

## Nyrstar NV

**Statutory auditor's report  
to the shareholders' meeting  
on the annual accounts  
for the year ended 31 December 2015**

The original text of this report is in Dutch

## Nyrstar NV

### Statutory auditor's report to the shareholders' meeting on the annual accounts for the year ended 31 December 2015

To the shareholders

As required by law and the company's articles of association, we report to you in the context of our appointment as the company's statutory auditor. This report includes our report on the annual accounts together with our report on other legal and regulatory requirements. These annual accounts comprise the balance sheet as at 31 December 2015 and the income statement for the year then ended, as well as the summary of accounting policies and other disclosures.

#### Report on the annual accounts – Unqualified opinion

We have audited the annual accounts of Nyrstar NV ("the company"), prepared in accordance with the financial reporting framework applicable in Belgium, which show total assets of 1.932.934 (000) EUR and a loss for the year of 1.162.446 (000) EUR.

#### *Board of directors' responsibility for the preparation of the annual accounts*

The board of directors is responsible for the preparation and fair presentation of annual accounts in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

#### *Statutory auditor's responsibility*

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the annual accounts. We have obtained from the company's officials and the board of directors the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Unqualified opinion*

In our opinion, the annual accounts of Nyrstar NV give a true and fair view of the company's net equity and financial position as of 31 December 2015 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

## *Emphasis of matter*

Without qualifying our opinion, we draw attention to note VOL 7 in the financial statements concerning the company's ability to continue as a going concern. The circumstances described in VOL 7 indicate the existence of material uncertainties which may cast significant doubt about the company's ability to continue as a going concern. No adjustments have been recorded with respect to the valuation or the classification of certain balance sheet items, which would be required, should the company no longer be able to meet its funding requirements and no longer have access to adequate and sufficient financial resources to continue its operations for the foreseeable future.

## **Report on other legal and regulatory requirements**

The board of directors is responsible for the preparation and the content of the directors' report on the annual accounts, as well as for maintaining the company's accounting records in compliance with the legal and regulatory requirements applicable in Belgium and for the company's compliance with the Companies Code and the company's articles of association.

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statements, which do not modify the scope of our opinion on the annual accounts:

- The directors' report includes the information required by law, is consistent with the annual accounts and is free from material inconsistencies with the information that we became aware of during the performance of our mandate.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with the relevant requirements of the law and the company's articles of association.
- There are no transactions undertaken or decisions taken in violation of the company's articles of association or the Companies Code that we have to report to you.
- According to article 523 of the Companies Code we are obliged to report the following transaction to you which has taken place during the financial year 2015, as described in the annual report, and of which the financial consequences for the company have been fairly represented hereunder:

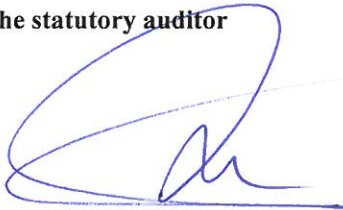
*"The provisions of article 523 of the Belgian companies code have been complied with in relation to the key terms of the proposed indemnification agreement between the company and Mr Cox, director, and the proposed indemnification agreement between the company and Mr Konig, director, at the board meeting on 17 June 2015.*

*Prior to the deliberation and approval of the indemnification agreements to be entered into between Mr Cox and the Company on the one hand and between Mr Konig and the Company on the other hand (the "Indemnification Agreements"), both Mr Cox and Mr Konig made the following statements, as far as necessary and applicable in accordance with Article 523 of the Belgian Company Code. Mr Cox and Mr Konig explained that pursuant to the Indemnification Agreements, in the event they were to incur a liability in the performance of each mandate as a director of the company, they would benefit from an indemnification by the company against the financial damages and other costs in connection with such liability. As a result, under Article 523 of the Belgian Company Code, they both have an interest of a financial nature that could be in conflict with the proposed approval by the board of directors of the Indemnification Agreements. Mr Cox and Mr Konig further stated that they believed that the terms of the proposed Indemnification Agreements are not unusual or uncustomary, especially within the context of listed companies, and that the Company's Statutory Auditors would be advised of the potential conflict of interest.*

*The remaining directors of the Board noted the declarations by Mr Cox and Mr Konig and subsequently, in accordance with Article 523 of the Belgian Company Code, proceeded with the deliberations on this declaration. The board of directors noted that the purpose of the Indemnification Agreements is to indemnify the directors against financial damages and other costs in connection with a liability that each would incur in the exercise of their mandate as a director of the company. In order to attract and retain qualified individuals as director, the board of directors believed it is reasonable, prudent and necessary for the company to contractually obligate itself to provide such indemnification. In addition, the board of directors noted the existence of indemnification agreements between publicly listed companies and their directors is consistent with market practice. Furthermore, the board of directors noted that pursuant to Article 21 of the company's articles of association, the board of directors may enter into indemnification arrangements with the directors and take out directors and officers insurance coverage. The board of directors also noted that financial consequences would only accrue to the company under the Indemnification agreement in the event that a claim was made against a director in relation to which the director was entitled to indemnification under the Indemnification Agreement and the claim was not otherwise insured. No such claim currently existed. In addition, the indemnification would not apply in certain instances, such as in the event of fraud or wilful misconduct by the director concerned, and to the extent the indemnification would apply to the payment of criminal fines. Accordingly the board of directors deemed the Indemnification Agreements to be in the interest of the company."*

Diegem, 3 February 2016

**The statutory auditor**



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**DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises**  
BV o.v.v.e. CVBA / SC s.f.d. SCRL  
Represented by Gert Vanhees