

BOARD REPORT RELATING TO THE CONVERSION OF

NORD GOLD N.V.

Date ____ March 2016

This board report is made pursuant to Section 37(4) of the Council Regulation No. 2157/2001 on the statute for a European company (*Verordening (EG) Nr. 2157/2001 betreffende het statuut van de Europese vennootschap*) (the **SE Regulation**) in connection with the proposed conversion of **Nord Gold N.V.**, a public limited liability company under Dutch law (*naamloze vennootschap*), having its official seat in Amsterdam, the Netherlands, its office address at Herikerbergweg 238, Luna ArenA, 1101 CM Amsterdam Zuidoost and registered in the Dutch Commercial Register under number 17179668 (the **Company**), in a European public limited liability company (*societas Europaea*) (the **Conversion**).

This report is drawn up by the entire board of the Company (the **Board**).

1. **Reasons for the Conversion**

The Board wants to move the Company to the United Kingdom in order to be eligible for listing on the premium segment of the London Stock Exchange and FTSE Index inclusion.

The first step to achieve the move to the United Kingdom is the Conversion. The second step is the transfer of the corporate seat of the Company from the Netherlands to the United Kingdom in accordance with the provisions of Section 8 of the SE Regulation (the **Migration**). A separate proposal for the Migration is adopted by the Board. Following the Migration the Company will be a UK entity, and subject to European and UK company law only.

2. **Explanation from a legal and economical point of view**

Legal:

In connection with the Conversion, the Company's legal form will change and the Company's articles of association will be amended to reflect such new legal form and to meet the requirements following from the SE Regulation.

The Conversion will not result in winding up of the Company or the establishment of a new legal entity. The legal position of the creditors or other counterparties of the Company is not expected to change as a direct result of the Conversion.

Economic:

It is not expected that the Conversion will have an economic impact on the Company or will lead to a change of the Company's business or activities.

3. **Consequences for shareholders**

The Conversion will not have an impact on the Company's shareholders other than that upon the Conversion becoming effective, the Company's legal form and articles of association are amended and the Company will be subject to the SE Regulation as well as the Dutch civil Code. Approval by the general meeting of shareholders is required for the Conversion and the amendment of the Company's articles of association.

4. Consequences for employees

The Company has no employees. Personnel within the Company's group will not be affected as a result of the Conversion.

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R. Elkin

P.J. Bacchus

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