	1,046.3	1,034.5	901.7
Average realised gold price per ounce sold, US\$/oz.....	1,779	1,399.0	1,268.0
LTIFR.....	0.14	0.33	0.19
Total cash cost, US\$m.....	774.5	741.2	643.2
Total cash cost per ounce produced, US\$/oz.....	751	722	712
All-in sustaining cost US\$m.....	1,056.6	1,051.3	949.3
All-in sustaining cost, US\$/oz.....	1,024	1,023	1,051
Capital expenditure, US\$m.....	382.3	429.0	514.7
Adjusted EBITDA, US\$m.....	1,016.9	667.3	470.2
Adjusted EBITDA Margin, (%).....	54.6	46.1	41.1
Free cash flow.....	551.9	171.5	(156.0)
Free cash flow per ounce, US\$/oz.....	527	161	(173)
Net Debt, US\$m.....	251.8	791.9	917.2
Net Debt / Adjusted EBITDA ratio.....	0.2	1.2	2.0
Net Working Capital, US\$m.....	147.8	122.9	81.4

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Access to supplemental information for bona-fide, unconnected research analysts: Information in relation to Nordgold will be made available via a link to unconnected research analysts today. Please contact Evgeny Belov (eb@nordgold.com) if you believe you are a bona fide research analyst and would like to receive access to the information.

Further information on Nordgold

Board of Directors

Michael Nossal - Independent Chairman

Mr Nossal is a senior resources industry executive with more than 30 years' experience in a range of commodities, jurisdictions and roles. This includes public company board experience and senior positions in business development, exploration and operations with companies including Newcrest, MMG and WMC Resources. He previously served as an Independent Non-Executive Director of Nordgold from 2010-2015, chairing the Remuneration Committee and was member of the Audit and Safety and Sustainable Development committees. Michael is a non-executive Director of ASX-Listed IGO limited and holds a BSC from Monash University and an MBA from the Wharton School of the University of Pennsylvania.

Nikolai Zelenski - Director and Chief Executive Officer

Mr Zelenski joined Severstal in 2004 and, prior to being appointed Chief Executive Officer of the Group in 2007, held positions as head of the gold division and head of strategy of Severstal Resources. Previously, Mr Zelenski was an engagement manager at McKinsey & Company in the mining sector. Mr Zelenski holds a master of technical sciences degree from the Saint Petersburg State Technical University (Russia), a Ph.D. in molecular genetics from the University of Texas (United States), and an MBA from Vanderbilt University (United States).

Evgeny Tulubensky - Director, Chief Legal Officer and ESG Director

Mr Tulubensky was appointed Chief Legal Officer, Director of ESG in 2020 having joined the Group as Chief Legal Officer in 2007. He was previously a senior lawyer at the mining division of Severstal. Evgeny graduated from the Law Faculty of St. Petersburg State University and he has an LL.M (with honours) from Northwestern University (Chicago).

Alexey Mordashov - Non-executive Director

Mr Mordashov has been working for Severstal, one of the world's leading vertically integrated steel and steel-related mining companies, since 1988. He started his career as a Senior Economist, becoming Chief Financial Officer in 1992. In December 1996, he was appointed as Severstal's Chief Executive Officer. Between 2002 and 2006, he served as Chief Executive Officer of Severstal Group and was Chairman of Severstal's Board of Directors. Between December 2006 and December 2014, Mr Mordashov was Chief Executive Officer of Severstal. From December 2014 until May 2015, Mr Mordashov served as CEO of AO Severstal Management, the managing company of PAO Severstal. Mr Mordashov was elected Chairman of the Board of Directors of PAO Severstal in May 2015.

Mr Mordashov was appointed as a non-executive director on 14 June 2012.

Mr Mordashov earned his undergraduate degree from the Leningrad Institute of Engineering and Economics. He also holds an MBA degree from Business School of Northumbria University (Newcastle, UK). Mr Mordashov was granted an honorary doctorate from the Saint-Petersburg State University of Engineering and Economics in 2001 and from the University of Northumbria, UK in 2003.

Mr Mordashov is the Chairman of the Board of Directors, Member of the Health, Safety and Environmental Committee of PAO Severstal. Since June 2010 he is a member of the Supervisory Board of the Non-Profit Partnership Consortium Russian Steel (currently - Association Russian Steel), between 2013 and 2015 he was the President of the Non-Profit Partnership Consortium "Russian Steel", and between 2016 and 2017 he was the Chairman of the Supervisory Board. Also, Mr Mordashov is a member of the Executive Committee of the World Steel Association headquartered in Brussels, Belgium. Prior to that, between 2012 and 2013, Mr Mordashov was the Chairman and between 2013 and 2015 he was the Vice-Chairman of World Steel Association. Currently, Mr Mordashov is the Head of the Russian Union of Industrialists and Entrepreneurs' (RSPP) Committee on Integration, Trade and Customs Policy and WTO; Co-Chairman of the Northern Dimension Business Council; the Vice-President of the Russian-German chamber of commerce and member of the Russian-German workgroup responsible for strategic economic and finance issues; the Chairman of the Board of Directors of Lenta Ltd; a Member of the Board of Directors of TUI AG; and a Member of the Strategic Council for Investments in New Industries under the direction of the Minister for Trade Industry of the Russian Federation.

David Morgan - Non-executive Director

Mr Morgan was appointed Deputy Chairman in March 2021, having previously served as Nordgold's Chairman since June 2014. David first joined the Company as an Independent Non-Executive director in October 2010. He brings vast leadership and industry experience, having held senior financial and general management roles in the chemicals and precious metals sectors. Previously, Mr Morgan spent 20 years with Johnson Matthey plc and was on the board as the executive director responsible for corporate development from 1999-2009. He is currently chairman of AMTE Power plc and a non-executive director of Maidstone and Tunbridge Wells NHS Trust. He was previously chairman of Hargreaves Services plc, deputy chairman of SFC Energy AG and senior independent director of the Royal Mint. He also chaired the advisory board of the Chemistry Department of Imperial College, London from 2011 to 2016. Mr Morgan is a member of the institute of Chartered Accountants in England and Wales and has an MA in Mineralogy and Petrology from Cambridge University.

Brian Beamish - Independent Non-executive Director

Mr Beamish joined the Board in August 2018 as an independent non-executive director and Chairman of the Safety and Sustainable Development Committee. He was formerly the CEO of the Anglo American Global Base Metals business and Group Director, Mining and Technology at Anglo American, with whom he had a 36 year career. He was also a non-executive director of Lonmin plc from 2013 to 2019 (Chairman 2014 - 2019) and of JSE-listed Anglo American Platinum Limited and DeBeers from 2010 to 2013. His previous executive roles included four years as Operations Director of Anglo Platinum and working as COO of Anglo American's global Base Metals business. Mr Beamish is a

graduate in mechanical engineering from Wits University and of the PMD programme at Harvard Business School, he has long experience in the global mining industry. Mr Beamish is currently a non-executive director of Sappi.

John Munro -Independent Non-executive Director

Mr Munro joined the Group in October 2015 as an independent non-executive director. He is an international mining industry executive with 30 years' experience in the sector. Mr Munro is currently an executive director of Cupric Canyon Capital, and a non-executive director of Manuli Rubber Industries. Previously, he was CEO of Cupric Canyon Capital. Previously, he was a Director at First Reserve's Mining Buyout Group in London, and CEO at Rand Uranium, where he was responsible for the establishment of a new gold and uranium company in South Africa. Prior to that, Mr Munro held various positions in Gold Fields Limited, Gold Fields of South Africa Limited and Northam Platinum Limited, where he was variously responsible for corporate development, strategy, and international operations and projects. Mr Munro holds a BSc in Chemical Engineering from the University of Cape Town and an AMP from Harvard Business School.

Gregor Mowat - Independent Non-executive Director

Mr Mowat joined the Group in August 2017 as a non-executive director. He has more than 20 years of experience in public accounting much of its spent as an audit partner with KPMG in Emerging Market countries. Mr Mowat was a member of the Board of Partners and Chief Financial Officer of KPMG in Russia and the CIS and the Managing Partner of KPMG in Kazakhstan. He was also the founding Chairman of the British Chamber of Commerce in Kazakhstan. Mr Mowat is currently a non-executive director of PJSC Magnit, Fix Price Group Ltd., PJSC PIK Group and Ak Bars Bank as well as an executive director of nooli UK Ltd and its subsidiaries. He is a member of the Institute of Chartered Accountants of Scotland (ICAS). He also holds a Bachelor of Arts degree in English Literature and Language from the University of Durham.

Yulia Chekunaeva - Independent Non-executive Director

Ms Chekunaeva joined the Board in March 2021 as an independent non-executive director. Yulia Chekunaeva has served as a director for Capital Markets and Strategic Initiatives and a member of the Executive Management Board of En+ Group. Yulia Chekunaeva joined En+ Group in September 2016 and successfully led the execution team to completing En+ Group's IPO on the London Stock Exchange in November 2017. Before joining En+ Group, Yulia Chekunaeva was an executive director of Goldman Sachs Global Investment Research. Prior to that, Ms Chekunaeva held multiple managing positions in Sberbank corporate lending and project financing department. Yulia Chekunaeva graduated studies at International College of Economics and Finance, she holds degree in Economics from the State University - Higher School of Economics and degree in Banking and Finance from the London School of Economics and Political Sciences. In March 2021, Yulia Chekunaeva completed Advanced Management Programme of Harvard Business School (HBS AMP199). She also holds a Master's Degree in Economics and Finance from Warwick Business School (University of Warwick).

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This announcement may include forward-looking statements, which are based on current expectations and projections about future events. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target", "believe", "expect", "aim", "intend", "may", "anticipate", "estimate", "plan", "project", "will", "can have", "likely", "should", "would", "could" and any other words and terms of similar meaning or the negative thereof. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and its investments, including, among other things, the development of its business, trends in its operating environment, and future capital expenditures and acquisitions. The forward-looking statements in this announcement speak only as at the date of this announcement. These statements reflect the beliefs of the Directors, (including based on their expectations arising from pursuit of the Group's strategy) as well as assumptions made by the Directors and information currently available to the Company.

Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate and none of the Company, the Banks, the Financial Adviser nor any member of the Group, nor any of such person's affiliates or their respective directors, officers, employees, agents and/or advisors, nor any other person(s) accepts any responsibility for the accuracy or fairness of the opinions expressed in this announcement or the underlying assumptions. Actual events or conditions are unlikely to be consistent with, and may differ significantly from, those assumed. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur. No representation or warranty is made that any forward-looking statement will come to pass. No one undertakes to update, supplement, amend or revise any forward-looking statements. You are therefore cautioned not to place any undue reliance on forward-looking statements.

Any subscription or purchase of Shares in the possible Offer should be made solely on the basis of information contained in the Prospectus which may be issued by the Company in connection with the Offer. The information in this announcement is subject to change. Before subscribing for or purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus, if published. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Neither this announcement, nor anything contained in the Registration Document, shall constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer to acquire, whether by subscription or purchase, any Shares or any other securities, nor shall it (or any part of it), or the fact of its distribution, form the basis of, or be relied on in connection with, or act as any inducement to enter into, any contract or commitment whatsoever.

The Company may decide not to go ahead with the possible Offer and there is therefore no guarantee that a Prospectus will be published, the Offer will be made or Admission will occur. Potential investors should not base their financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making investments should consult an authorised person specialising in advising on such investments. Neither this announcement, nor the Registration Document, constitutes a recommendation concerning a possible offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of a possible offer for the person concerned.

Nothing contained herein constitutes or should be construed as (i) investment, tax, financial, accounting or legal advice; (ii) a representation that any investment or strategy is suitable or appropriate to your individual circumstances; or (iii) a personal recommendation to you.

None of the Banks, the Financial Adviser nor any of their respective affiliates and/or any of their or their affiliates' directors, officers, employees, advisers and/or agents accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to, the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) and/or any other information relating to Group and/or its associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available, or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith.

In connection with the withdrawal of the United Kingdom from the European Union, the Banks may, at their discretion, undertake their obligations in connection with the potential IPO by any of their affiliates based in the EEA.

Unless otherwise indicated, market, industry and competitive position data are estimates (and accordingly, approximate) and should be treated with caution. Such information has not been audited or independently verified, nor has the Company ascertained the underlying economic assumptions relied upon therein.

Certain data in this announcement, including financial, statistical, and operating information has been rounded. As a result of the rounding, the totals of data presented in this announcement may vary slightly from the actual arithmetic totals of such data. Percentages in tables may have been rounded and accordingly may not add up to 100%.

For the avoidance of doubt, the contents of the Company's website, including the websites of the Company's business units, are not incorporated by reference into, and do not form part of, this announcement.

[1] As at 31 December 2020

[2] As at 31 December 2020