UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-K

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1999

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

Commission file No. 0-6202-2

NORD RESOURCES CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	85-0212139
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
201 3rd St NW, Suite 1750, Albuquerque, NM	87102
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (505) 766-9955

Securities registered pursuant to Section 12 (b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value $.01 per share	New York Stock Exchange

Securities registered pursuant to Section 12 (g) of the Act: None
(Title of Class)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Aggregate market value of voting stock held by non-affiliates, based on the closing price of $.2188 as of April 6, 2000, was $3,601,657.

The number of shares of Common Stock outstanding as of April 6, 2000 was 16,501,288.

DOCUMENTS INCORPORATED BY REFERENCE

Proxy statement to be dated on or about April 30, 2000 (Part III)

PART I

ITEM 1. BUSINESS

General

Nord Resources Corporation (the Company) owns the Johnson Camp copper mine in Arizona, which is currently being redeveloped, and a 28.5% interest in Nord Pacific Limited (Pacific), a company engaged in the production of copper and in the exploration for gold, copper, and other minerals in Australia, Papua New Guinea and North America. The Company sold its 50% interest in the Sierra Rutile titanium dioxide project in Sierra Leone, West Africa, in September 1999. As used herein the term "Company", unless the context indicates otherwise, includes all subsidiaries and investees.

Johnson Camp Copper Mine

Purchase from Arimetco

In June 1999, Nord Copper Corporation acquired a copper mine and related assets (Johnson Camp Mine) in Arizona, from Arimetco, Inc. At the time of the acquisition, Summo USA Corporation had entered into a purchase agreement to acquire the Johnson Camp Mine from Arimetco. The Company paid Arimetco $310,000 and issued a promissory note payable to them in the amount of $1,550,000. The note is payable in installments of $500,000, $500,000 and $550,000, due on June 8, 2000, June 8, 2001 and June 8, 2002, respectively, together with interest at the rate of 8% per annum payable quarterly. The note is secured by a lien on the Johnson Camp Mine. The Company also agreed to pay Arimetco up to an additional $1,000,000 from revenues from the Johnson Camp Mine, at a rate of $0.02 per pound for all copper sold, but only if the market price is in excess of $1.00 per pound. In connection with the acquisition, the Company also issued 1,600,000 shares of its common stock to Summo.

Under an arrangement with Pacific, which was instrumental in identifying and assessing the Johnson Camp Mine opportunity, Pacific will participate in management of the Johnson Camp Mine and will be entitled to 20% of cash flow after the Company has fully recovered its past and future investment in the property.

Operating History

Johnson Camp was operated by Arimetco from 1991 to 1997, and by Cyprus Copper before Arimetco. Since 1975 the mine has produced over 150 million pounds of cathode copper from open pit mining, heap leaching and solvent extraction-electrowinning (SX-EW) processing of oxide ores. Significant reserves remain and the leach pads and SX-EW operation remain active, currently producing approximately 1.3 million pounds of copper cathode annually from limited rinsing of the heaps while the operation remains on care and maintenance status.

Feasibility Study and Ore Reserves

In November 1999 the Company and NCC commissioned The Winters Company (Winters) of Tucson, Arizona, an independent engineering and consulting company, to prepare a feasibility study for the resumption of full production at Johnson Camp. Winters completed the feasibility study in March 2000. NCC intends to resume mining and leaching operations to produce copper cathode at an average annual rate of 19 to 20 million pounds, assuming financing can be arranged.

Large disseminated copper deposits occur on the Johnson Camp property. Two of these deposits, the Burro and the Copper Chief, are targeted for production by NCC. The copper mineralization consists of malachite, chrysocolla, copper in limonite, chalcocite and small amounts of native copper. Cyprus produced approximately 15 million tons of ore grading 0.6% copper from the Burro deposit between 1975 and 1986. Arimetco mined an additional 16 million tons from Burro, plus a small tonnage from the Copper Chief, at an average grade of 0.35% copper. Current ore reserves for Johnson Camp, as estimated by

Winters, total 32 million tons grading 0.416% copper. The overall stripping ratio is 0.7:1, for a total of 53.5 million tons of material to be mined. Significant additional copper resources could be converted to reserves in the future at copper prices above current market levels.

Existing Facility

Johnson Camp is located 65 miles east of Tucson, between Benson and Wilcox on IH-10. The property consists of 64 patented lode mining claims (872 acres), 88 unpatented claims (1,340 acres), and fee simple lands (511 acres), totaling 2,723 acres. No material issues of conflict regarding NCC's land position are known to exist.

The copper production facility includes a 4,000 gpm solvent extraction plant and tank farm, a 52,000 lb/day capacity electrowinning plant with 74 cells, 8 million gallons of solution storage and other related equipment. With the planned refurbishment, the facility will be capable of producing 19 to 20 million pounds of copper cathode annually. The SX-EW facility was installed by Arimetco in 1991, and expanded in 1996.

The Company continues to circulate leaching solutions through the heaps while the operation is on care and maintenance status, and has produced and sold a small amount of copper while seeking financing for the expansion plan. In 1999, Johnson Camp sold 672,000 pounds of copper at a realized price of $0.76 per pound, or $510,000 while incurring cost of sales of $1,537,000 and general and administrative costs of $165,000, resulting in a loss from operations of $1,192,000. The operating costs at Johnson Camp are relatively high as a result of the startup costs incurred since purchasing the facility and ongoing care and maintenance requirements.

Expanded Operations

Ore would be crushed to minus 1 inch. The crushed ore would be treated with a sulfuric acid solution and agglomerated before being transported to the leach pads. Ore would be placed on the existing heaps in the first year of operation and on new pads thereafter using conveyor stacking techniques, although the existing heaps will continue to be leached for residual copper recovery.

In order to reach a production rate of 19 to 20 million pounds per year, part of the SX-EW facility will require rehabilitation. Some new leach pads and new solution ponds to accompany the new pads will also be required. The expanded, refurbished operation would have a mine life of approximately 12 years. Mining would be carried out by a contractor, and the Company is currently seeking bids for mining with the assistance of Winters. The future operating cost is heavily dependent upon the costs of mining, electric power and sulfuric acid.

Approximately $13 million in capital is required to carry out the refurbishment. The major components of the capital plan are to rehabilitate solution ponds, the SX-EW plant and other facilities, purchase and install crushing and conveying equipment and construct new heap leach pads. The entire refurbishment would require approximately 12 months to complete construction and commission the new facilities.

Consent Order

Effective with the acquisition of the Johnson Camp mine, the Company agreed to a Consent Order with the Arizona Department of Environmental Quality (ADEQ). The Consent Order specifies actions the Company must take to remediate conditions at the mine that are not in compliance with current Arizona laws, including modifications to the current facilities that will be required to qualify for an aquifer protection permit (APP). The Consent Order also sets forth a schedule under which the Company has agreed to file an application for an APP. The ADEQ may impose financial penalties on the Company for failure to meet the requirements of the Consent Order. The Company plans to meet its obligations under the Consent Order in the course of rehabilitating the mine and returning it to full production.

Investment in Pacific

The Company owns 28.5% of Nord Pacific Limited (Pacific) (OTCBB: NORPF – Toronto Stock Exchange: NPF), a company engaged in the production of copper and the exploration for gold, copper, and other minerals in Australia, Papua New Guinea, and North America. Pacific owns a 40% interest in the Girilambone Copper mine which has been in production since May 1993, and a 50% interest in the Girilambone North Copper mine which has been in production since July 1996. Pacific also owns a 50% interest in the Tritton Copper Project, a 100% interest in the Tabar Islands Gold Project and various interests in other exploration properties. Feasibility studies have been completed on the Tritton Copper Project and the Tabar Islands Gold Project and Pacific is seeking the financing necessary to develop these projects. Pacific sold its 31.5% interest in the Ramu nickel-cobalt project on March 10, 2000.

Pacific owns a 50% interest in the Tritton Copper Project, a sulfide copper deposit discovered in 1996. This project has identified a massive medium-to-high grade pyrite-chalcopyrite sulfide ore deposit about fourteen miles southwest of the present Girilambone copper operations. This deposit has an estimated diluted resource of approximately 9,230,000 tonnes at a grade of 2.63% copper. The identified resource is also projected to contain gold and silver. A feasibility study has examined the economics of developing Tritton by underground mining methods using ramp access to develop the deposit based on mining ore reserves of 4,610,000 tonnes at 3.14% copper. Ore would be mined at a rate of 660,000 tonnes per annum (tpa) by retreat uphole benching and room and pillar methods. Ore would be trucked to the surface, crushed, milled in a grinding circuit and processed in flotation cells for the recovery of a marketable concentrate. Concentrates would be shipped to a smelter for sale.

Pacific also owns 100% of the Tabar Island Gold Project in Papua New Guinea, at which current exploration has identified oxide gold mineralization on Simberi Island as well as identifying promising drilling results in other areas of the project.

In May 1998, revised resource estimates for Simberi were calculated as follows:

Total Simberi Oxide and sulfide resources

Mineralization	**Resource category**	**Million tonnes**	**Gold grade (grams/tonne)**
Oxide	Measured and indicated	10.7	1.25
Oxide	Inferred	9.0	1.1
Sulfide	Inferred	9.3	2.5
Total		29.0	1.6

A feasibility study on the development of the oxide resources was updated in 1998 to include additional oxide resources identified by a 21,000 meter drilling program completed in early 1998. The feasibility study estimates gold production of approximately 40,000 ounces per year at an average operating cost of $173 per ounce over a mine life in excess of six years. Pacific has been granted a mining lease over these deposits by the government of Papua New Guinea and has received all necessary operating permits.

Sale of Ramu Nickel Project

Pacific agreed to sell its 31.5% interest in the Ramu Nickel-Cobalt Project (Ramu) in November 1999, and closed the sale on March 10, 2000. Pacific received $5.0 million from Orogen Minerals Limited on closing, and is entitled to two additional payments of $0.25 million upon the completion of financing and upon achieving commercial production. Pacific incurred a loss on the sale of $4.7 million which was recognized in the fourth quarter of 1999.

Pacific also has interests in other properties, which will require additional exploration in order to determine the existence of commercial mineral deposits.

Sale of Sierra Rutile

On September 30, 1999 the Company sold its 50% ownership interest in Sierra Rutile Limited and its related entities (SRL) to an entity controlled by MIL (INVESTMENTS) S.A.R.L. (MIL), the largest shareholder of the Company. The Company's interest in SRL was sold to MIL pursuant to a Purchase and Sale Agreement executed by the parties on June 16, 1999 (Purchase and Sale Agreement). The total consideration paid to the Company by MIL was (a) a cash payment of $1,250,000, (b) a 5% carried interest in the acquiring entity, (c) the release of the Company from a guaranty obligation of approximately $6,000,000 to the development bank lenders to SRL, and (d) the redemption and cancellation of MIL's 7,004,200 shares in the Company, which shares represented approximately 29.8% of the issued and outstanding shares of the Company.

SRL's primary asset is a titanium dioxide mining facility located in Sierra Leone, West Africa. At that facility, SRL was principally engaged in the mining and processing of rutile and ilmenite, both industrial minerals, and was the largest producer of natural rutile in the world until the mine was shut down in 1995 when it was overrun by rebel militia forces. The mine has remained shut down since 1995. The Company engaged NM Rothschild & Sons (Washington) LLC (Rothschild) to evaluate the fairness, from a financial point of view, to the shareholders of the consideration to be paid by MIL pursuant to the Purchase and Sale Agreement. Rothschild is one of the world's leading independent merchant banking organizations with substantial experience in advising clients on mergers and acquisitions, divestitures, project finance, equity offerings and other capital market operations. In an opinion letter dated June 21, 1999, Rothschild concluded that: "[T]he consideration to be paid by Buyer pursuant to the Agreement in respect of the transaction is fair, from a financial point of view, to the shareholders of Seller."

Under various agreements between the Corporation and MIL that terminated upon the closing of the sale of SRL to MIL, MIL had the right to nominate three persons to the Board, while the Board (excluding the MIL nominees) retained the right to designate the remaining four nominees. MIL was obligated to vote its shares for the four Board nominees. In addition, the size of the Board could not be increased or decreased without the approval of at least two MIL nominees.

Discontinued Operations

On April 23, 1997, the Company sold for cash substantially all of the assets (except for cash and accounts receivable) of its 80%-owned kaolin and Norplex® operations (Nord Kaolin Company - NKC). The purchaser has assumed certain reclamation and lease obligations of NKC, while the Company settled NKC's remaining liabilities. The financial statements of the Company reflect the accounts of NKC as discontinued operations.

ITEM 2. PROPERTIES

Reference is made to Item 1 of this Form 10-K for information concerning the nature and location of the properties of the Company and its investees.

ITEM 3. LEGAL PROCEEDINGS

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There were no matters submitted to a vote of security holders during the fourth quarter of 1999.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's common stock was traded on the New York Stock Exchange until November 18, 1999. Thereafter, it has been traded on the NASDAQ OTC Bulletin Board. The following table sets forth, for the calendar periods indicated, the high and low closing sale price of the Company's Common Stock on the New York Stock Exchange Composite Tape (through November 18, 1999) and thereafter on the NASDAQ OTC Bulletin Board;

	1999		1998	
	High	**Low**	**High**	**Low**
First Quarter	1 3/16	9/16	2 5/8	1 3/16
Second Quarter	3/4	5/16	2 7/8	1 ¾
Third Quarter	9/16	1/4	2 5/16	1 1/16
Fourth Quarter	7/16	1/8	2 1/4	15/16

The approximate number of equity security holders at December 31, 1999 of the Company's Common Stock was 2,400.

The Company has never paid cash dividends on its Common Stock and does not expect to do so in the immediate future.

ITEM 6. SELECTED FINANCIAL DATA

	For the years ended December 31,				
	1999	**1998**	**1997**	**1996**	**1995**
	(In thousands except per share amounts)				
Summary of Operations					
Revenue	$ 510	—	—	—	—
Loss from continuing operations	(3,867)	(7,831)	(12,041)	(5,676)	(52,203)
Loss from discontinued kaolin operations	—	—	(271)	(27,174)	(3,295)
Net loss	$ (3,867)	(7,831)	(12,312)	(32,850)	(56,813)
Basic loss per common share					
From continuing operations	$ (.18)	(.36)	(.55)	(.30)	(3.30)
From discontinued operations	—	—	(.01)	(1.43)	(.29)
Net loss per common share	$ (.18)	(.36)	(.56)	(1.73)	(3.59)

	Year ended December 31,				
	1999	**1998**	**1997**	**1996**	**1995**
	(In thousands except per share amounts)				
Balance Sheet Data					
Working capital	$ 2,074	6,106	26,117	42,834	21,396
Total assets	14,203	18,391	39,090	54,722	69,222
Stockholders' equity	5,149	10,159	18,148	28,981	42,102

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Safe Harbor Statement under the Private Securities Litigation Act of 1995. The statements contained in this report which are not historical fact are "forward looking statements" that involve various important risks, uncertainties, and other factors which could cause the Company's actual results for 1999 and beyond to differ materially from those expressed in such forward looking statements. These important factors include, without limitation, the risks and factors set forth below in "Economic Outlook" as well as other risks previously disclosed in the Company's securities filings.

Results of Operations

The Company incurred a loss from continuing operations for the year ended December 31, 1999 of $3,867,000, compared to losses of $7,831,000 in 1998 and $12,312,000 in 1997. Selling, general and administrative expenses (SG&A) fell slightly for the year ended December 31, 1999 compared to 1998, as decreases in accounting expenses, professional fees, public relations costs and recognition of bad debt offset increases in deferred compensation costs. Contributing to the increase in SG&A from 1997 to 1998 were non-recurring moving costs related to the Company's move of its corporate office and employees to Albuquerque, New Mexico and costs associated with the preparation of the SRL insurance claim.

Interest income decreased to $267,000 for the year ended December 31, 1999 compared to $782,000 in 1998 and $1,223,000 in 1997 due to reduced funds available for investment in 1999 compared to 1998 and 1997. The Company's losses related to its investment in SRL were $523,000 for the year ended December 31, 1999, compared to a loss of $5,001,000 in 1998 and a loss of $8,645,000 in 1997. The Company was engaged in attempting to restart the mine in 1997, significantly increasing expenses and the loss incurred by SRL. This activity was curtailed in 1998 with increased rebel activity in Sierra Leone. Equity in the net loss from Pacific was $3,065,000 for the year ended December 31, 1999 compared to equity in net earnings of $38,000 in 1998 and equity in net loss of $949,000 in 1997. Pacific's earnings in 1999 were affected by a decline in both copper prices and copper production, while the loss in 1997 included the impairment of a gold project in development.

Liquidity and Capital Resources

The Company's independent accountants have included in their opinion on the Company's financial statements an explanatory paragraph discussing the uncertainty regarding the Company's ability to continue as a going concern.

During 1999 the Company acquired the Johnson Camp Mine and commenced activities to resume mining operations there. Currently the Company is producing copper from ore stacked on the leach pads prior to the Company's acquisition of the property. The Company is currently updating a study to determine the feasibility of resuming mining operations and is attempting to obtain financing for the project. The ability of the Company to resume mining operations is dependent on obtaining sufficient financing for the project, of which there can be no assurance.

Revenue from the mine is currently not sufficient to cover the costs of operating the mine and the Company's overhead costs. If the Company is unable to resume mining operations and achieve profitability, it will be required to seek other sources of revenue or additional capital to fund its operations.

The Company's financial statements have been prepared assuming that the Company will continue as a going concern. The Company has suffered recurring losses from its operations which raises substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Company's operating activities used cash of $5,312,000 for the year ended December 31, 1999, compared to cash provided by operations of $4,919,000 in 1998 and cash used in operations of $11,901,000 in 1997. Cash used by operations included advances to Pacific of $935,000 in 1999, $345,000 in 1998 and $98,000 in 1997. Cash used by operations in 1999 also included $862,000 in expenses at Johnson Camp, net of sales of copper. Cash provided by operations in 1998 included the receipt of a $14,205,000 insurance claim for damage caused by the rebel incursion at SRL. Cash used in operations in 1997 included cash used in discontinued operations of $1,033,000. Cash used in operating activities included advances to SRL of $5,001,000 in 1998 and $8,645,000 in 1997, which were amounts used to fund SRL's operations and interest payments due on its loans.

Cash provided by investing activities in 1999 included $1,075,000 in net proceeds from the sale of SRL. Cash used in investing activities in 1999 included $452,000 related to the purchase of Johnson Camp and for operating equipment. Cash used in investing activities included reductions in loan obligations to RL's lenders of $12,476,000 in 1998 and $3,089,000 in 1997. Capital expenditures for leasehold improvements and furniture and equipment were $132,000 in 1998 and $44,000 in 1997, primarily incurred in opening the Company's office in Albuquerque. Net proceeds from the April 1997 sale of the assets of Nord Kaolin Company were $10,528,000. In connection with this sale, previously restricted investments became unrestricted, and were subsequently sold for $2,376,000 in 1997. Cash used in investing activities also included increases in other assets of $1,203,000 in 1997, primarily representing funds deposited in non-qualified trusts designated for funding of retirement benefits.

Cash provided by financing activities includes $151,000 in 1997 arising from the exercise of stock options.

As a result of the sale of the Company's interest in SRL, the Company's assets currently consist of the Johnson Camp mine and a 28.5% interest in Pacific. At December 31, 1999 the Company had working capital of $2,074,000, compared to $6,106,000 at December 31, 1998. The Company will need to raise capital to fund its administrative and operating activities for the next year, either from the sale of its interest in Pacific or from other sources.

The Company's ability to raise the capital required to develop Johnson Camp is highly uncertain, and is very dependent on the price of copper and the availability of capital to junior mining companies, such as the Company.

New Accounting Pronouncements

In June 1998, the FASB issued SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities*. SFAS No. 133 establishes standards for derivative instruments, including certain derivative instruments imbedded in other contracts, and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. This statement is effective for all fiscal quarters of fiscal years beginning after June 15, 1999. Since the Company does not participate in hedging activities, SFAS 133 will have no effect on the Company's financial statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements as of December 31, 1999 and 1998 and for each of the years in the three-year period ended December 31, 1999 follow.

Independent Auditors' Report

The Board of Directors
Nord Resources Corporation:

We have audited the accompanying balance sheets of Nord Resources Corporation and subsidiaries as of December 31, 1999 and 1998, and the related statements of operations, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 1999. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nord Resources Corporation and subsidiaries as of December 31, 1999 and 1998 and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 1999, in conformity with generally accepted accounting principles.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in note 1, the Company has suffered recurring losses from operations which raises substantial doubt about its ability to continue as a going concern. Management's plans in regards to this matter are also described in note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

KPMG LLP

Denver, Colorado
April 5, 2000

NORD RESOURCES CORPORATION
AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 1999 and 1998

(In thousands)

Assets		**1999**	**1998**
Current assets:			
Cash and cash equivalents	$	1,491	6,136
Trade accounts receivable		76	—
Receivable from Nord Pacific Limited (Pacific) (note 4)		1,378	443
Other accounts receivable		41	29
Inventories		68	—
Prepaid expenses		54	73
Total current assets		3,108	6,681
Investment in Pacific (note 4)		2,668	5,733
Property and equipment, at cost less accumulated depreciation (note 5)		2,741	247
Other assets (note 6)		5,686	5,730
	$	14,203	18,391
Liabilities and Stockholders' Equity			
Current liabilities:			
Current portion of long-term debt (note 2)	$	500	—
Accounts payable		148	471
Accrued expenses		386	104
Total current liabilities		1,034	575
Long-term debt (note 2)		1,050	—
Retirement benefit obligations (note 7)		6,970	7,657
Stockholders' equity (notes 4, 7 and 9):			
Common stock, par value $.01 per share. Authorized 50,000,000 shares; issued and outstanding 16,501,288 shares in 1999 and 21,905,488 shares in 1998		165	219
Additional paid-in capital		79,667	81,539
Accumulated deficit		(74,581)	(70,714)
Accumulated other comprehensive loss (note 1)		(102)	(885)
		5,149	10,159
Commitments (notes 2, 7 and 11)			
	$	14,203	18,391

See accompanying notes to consolidated financial statements.

NORD RESOURCES CORPORATION
AND SUBSIDIARIES

Consolidated Statements of Operations

Years ended December 31, 1999 , 1998 and 1997

(In thousands)

		1999	1998	1997
Sales	$	510	—	—
Costs and expenses:				
Cost of sales		(1,537)	—	—
Selling, general and administrative		(3,235)	(3,630)	(3,548)
Total costs and expenses		(4,772)	(3,630)	(3,548)
Operating loss		(4,262)	(3,630)	(3,548)
Other income (expense):				
Interest and other income		351	853	1,269
Interest expense		(70)	(91)	(168)
Gain on sale of SRL (note 3)		3,702	—	—
Losses relating to investment in SRL (note 3)		(523)	(5,001)	(8,645)
Equity in earnings (loss) of Pacific, including cumulative effect of change in accounting of $1,242,000 in 1999 (note 4)		(3,065)	38	(949)
Total other income (expense)		395	(4,201)	(8,493)
Loss from continuing operations		(3,867)	(7,831)	(12,041)
Loss from discontinued operations (note 10)		—	—	(271)
Net loss	$	(3,867)	(7,831)	(12,312)
Loss per share:				
From continuing operations	$	(0.18)	(0.36)	(0.55)
From discontinued operations		—	—	(0.01)
Net loss	$	(0.18)	(0.36)	(0.56)
Weighted average shares of common stock outstanding		21,028	21,905	21,875

See accompanying notes to consolidated financial statements.

NORD RESOURCES CORPORATION
AND SUBSIDIARIES

Consolidated Statements of Stockholders' Equity

Years ended December 31, 1999 , 1998 and 1997

(In thousands)

	Common stock outstanding		Additional paid-in capital	Retained earnings (accumulated deficit)	Accumulated other comprehensive income (loss)
	Shares	Amount			
Balance, December 31, 1996	21,838,408	$ 218	79,196	(50,571)	138
Net loss	—	—	—	(12,312)	—
Stock options exercised (note 9)	67,080	1	150	—	—
Adjustment resulting from issuance of securities by Pacific (note 4)	—	—	2,185	—	—
Minimum pension liability (note 7)	—	—	—	—	(857)
Balance, December 31, 1997	21,905,488	219	81,531	(62,883)	(719)
Net loss	—	—	—	(7,831)	—
Compensation related to options issued to non-employees	—	—	8	—	—
Minimum pension liability (note 7)	—	—	—	—	(166)
Balance, December 31, 1998	21,905,488	219	81,539	(70,714)	(885)
Net loss	—	—	—	(3,867)	—
Common shares issued for Johnson Camp acquisition (note 2)	1,600,000	16	684	—	—
Common shares reacquired and canceled (note 3)	(7,004,200)	(70)	(2,556)	—	—
Minimum pension liability (note 7)	—	—	—	—	783
Balance, December 31, 1999	16,501,288	$ 165	79,667	(74,581)	(102)

See accompanying notes to consolidated financial statements.

NORD RESOURCES CORPORATION
AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended December 31, 1999 , 1998 and 1997

(In thousands)

		1999	1998	1997
Operating activities:				
Net loss	$	(3,867)	(7,831)	(12,312)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:				
Gain on sale of SRL		(3,702)	—	—
Equity in net loss (earnings) of Pacific		3,065	(38)	949
Provision for retirement benefits, net of payments		96	(832)	479
Depreciation		209	35	21
Provision for impairment of assets		—	11	50
Compensation expense for options issued to non-employees		—	8	—
Loss from discontinued operations		—	—	271
Change in assets and liabilities, excluding effects of acquisitions, dispositions, discontinued operations and other non-cash items:				
Accounts receivable – insurance claim		—	14,205	—
Receivable from Pacific		(935)	(345)	(669)
Other accounts receivable		(87)	—	—
Inventories		(68)	—	—
Prepaid expenses		18	93	(3)
Accounts payable		(323)	378	16
Accrued expenses		282	(765)	330
Net cash used in discontinued operations		—	—	(1,033)
Net cash provided by (used in) operating activities		(5,312)	4,919	(11,901)
Investing activities:				
Proceeds from sale of SRL, net		1,075	—	—
Reduction in obligation under guarantee of loans payable by SRL		—	(12,476)	(3,089)
Proceeds from sale of investment in Manatee		—	954	180
Proceeds from sale of short-term investments		—	—	2,376
Purchases of property and equipment		(452)	(132)	(44)
Decrease (increase) in other assets		44	290	(1,203)
Proceeds from sale of discontinued operations, net		—	—	10,528
Net cash provided by (used in) investing activities		667	(11,364)	8,748
Financing activities – issuance of common stock for options exercised		—	—	151
Net cash provided by financing activities		—	—	151
Decrease in cash and cash equivalents		(4,645)	(6,445)	(3,002)
Cash and cash equivalents – beginning of year		6,136	12,581	15,583
Cash and cash equivalents – end of year	$	1,491	6,136	12,581
Non-cash transactions:				
Issuance of common stock and notes payable for mining property	$	2,251	—	—
Common stock received on sale of SRL		2,627	—	—

See accompanying notes to consolidated financial statements.

(1) Summary of Significant Accounting Policies

(a) Company Description and Basis of Presentation

The Company owns a 28.5% interest in Nord Pacific Limited (Pacific), a publicly owned mining and exploration company engaged in the production of copper in Australia and the exploration for gold, copper, and other minerals in Australia, Papua New Guinea and North America. The Company also owns a 100% interest in Nord Copper Corporation which owns a copper mine in Arizona. The Company's 50% interest in Sierra Rutile Holdings Limited was disposed of during 1999.

The consolidated financial statements include the accounts of Nord Resources Corporation and its subsidiaries (collectively, the Company). All significant intercompany transactions and balances are eliminated in consolidation.

Investments in 20% to 50%-owned affiliates and joint ventures are accounted for using the equity method. Changes in the Company's proportionate share of the underlying equity of an equity method investee, which result from the issuance of additional securities by such equity investee, are recognized as increases to or reductions of additional paid-in capital in the consolidated statements of stockholders' equity.

(b) Liquidity and Future Operations

During 1999 the Company acquired the Johnson Camp Mine (see note 2) and commenced activities to resume mining operations there. Currently the Company is producing copper from ore stacked on the leach pads prior to the Company's acquisition of the property. The Company is currently updating a study to determine the feasibility of resuming mining operations and is attempting to obtain financing for the project. The ability of the Company to resume mining operations is dependent on obtaining sufficient financing for the project, of which there can be no assurance.

Revenue from the mine is currently not sufficient to cover the costs of operating the mine and the Company's overhead costs. If the Company is unable to resume mining operations and achieve profitability, it will be required to seek other sources of revenue or additional capital to fund its operations.

These financial statements have been prepared assuming that the Company will continue as a going concern. The Company has suffered recurring losses from its operations which raises substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

(c) Uses of Estimates

The preparation of these financial statements in conformity with generally accepted accounting principles requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates include losses related to discontinued operations and rates of discounting and salary escalation and other actuarial assumptions used to evaluate retirement benefits. Estimates of mineral reserves are used as a basis for amortization of certain of the Company's long-lived assets.

(d) Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

(e) Investments in Mining Companies

The Company evaluates the carrying value of its investments in mining companies whenever events or changes in circumstances indicate that carrying amount of the investment may not be recoverable. A loss in the value of an investment that is other than a temporary decline is recognized by recording a provision for impairment to reduce the carrying value of the investment to its estimated fair value.

(f) Property, Plant and Equipment

Equipment is depreciated using the straight-line method over the estimated useful lives of the assets which range from two to five years. Leasehold improvements are amortized over the five-year term of the office lease.

Mineral properties are amortized over the life of the mine using the units of production method. Buildings and mining equipment are depreciated over the shorter of their estimated useful lives, or over the life of the mine using the units of production method.

(g) Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed Of

The Company accounts for long-lived assets in accordance with the provisions of SFAS No. 121, *Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of*. This Statement requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

(Continued)

(h) Accounting for Stock-Based Compensation

The Company measures compensation cost for stock options issued to employees using the intrinsic value based method under Accounting Principles Board (APB) Opinion No. 25, *Accounting for Stock Issued to Employees*.

(i) Earnings (Loss) Per Share

Basic earnings (loss) per common share is computed by dividing net earnings (loss) by the weighted average number of common shares outstanding during the year. Diluted earnings (loss) per share is calculated based on the weighted average number of common shares outstanding adjusted for the dilutive effect, if any, of stock options and warrants outstanding. Outstanding options to purchase 1,425,800, 1,644,371, and 1,529,371 shares of common stock for the years ended December 31, 1999, 1998 and 1997, respectively, are not included in the computation of diluted loss per share as the effect of the assumed exercise of these options would be antidilutive.

(j) Comprehensive Income (Loss)

The components of total comprehensive income (loss) for the years ended December 31, 1997, 1998 and 1999 consist of net earnings (loss), foreign currency translation and changes in the unfunded pension liability as follows:

	Foreign currency translation	Unfunded pension liability	Accumulated other comprehen-sive income (loss)	Net earnings (loss)	Total comprehen-sive income (loss)
Balance at December 31, 1996	$ 281	(143)	138	(50,571)	(50,433)
1997 activity	—	(857)	(857)	(12,312)	(13,169)
Balance at December 31, 1997	281	(1,000)	(719)	(62,883)	(63,602)
1998 activity	—	(166)	(166)	(7,831)	(7,997)
Balance at December 31, 1998	281	(1,166)	(885)	(70,714)	(71,599)
1999 activity	—	783	783	(3,867)	(3,084)
Balance at December 31, 1999	$ 281	(383)	(102)	(74,581)	(74,683)

(k) Reclassifications

Certain reclassifications have been made in the 1998 and 1997 consolidated financial statements to conform to the classifications used in 1999.

(2) Acquisition of Johnson Camp Mine

In June 1999, Nord Copper Corporation acquired a copper mine and related assets (Johnson Camp Mine) in Arizona, from Arimetco, Inc. At the time of the acquisition, Summo USA Corporation had entered into a purchase agreement to acquire the Johnson Camp Mine from Arimetco. The Company paid Arimetco $310,000 and issued a promissory note payable to them in the amount of $1,550,000. The note is payable in installments of $500,000, $500,000 and $550,000, due on June 8, 2000, June 8, 2001 and June 8, 2002, respectively, together with interest at the rate of 8% per annum payable quarterly. The note is secured by a lien on the Johnson Camp Mine. The Company also agreed to pay Arimetco up to an additional $1,000,000 from revenues from the Johnson Camp Mine, at a rate of $0.02 per pound for all copper sold, but only if the market price is in excess of $1.00 per pound. In connection with the acquisition, the Company also issued 1,600,000 shares of its common stock to Summo. The shares were valued based on the quoted market price of the Company's common stock.

Under an agreement with Pacific, the Company has agreed to pay Pacific 20% of the cash flow after the Company has recovered its investment in the Johnson Camp mine as consideration for assisting in identifying and assessing the opportunity and participating in the management of the mine.

Also in connection with the acquisition, the Company entered into a consent decree with the Arizona Department of Environmental Quality. The Company has agreed to upgrade and improve certain of the facilities and complete certain remediation activities at the property by September 2000. The estimated cost to complete the upgrades and improvements and to perform the remediation activities is approximately $1,500,000. The Company is subject to fines if it fails to comply with the terms of the consent decree.

(3) Sale of SRL and its Subsidiaries and Affiliates

The Company owned a 50% interest in Sierra Rutile Holdings Limited, which in turn owned 100% of Sierra Rutile Limited and Sierra Rutile America, and 50% interests in Sierra Rutile Services Limited, Titanium Minerals Marketing International and Titanium Minerals Marketing International, USA (collectively, SRL). SRL produced and marketed rutile and ilmenite (titanium dioxide) from its rutile operation located in Sierra Leone, West Africa. These products were sold primarily to the paint pigment industry in the United States, Europe and the Far East. In January 1995, rebel forces attacked SRL's mining operation in Sierra Leone, which had been in operation since 1978. As a result, SRL was forced to suspend mining operations and subsequently terminated all nonessential personnel.

On September 30, 1999, the Company completed the sale of SRL to MIL (Investments) S.A.R.L. (MIL), then a shareholder of the Company. The Company's shareholders voted to approve the sale on September 8, 1999. As consideration for the sale, the Company received $1,250,000; 7,004,200 shares of its common stock, representing all of the common shares owned by MIL; and a release of the Company's guarantee of approximately $6,000,000 of Sierra Rutile bank debt. The Company also retained a 5% carried interest in the mine. The shares of common stock received were valued based on the quoted market price of the Company's common shares on September 30, 1999. The shares received were subsequently cancelled.

As a result of the initial rebel attack on SRL's mining operations in Sierra Leone and the continuing uncertainty resulting from the ongoing rebel activity in the country, significant uncertainty existed as to the Company's ability to recover its investment in SRL. Accordingly, the Company previously recorded a provision for impairment of its investment in SRL, including a provision for amounts it was required to advance to SRL for the repayment of loans payable by SRL which it had guaranteed. During 1999, 1998 and 1997, the Company advanced to SRL $523,000, $17,477,000, and $11,734,000, respectively, to fund its 50% share of SRL's cash requirements, including debt service requirements, vendor payments and ongoing operating expenses. Amounts advanced to SRL which were used to reduce the principal amounts of loans outstanding were recorded as a reduction of the obligation under guarantee of loans payable by SRL. Other amounts were charged to expense as they were advanced to SRL.

The Company had certain amounts of insurance to cover risk of loss on its investment in SRL due to political violence and expropriation of SRL's assets. Under an insurance policy provided by an agency of the United States government, $15,705,000 of coverage was provided for the Company's share of losses from political violence. The Company filed a claim under this policy for its 50% share of losses resulting from events which began in January 1995. In September 1996, the Company received a $1,500,000 provisional payment from the insurer under this policy. A further claim for the full amount covered by the policy was filed in February 1998, and the balance of $14,205,000 was received in May 1998. These amounts totaling $15,705,000 were recorded as prior period adjustment to the 1995 financial statements.

(4) Investment in Nord Pacific Limited

As of December 31, 1999 and 1998 the Company owns 3,697,561 shares of Pacific. The aggregate market value of the Company's investment in Pacific at December 31, 1999 was approximately $1,850,000 based on the average of the bid and asked price at December 31, 1999 of $0.50 per share.

Accounts receivable from Pacific at December 31, 1999 includes a note receivable of $750,000 due September 30, 2000 with interest payable at 10%. Interest income on the note for 1999 was $18,000. Subsequent to December 31, 1999, the note was repaid in full. The remaining amounts receivable from Pacific are on open account and do not bear interest. These amounts represent amounts due under an agreement entered into with Pacific in 1998 to share office space, administrative personnel and other expenses on a 50/50 basis.

In 1997, the Company provided certain services to Pacific under a management agreement. Under the terms of the agreement, the Company received a monthly fee of $7,000 and was reimbursed for all direct expenses incurred on behalf of Pacific. The Company received $566,000 from Pacific under this agreement in 1997.

On July 3, 1997, Pacific completed a public share offering in Canada. The offering consisted of the sale of 2,460,000 units, consisting of one common share and one-half of one purchase warrant. Each whole purchase warrant entitled the holder to purchase one common share at C$9.00. Pacific also issued warrants to purchase 225,000 shares at C$6.90 to the underwriter. Gross proceeds from the offering totaled $12,300,000. Pacific received net proceeds of $10,684,000, after the payment of commissions, certain legal fees and other related costs. All of the warrants expired unexercised in 1998.

In 1997 and prior years, the Company advanced funds to Pacific totaling $3,747,745. The advances were payable on demand with interest at the prime rate plus 1%. In July and August 1997, Pacific repaid $2,000,000 to the Company. Concurrent with the closing of the offering, the Company converted the remaining $1,747,745 due from Pacific into 349,549 units at $5.00 per unit.

In connection with the continuance of Pacific to the Province of New Brunswick, Canada in 1998, Pacific has prepared its financial statements in accordance with generally accepted accounting principles in Canada (Canadian GAAP). The effects on its financial statements of differences between these principles and those that are generally accepted in the United States (U.S. GAAP) are disclosed in the notes to Pacific's financial statements. The following summarized financial information, prepared in accordance with generally accepted accounting principles in the United States, has been derived from Pacific's financial statements.

Condensed Balance Sheets

		December 31,	
		1999	1998
		(In thousands)	
Current assets	$	1,712	3,646
Property, plant and equipment		2,282	3,605
Deferred exploration, development other costs		15,626	24,908
	$	19,620	32,159
Current liabilities	$	8,055	4,949
Long-term debt		—	2,400
Payable on foreign currency contracts		—	1,144
Deferred income taxes		2,129	3,497
Retirement benefits		270	271
Total liabilities		10,454	12,261
Shareholders' equity		9,166	19,898
	$	19,620	32,159
Company's share of equity	$	2,668	5,733

Condensed Statements of Operations

		Year ended December 31,		
		1999	1998	1997
		(In thousands)		
Sales	$	10,752	13,807	16,328
Costs and expenses		(18,624)	(13,610)	(16,431)
Operating earnings (loss)		(7,872)	197	(103)
Forward currency transaction gains (losses)		(323)	(589)	502
Foreign currency forward exchange contract gains (losses)		901	(606)	(2,399)
Copper contracts gains (losses)		—	—	372
Other income and expenses, net		(451)	(39)	(14)
Income before income taxes		(7,745)	(1,037)	(1,642)
Income tax benefit (provision)		1,368	1,110	(1,662)
Earnings (loss), before cumulative effect of change in method of accounting		(6,377)	73	(3,304)
Cumulative effect of change in method of accounting for development costs		(4,355)	—	—
Net earnings (loss)	$	(10,732)	73	(3,304)
Company's share of net earnings (loss)	$	(3,065)	38	(949)

(5) Property and Equipment

		December 31,	
		1999	**1998**
		(In thousands)	
Land	$	187	100
Mineral properties		42	—
Building		789	—
Mining equipment		1,684	—
Other equipment		625	530
Leasehold improvements		130	130
		3,457	760
Less accumulated depreciation and depletion		(716)	(513)
	$	2,741	247

(6) Other Assets

		December 31,	
		1999	**1998**
		(In thousands)	
Non-qualified trusts designated for funding of retirement benefits (note 7):			
Investments held in trust	$	5,634	4,231
Cash surrender value of life insurance, net of loans of $1,232,000 in 1998		—	1,428
Unamortized pension cost		52	71
	$	5,686	5,730

The Company, through its wholly owned subsidiary, Nord Manatee Ltd., owned a 42% interest in approximately 200 acres of undeveloped real estate. In 1997, the venture sold this property for $2,769,000. The venture received $500,000 at closing. The balance of the proceeds were received in September 1998. The Company's share of the proceeds was $954,000.

Interest on loans against the net cash surrender value of life insurance policies of $117,000 and $118,000 was paid in 1998 and 1997, respectively.

(7) Retirement Benefits

The Company has an unfunded non-contributory defined benefit plan for certain of its executive officers and management personnel. The Company has non-qualified trusts which were established in 1989 related to this plan, and the trusts hold assets valued at $5,634,000 and $5,659,000 at

(Continued)

December 31, 1999 and 1998, respectively (see note 6). Effective in 1995, the plan was amended to permit two officers to elect upon their retirement to receive a discounted lump sum distribution of their accumulated benefit obligation, limited to the amounts held in the trusts, which are designated for these officers. The Company contributed $250,000 in 1999 to the trust designated for one of these officers.

The following tables set forth the changes in the projected benefit obligation for the years ended December 31, 1999, 1998 and 1997, and the funded status of the plan and the amounts recognized in the Company's balance sheet at December 31, 1999 and 1998:

		Year ended December 31,		
		1999	**1998**	**1997**
			(In thousands)	
Change in benefit obligation:				
Benefit obligation, beginning of period	$	7,494	8,172	7,523
Service cost		16	16	115
Interest cost		490	539	544
Actuarial loss (gain)		(713)	166	204
Benefits paid		(474)	(1,399)	(214)
Benefit obligation, end of period	$	6,813	7,494	8,172

		December 31,	
		1999	**1998**
		(In thousands)	
Funded status:			
Benefit obligation	$	(6,813)	(7,494)
Unrecognized net loss		383	1,166
Unrecognized prior service cost		52	71
Net amount recognized	$	(6,378)	(6,257)
Amounts recognized in the balance sheet consist of:			
Retirement benefits liability	$	(6,813)	(7,494)
Unamortized pension cost		52	71
Accumulated other comprehensive income		383	1,166
Net amount recognized	$	(6,378)	(6,257)

The following tables set forth the components of net periodic benefit costs and the actuarial assumptions used for the years ended December 31, 1999, 1998 and 1997:

	Year ended December 31,		
	1999	**1998**	**1997**
		(In thousands)	
Components of net periodic benefit cost:			
Service cost	$ 16	16	115
Interest cost	490	539	544
Amortization of prior service cost	19	19	19
Recognized net actuarial loss	70	—	6
Net periodic benefit cost	$ 595	574	684
Assumptions:			
Discount rate	7.75%	6.75%	7.00%
Rate of compensation increase	—	—	—

In addition, the Company has a nonqualified retirement plan for certain former members of the Board of Directors. The amounts accrued under this plan were $157,000 and $163,000 at December 31, 1999 and 1998, respectively.

(8) Income Taxes

Tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	December 31,	
	1999	**1998**
	(In thousands)	
Deferred tax assets:		
Deferred compensation	$ 2,439	2,680
Net operating loss carryforwards	13,243	11,918
Tax credit carryforwards	1,578	1,578
Capital loss carryforward	10,212	—
Other	48	250
	27,520	16,426
Less valuation allowance	(27,520)	(16,426)
Net deferred tax assets	$ —	—

The Company has provided a valuation allowance against its net deferred tax assets, since it is unlikely that the benefits will be realized.

Income tax expense differed from the amount computed by applying the U.S. statutory income tax rate of 35% to income before income tax expense as a result of the following:

		Year ended December 31,		
		1999	**1998**	**1997**
			(In thousands)	
Tax benefit at statutory rate	$	(754)	(2,741)	(4,214)
Increase (decrease in taxes resulting from:				
Change in valuation allowance		11,094	916	1,243
Foreign expenses not deductible for tax		—	1,750	3,026
Percentage depletion in excess of basis		—	—	(47)
Capital loss on sale of SRL for tax purposes		(10,212)	—	—
Other		(128)	75	(8)
Income tax expense	$	—	—	—

At December 31, 1999, the Company has net operating loss carryforwards of approximately $37,800,000 which expire from 2012 to 2019. The Company has general business credit carryforwards of $538,000, which expire from 2003 to 2016, available to reduce the Company's future tax liability and alternative minimum tax (AMT) credit carryforwards of approximately $1,040,000 which may be carried forward indefinitely to reduce future federal regular taxes.

(9) Stock Options

The Company has granted incentive and non-qualified stock options for its employees and directors under the terms of its various stock option plans. The Company has also granted non-qualified, non-plan options which have been authorized by the Company's Board of Directors.

Options are granted at an exercise price equal to or in excess of the quoted market price on the date of grant. Options are generally exercisable beginning one year from date of grant and expire ten years from date of grant. At December 31, 1999, 1,469,474 shares are available for future option grants under the terms of the various plans.

A summary of the status of the Company's outstanding stock options as of December 31, 1999, 1998 and 1997 and changes during the years then ended follows:

	Options	Weighted average exercise price
Outstanding at December 31, 1996	1,659,361	$ 5.99
Granted	1,290,773	5.11
Exercised	(67,080)	2.25
Terminated	(637,294)	5.86
Expired	(716,389)	6.67
Outstanding at December 31, 1997	1,529,371	5.14
Granted	264,300	4.31
Expired	149,300	5.70
Outstanding at December 31, 1998	1,644,371	4.15
Granted	200,000	6.06
Terminated	(5,000)	1.38
Expired	(413,571)	6.14
Outstanding at December 31, 1999	1,425,800	$ 4.78

	1999		1998		1997	
	Shares	Weighted average exercise price	Shares	Weighted average exercise price	Shares	Weighted average exercise price
Options exercisable at year-end	1,358,300	$ 4.73	1,374,371	$ 4.97	1,029,371	$ 5.19

(Continued)

The following table summarizes information about stock option plans and non-plan options outstanding at December 31, 1999:

	Exercise prices per share	Options outstanding	Weighted average contract life	Options exercisable
$	1.38	40,000	8.08	22,500
	1.75	50,000	9.42	—
	2.00	50,000	8.08	50,000
	2.25	15,000	5.85	15,000
	3.25	200,000	7.39	200,000
	4.00	250,000	3.40	250,000
	4.13	1,500	7.05	1,500
	4.63	15,000	6.86	15,000
	4.88	33,750	.82	33,750
	5.00	200,000	2.40	200,000
	5.13	65,000	2.42	65,000
	5.61	35,550	.08	35,550
	6.00	200,000	2.40	200,000
	6.13	30,000	6.42	30,000
	6.67	90,000	.05	90,000
	7.38	120,000	1.83	120,000
	8.00	30,000	1.08	30,000
$	1.38 – 8.00	1,425,800	4.93	1,358,300

Of the 1,425,800 options outstanding at December 31, 1999, 303,300 shares have been issued under the terms of the Company's stock option plans. The remaining 1,122,500 options are non-qualified, non-plan options.

The Company applies APB Opinion No. 25 in accounting for its stock option plans. Therefore, no compensation expense under SFAS No. 123 has been recognized for options granted to employees. Had compensation cost for the Company's option grants in 1995 and subsequent years been determined based on the fair value of the options at the grant dates consistent with the provisions of SFAS No. 123, the Company's net loss and net loss per common share would have been increased to the pro forma amounts indicated below:

		Year ended December 31,		
		1999	1998	1997
Net loss:				
As reported	$	(3,867)	(7,831)	(12,312)
Pro forma		(3,883)	(7,895)	(12,404)
Loss per share:				
As reported		(.18)	(.36)	(.56)
Pro forma		(.18)	(.36)	(.57)

The assumptions used in determining the fair value of options granted during 1999, 1998 and 1997 are as follows:

		Year ended December 31,		
		1999	**1998**	**1997**
Expected volatility	$	81%	73%	66%
Expected life of grant		5 years	5 years	5 years
Risk-free interest rate		6.50%	5.05%	6.39%
Expected dividend rate		None	None	None

The weighted average fair value of options granted during the years ended December 31, 1999, 1998 and 1997 was $6.06, $4.91 and $5.11, respectively.

(10) Discontinued Operations

During 1996, the Company committed to a formal plan to dispose of its 80% owned subsidiary, Nord Kaolin Company (NKC), which represented the Company's kaolin segment. On April 23, 1997, the Company consummated the sale of substantially all of the assets of NKC (except cash and accounts receivable) for $20,000,000, less $735,000 relating to certain liabilities assumed by the purchaser.

The purchaser assumed certain lease obligations of NKC and NKC's obligations under a non-contributory defined benefit plan covering hourly employees of NKC. Proceeds in 1997 from this transaction totaled $10,500,000 including collection of accounts receivable and less payment of NKC's liabilities and other liabilities incurred as a result of this transaction.

A provision for loss on the disposal of the kaolin segment was recorded in 1996, including a provision for estimated losses to the disposal date. The provision included accruals for estimated severance costs of approximately $800,000 and estimated legal and other termination costs of $811,000. Such amounts were paid in 1997. The provision for loss on disposal in 1997 included $510,000 of additional severance costs for which the Company was obligated as a result of the termination of additional employees after the sale, offset by an adjustment of $239,000 to the provision for estimated losses to the disposal date.

(11) Commitments

The Company leases its office space and certain equipment under operating leases. Certain of the leases contain renewal options and escalation clauses. Minimum annual lease payments under non-cancelable operating leases for the years ended December 31 are as follows:

2000	$	65,943
2001		65,845
2002		63,873
Thereafter		141,217
	$	336,878

Total rent expense for 1999, 1998 and 1997 was $101,000, $101,000 and $192,000, respectively.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not Applicable

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

ITEM 11. EXECUTIVE COMPENSATION

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by the above Items 10-13 is incorporated by reference to the Company's Proxy Statement to be filed with the Securities and Exchange Commission on or before April 30, 2000.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) 1. Financial Statements:

The following consolidated financial statements of Nord Resources Corporation as of December 31, 1999 and 1998 and for each of the years in the three-year period ended December 31, 1999 are included in Part II, Item 8 of this Form 10-K:

Nord Resources Corporation:
- Independent Auditors Report
- Consolidated Balance Sheets
- Consolidated Statements of Operations
- Consolidated Statements of Stockholders' Equity
- Consolidated Statements of Cash Flows
- Notes to Consolidated Financial Statements

The following consolidated financial statement of Nord Pacific Limited as of December 31, 1999 and 1998 and for each of the years in the three-year period ended December 31, 1999, required by rule 3.09 of Regulation S-X, are included as an exhibit to this Form 10-K.

Nord Pacific Limited:
- Independent Auditors' Report
- Consolidated Balance Sheets
- Consolidated Statements of Operations
- Consolidated Statements of Stockholders' Equity
- Consolidated Statements of Cash Flows
- Notes to Consolidated Financial Statements

2. Financial Statement Schedules:

Independent Auditors' Report
Schedule II – Valuation and qualifying accounts

(b) Reports on Form 8-K:

A Form 8-K was filed on October 12, 1999, related to the sale of SRL.

(c) Exhibits: See INDEX TO EXHIBITS

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NORD RESOURCES CORPORATION

/s/ Edgar F. Cruft
Edgar F. Cruft
Chairman of the Board
April 12, 2000

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ W. Pierce Carson
W. Pierce Carson
Chief Executive Officer,
President and Director

/s/ John P. Griffith
John P. Griffith
Acting Chief Financial Officer
April 12, 2000

/s/ Terence H. Lang
Terence H. Lang
Director

Frank J. Waldron
Director

/s/ Leonard Lichter
Leonard Lichter
Director

James Askew
Director

SIGNATURES

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NORD RESOURCES CORPORATION

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Edgar F. Cruft
Chairman of the Board
April 12, 2000

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W. Pierce Carson
Chief Executive Officer,
President and Director

John P. Griffith
Acting Chief Financial Officer
April 12, 2000

Terence H. Lang
Director

Frank J. Waldron
Director

Leonard Lichter
Director

James Askew
Director

Independent Auditors' Report

The Board of Directors and Stockholders
Nord Resources Corporation:

Under date of April 5, 2000, we have reported on the consolidated balance sheets of Nord Resources Corporation and subsidiaries as of December 31, 1999 and 1998, and the related consolidated statements of operations, stockholder's equity, and cash flows for each of the years in the three-year period ended December 31, 1999, which are included in the Company's annual report on Form 10-K. In connection with our audits of the aforementioned consolidated financial statements, we also audited the related consolidated financial statement schedule II – Valuation and Qualifying Accounts. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audits.

In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

KPMG LLP

Denver, Colorado
April 5, 1999

Schedule II

NORD RESOURCES CORPORATION
AND SUBSIDIARIES

Valuation and Qualifying Accounts

(In thousands)

Column A		Column B	Column C	Column D	Column E
Description		Balance at beginning of period	Additions charge to costs and expenses	Deductions	Balance at end of period
Year ended December 31, 1999					
Investment valuation allowance – SRL	$	32,463	—	(32,463)	—
Year ended December 31, 1998					
Estimated loss on disposal, including provision for estimated operating losses to disposal date	$	21,412	271	21,683	—
Investment valuation allowance – Manatee Gateway	$	2,394	—	2,394	—
Investment valuation allowance – SRL	$	32,463	—	—	32,463
Obligation under guarantee of loans payable by SRL	$	12,476	—	12,476	—
Year ended December 31, 1997					
Estimated loss on disposal, including provision for estimated operating losses to disposal date	$	—	21,412	—	21,412
Investment valuation allowance – Manatee Gateway	$	2,394	—	—	2,394
Investment valuation allowance – ilenite equipment	$	855	280	1,135 [1]	—
Investment valuation allowance – SRL	$	32,463	—	—	32,463
Obligation under guarantee of loans payable by SRL	$	15,565	—	3,089	12,476

[1] – Equipment written off against the provision for impairment

Independent Auditors' Report

The Board of Directors
Nord Pacific Limited:

We have audited the accompanying consolidated balance sheets of Nord Pacific Limited and subsidiaries as of December 31, 1999 and 1998, and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Nord Pacific Limited and subsidiaries as of December 31, 1999 and 1998, and the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles in Canada.

Accounting principles generally accepted in Canada vary in certain significant respects from accounting principles generally accepted in the United States. Application of accounting principles generally accepted in the United States would have affected results of operations for the years ended December 31, 1999 and 1998 and stockholders' equity as of December 31, 1999 and 1998, to the extent summarized in note 14 to the consolidated financial statements.

KPMG LLP

Denver, Colorado
April 5, 2000

Independent Auditor's Report

Board of Directors and Shareholders
Nord Pacific Limited:

We have audited the accompanying consolidated statements of operations, shareholders' equity, and cash flows of Nord Pacific Limited and subsidiaries (the Company) for the year ended December 31, 1997 (all expressed in U.S. dollars). These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such consolidated statements of operations, shareholders' equity and cash flows present fairly, in all material respects, the results of the operations and cash flows of the Company for the year ended December 31, 1997 in conformity with accounting principles generally accepted in Canada.

DELOITTE & TOUCHE
Chartered Accountants
Hamilton, Bermuda
March 20, 1998

NORD PACIFIC LIMITED
AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 1999 and 1998

(In thousands of U.S. Dollars)

Assets		**1999**	**1998**
Current assets:			
Cash and cash equivalents	$	102	1,416
Accounts receivable:			
Trade		950	1,384
Other, including joint venture partner		146	402
Inventories:			
Copper metal		260	191
Supplies		175	166
Prepaid expenses		79	87
Total current assets		1,712	3,646
Deferred costs associated with ore under leach, net of accumulated amortization of $22,740 in 1999 and $16,192 in 1998 (note 2)		8,228	9,413
Property, plant and equipment at cost less accumulated depreciation (note 3)		2,282	3,605
Deferred exploration and development costs:			
Girilambone, net of accumulated amortization of $4,434 in 1999 and $2,917 in 1998 (note 2)		2,045	3,527
Exploration and development prospects (note 4)		15,591	19,141
Other assets		103	71
	$	29,961	39,403

See accompanying notes to consolidated financial statements.

NORD PACIFIC LIMITED
AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 1999 and 1998

(In thousands of U.S. Dollars)

Liabilities and Stockholders' Equity		**1999**	**1998**
Current liabilities:			
Accounts payable:			
Trade	$	1,356	1,715
Affiliates		2,091	594
Accrued expenses		1,058	484
Current maturities of long-term debt (note 5)		2,400	600
Payable on foreign currency contracts (note 6)		1,150	1,556
Total current liabilities		8,055	4,949
Long-term liabilities:			
Long-term debt (note 5)		—	2,400
Payable on foreign currency contracts (note 6)		—	1,144
Deferred income tax liability (note 11)		4,019	5,300
Retirement benefits (note 12)		270	271
Total long-term liabilities		4,289	9,115
Stockholders' equity (notes 7 and 9):			
Common shares, no par value; unlimited authorized shares. Issued and outstanding 12,960,803 shares in 1999 and 1998		47,375	47,375
Accumulated deficit		(30,556)	(22,834)
Foreign currency translation adjustment		798	798
Total stockholders' equity		17,617	25,339
Commitments and contingent liabilities (notes 8, 12, 13 and 15)			
	$	29,961	39,403

See accompanying notes to consolidated financial statements.

NORD PACIFIC LIMITED
AND SUBSIDIARIES

Consolidated Statements of Operations

Years ended December 31, 1999, 1998 and 1997

(In thousands of U.S. dollars, except share and per share amounts)

		1999	1998	1997
Sales (note 10)	$	10,752	13,807	16,328
Costs and expenses:				
Cost of sales (note 2)		12,827	10,251	8,696
Abandoned and impaired properties (note 4)		4,750	96	14,293
General and administrative:				
Nord Resources Corporation (note 7)		—	—	566
Other		2,305	2,941	3,261
Total costs and expenses		19,882	13,288	26,816
Operating earnings (loss)		(9,130)	519	(10,488)
Other income (expense):				
Interest and other income (expense), net		(149)	233	357
Interest expense and amortization of debt issuance costs		(302)	(272)	(371)
Foreign currency forward exchange contract gains (losses) (note 6)		901	(606)	(2,399)
Foreign currency transaction gains (losses)		(323)	(589)	502
Copper contracts gains (losses) (note 6)		—	—	372
Total other income (expense)		127	(1,234)	(1,539)
Earnings (loss) before income taxes		(9,003)	(715)	(12,027)
Income taxes (note 11)		(1,281)	(740)	2,300
Net earnings (loss)	$	(7,722)	25	(14,327)
Earnings (loss) per common share	$	(0.60)	—*	(1.31)
Weighted average common shares outstanding		12,961,000	12,961,000	10,935,000

* Less than $.01 per share

See accompanying notes to consolidated financial statements.

NORD PACIFIC LIMITED
AND SUBSIDIARIES

Consolidated Statements of Stockholders' Equity

Years ended December 31, 1999, 1998 and 1997

(In thousands of U.S. dollars, except shares)

	Common stock outstanding			Common shares subscribed	Additional paid-in capital	Accumulated deficit
	Shares		Amount			
Balance, December 31, 1996	9,515,654	$	476	—	31,467	(8,532)
Net loss	—		—	—	—	(14,327)
Exercise of options	35,600		2	—	153	—
Common shares issued in public offering, net of offering costs	2,460,000		123	—	10,561	—
Compensation relating to options issued to non-employees	—		—	—	110	—
Conversion of debt to common shares	349,549		17	—	1,731	—
Common shares subscribed	—		—	2,700	—	—
Compensation relating to options issued	—		—	—	(23)	—
Balance, December 31, 1997	12,360,803		618	2,700	43,999	(22,859)
Net earnings	—		—	—	—	25
Issuance of common shares subscribed	600,000		30	(2,700)	2,670	—
Costs related to common shares subscribed	—		—	—	(4)	—
Compensation relating to options issued to non-employees	—		—	—	62	—
Change in par value of common shares from $.05 per share to no par value	—		46,727	—	(46,727)	—
Balance, December 31, 1998	12,960,803		47,375	—	—	(22,834)
Net loss	—		—	—	—	(7,722)
Balance, December 31, 1999	12,960,803	$	47,375	—	—	(30,556)

See accompanying notes to consolidated financial statements.

NORD PACIFIC LIMITED
AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended December 31, 1999, 1998 and 1997

(In thousands of U.S. dollars)

		1999	1998	1997
Operating activities:				
Net earnings (loss)	$	(7,722)	25	(14,327)
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:				
Depreciation		1,328	1,573	1,148
Amortization		8,106	6,619	3,565
Abandoned and impaired properties		4,750	96	14,293
Compensation relating to stock options issued		—	62	110
Unrealized loss (gain) on foreign currency contracts		(1,550)	606	2,399
Foreign currency transaction gain		—	—	(502)
Deferred income taxes		(1,281)	(740)	2,300
Provision (credit) for retirement benefits		(1)	167	104
Derivative financial instruments		—	—	(372)
Change in assets and liabilities:				
Accounts receivable		690	(330)	146
Inventories		(78)	(16)	(9)
Other assets		(73)	—	—
Prepaid expenses		8	50	(42)
Accounts payable		203	823	(319)
Accrued expenses and other liabilities		524	(1,760)	374
Net cash provided by operating activities		4,904	7,175	8,868
Investing activities:				
Capital expenditures		(5)	(440)	(473)
Deferred exploration and development costs		(1,235)	(6,726)	(10,720)
Deferred costs associated with ore under leach		(5,363)	(5,117)	(4,023)
Net cash used in investing activities		(6,603)	(12,283)	(15,216)
Financing activities:				
Borrowing of long-term debt		400	1,521	2,981
Repayments of long-term debt		(1,000)	(1,383)	(5,153)
Advances on copper sales		50	—	—
Advances from Nord Resources Corporation, net		935	343	669
Issuance of common shares for cash		—	2,700	12,300
Costs associated with issuance of common shares		—	(4)	(1,735)
Stock options exercised		—	—	155
Net cash provided by financing activities		385	3,177	9,217
Effect of exchange rate changes on cash and cash equivalents		—	(4)	43
Increase (decrease) in cash and cash equivalents		(1,314)	(1,935)	2,912
Cash and cash equivalents – beginning of year		1,416	3,351	439
Cash and cash equivalents – end of year	$	102	1,416	3,351
Cash paid for interest	$	53	241	371
Non-cash transactions:				
Conversion of long-term debt due to Nord Resources Corporation into common stock (note 7)	$	—	—	1,748
Common stock subscribed	$	—	—	2,700

See accompanying notes to consolidated financial statements.

(1) Summary of Significant Accounting Policies

(a) Company Description and Basis of Presentation

Nord Pacific Limited and its subsidiaries (collectively, the Company) are engaged in the production of copper and in the exploration for gold, copper, and other minerals in Australia, Papua New Guinea (PNG), and North America.

In June 1998, the Company's shareholders approved the discontinuance of the Company from Bermuda and approved its continuance into the Province of New Brunswick, Canada, effective September 30, 1998. As a Canadian Company, the Company is required to report its financial statements in accordance with generally accepted accounting principles in Canada. These principles differ in certain respects from those in the United States as described in Note 14.

(b) Principles of Consolidation

The consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries, and its 40% interest in the Girilambone copper property in Australia and its 50% interest in the Girilambone North Project (collectively Girilambone). The financial statements include the Company's proportionate share of the assets, liabilities and operations of Girilambone. All significant intercompany accounts and transactions are eliminated at consolidation.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(d) Cash and Cash Equivalents

The Company considers all investments with an original maturity of three months or less to be cash equivalents. The carrying amount of cash and cash equivalents approximates fair value.

(e) Inventories

Inventories are valued at the lower of cost (first-in, first-out method) or market.

(f) Deferred Costs Associated with Ore Under Leach

Costs at Girilambone incurred with respect to ore under leach are deferred and amortized using the units of production method over the remaining estimated reserves. The Company continually evaluates and refines estimates used to determine the amortization and carrying amount of deferred costs associated with ore under leach based upon actual copper recoveries and mine operating plans.

(Continued)

(g) Property, Plant and Equipment

Plant, mining and milling equipment at Girilambone is depreciated using the units-of-production method over the estimated remaining reserves. Furniture and fixtures are depreciated using the straight-line method over the estimated useful lives of the assets which range from two to five years.

(h) Deferred Exploration and Development Costs

All costs directly attributable to exploration and development are deferred. Costs related to producing properties are amortized using the units-of-production method over the estimated recoverable reserves. Deferred costs are carried at cost, not in excess of anticipated future recoverable value, and are expensed when a project is no longer considered commercially viable.

(i) Impairment of Mining Properties and Projects

Mining projects and properties are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Events or circumstances that may indicate that the carrying amount may not be recoverable include a significant decrease in current or forward commodity prices, a significant reduction in estimates of proven and probable reserves, and significant increases in operating costs, capital requirements or reclamation costs. If estimated future cash flows expected to result from the use of the mining project or property and its eventual disposition are less than the carrying amount of the mining project or property, an impairment is recorded to reduce the carrying amount of the mining project or property to its estimated net recoverable amount.

Impairments are generally assessed for each individual mining project, except where it is not practical to separately identify the net recoverable amount of related properties which are operated on a combined basis.

(j) Debt Issuance Costs

Professional fees and other costs relating to the issuance of debt are capitalized and amortized over the term of the related borrowings.

(k) Foreign Currency Translation

The functional currency for operations conducted in Australia is the U.S. dollar. Adjustments to monetary assets and liabilities denominated in Australian dollars as a result of changes in the exchange rate between U.S. dollars and Australian dollars are recognized currently in the statement of operations as foreign currency transaction gains and losses.

(Continued)

(l) Financial Instruments

Gains and losses related to qualifying hedges of anticipated copper sales are deferred and recognized in the statement of operations as a component of sales at the settlement date. Option premiums paid are deferred until the date of settlement or expiration of the option.

Realized and unrealized gains and losses on foreign currency forward exchange contracts and other derivative financial instruments that do not qualify as hedges are recognized currently in the statement of operations. Unrealized gains or losses are included as assets or liabilities in the balance sheet.

(m) Earnings (Loss) Per Common Share

Basic earnings (loss) per common share is computed by dividing net earnings (loss) by the weighted average number of common shares outstanding during the year. Diluted earnings per share is calculated based on the weighted average number of common shares outstanding adjusted for the dilutive effect of stock options and warrants outstanding. For the years ended December 31, 1999, 1998 and 1997, the assumed exercise of options and warrants was antidilutive and therefore not included in the weighted average shares computation.

(2) Girilambone

The Company is a 40% joint venturer in the Girilambone Copper Property and a 50% joint venturer in the Girilambone North Copper Property in Australia. In 1996, mining commenced in the Girilambone North Project area and the ore from this property is being processed through the existing Girilambone plant. Following is a condensed balance sheet of Girilambone and the corresponding amounts included in the Company's financial statements:

		Total Girilambone Joint Ventures December 31		Amounts included in accompanying financial statements December 31	
		1999	**1998**	**1999**	**1998**
Current assets	$	3,625	3,132	1,506	1,290
Deferred costs associated with ore under leach, net		16,456	19,290	8,228	9,413
Property, plant and equipment, net		4,450	7,356	1,816	2,981
Deferred exploration and development costs, net		5,751	9,673	2,045	3,527
Total assets		30,282	39,451	13,595	17,211
Current liabilities		(2,983)	(4,071)	(1,197)	(1,749)
Partners' equity	$	27,299	35,380	12,398	15,462
Company's share of equity	$	13,682	16,916		
Less elimination		(1,284)	(1,454)		
Net assets recorded by the Company	$	12,398	15,462		

(Continued)

The difference between the net assets of Girilambone and the Company's investment in Girilambone is being amortized using the units-of-production method as a reduction of depletion expense.

Debt incurred related to Girilambone is the separate responsibility of each venturer and is not included in the joint venture's financial statements. Copper production is distributed to each venturer based on their respective ownership interest. The sale of copper produced is the responsibility of each venturer. Cost and expense data related to the operation of the mine is as follows:

		Year ended December 31,		
		1999	**1998**	**1997**
			(In thousands)	
Cost of copper sales:				
Total Girilambone	$	27,173	24,563	21,048
Included in financial statements		12,827	10,251	8,696
General and administrative:				
Total Girilambone	$	416	398	538
Included in financial statements		190	182	242

(3) Property, Plant and Equipment

		December 31,	
		1999	**1998**
		(In thousands)	
Land	$	362	362
Plant, mining and milling equipment		9,373	9,439
Furniture and fixtures		722	708
		10,457	10,508
Less accumulated depreciation		(8,175)	(6,904)
	$	2,282	3,605

(Continued)

(4) Deferred Exploration and Development Costs

Deferred exploration and development costs by prospect are as follows:

		December 31,	
		1999	**1998**
		(In thousands)	
Ramu	$	5,250	9,519
Tabar Islands		4,886	4,355
Girilambone exploration area (including Tritton)		5,249	5,006
Other		206	261
	$	15,591	19,141

(a) Ramu

Through December 31, 1998 the Company owned a 35% interest in the Ramu Joint Venture (Ramu) which was formed to explore for nickel and cobalt in PNG. A feasibility study conducted in 1998 found that commercial production of nickel and cobalt would be economically feasible at Ramu.

During 1999, a third party exercised its right to acquire a 10% interest in the project by agreeing to fund its share of future development costs. Each of the joint venture partners' original interests were reduced proportionately.

In November 1999, the Company reached an agreement to sell its 31.5% interest in Ramu to an unrelated third party for $5,250,000. The Company is also entitled to two additional payments of $250,000 upon the completion of financing and upon achievement of commercial production. Upon execution of the agreement, the Company recognized an impairment charge of $4,750,000 to reduce the carrying value of the property to the sales price. The sale closed in March 2000.

(b) Tabar Islands

The Company owns a 100% interest in a gold exploration project in the Tabar Islands (Tabar), north of PNG. On December 3, 1996, the Company was granted a mining lease to develop and operate a gold mine on Simberi Island. While the government of PNG will have no participating interest, if production commences, a royalty of 2% of sales will be payable to the government.

At December 31, 1997, the Company owed one of Tabar's former owners $650,000 upon the issuance of a Special Mining Lease by the Government of PNG. In 1998, it was determined that a Special Mining Lease would not be issued. Accordingly, the Company eliminated the note payable with a corresponding credit to deferred exploration and development costs.

(Continued)

Tabar’s former owners have an option to reacquire 50% of the project if feasibility studies indicate that the project could produce 150,000 ounces or more of gold annually. If the option is exercised, the former owners would be required to pay to the Company 250% of its cumulative expenditures for mine development from July 1994 to the date the option is exercised.

Due to the precipitous decline in gold prices during the fourth quarter of 1997, the Company reviewed the carrying costs of and anticipated cash flows from the project to determine if it was impaired. The Company determined that future cash flows, based on estimated resources, were insufficient at projected gold prices to support the $17,656,000 carrying value of the project. The Company therefore recorded a provision for impairment of $13,381,000 at December 31, 1997 to reduce the carrying value of the project to its estimated net recoverable amount of $4,275,000.

(c) Girilambone Exploration Area

The Company has a 50% interest in an exploration joint venture formed to explore areas adjacent to its Girilambone copper mine. Under the terms of the joint venture agreement the Company is required to fund its 50% share of exploration costs. Exploration efforts are continuing in the Girilambone exploration area to identify additional mineable reserves.

The Company is seeking additional financing to develop its properties. The Company cannot predict whether financing will be available to develop these properties and thus whether the deferred exploration and development costs will ultimately be recovered.

(5) Long-Term Debt

		December 31, 1999	December 31, 1998
		(In thousands)	
Girilambone financing agreement	$	2,400	3,000
Less current maturities		(2,400)	(600)
Long-term debt	$	—	2,400

The Girilambone financing agreement provided for borrowings of up to $3,600,000. The loan bears interest at Singapore Interbank Offered Rates (SIBOR) plus 1-1/2% (7.52% at December 31, 1999). Principal payments are payable quarterly at the greater of 50% of available cash flow, as defined, for the quarter ending on the relevant repayment date or the amount required to reduce the amount outstanding to $1,100,000 on March 31, 2000 and to zero on June 30, 2000. The agreement also contains certain debt coverage ratio requirements. As collateral for the loan, the lender has a security interest in the Australian assets of the Company, including the Company’s share of assets of and production from Girilambone.

NORD PACIFIC LIMITED
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 1999, 1998 and 1997

Sales for the years ended December 3l, 1999, 1998 and 1997, include gains of $403,000, gains of $1,616,000 and losses of $54,000, respectively, that were realized in settlement of copper hedging contracts.

The Company has entered into swap agreements covering a total of 3,960,000 pounds of copper at a fixed price of $.80 per pound, representing approximately 30% of the Company's share of budgeted production for 2000. Contracts totaling 330,000 pounds of copper are settled monthly. Upon settlement, the Company receives the difference between the fixed price and the current price of copper if the current price is lower, or the Company pays the difference if the current price is higher. As a result, the Company is assured of receiving a price of $.80 per pound for this hedged production.

The following table summarizes the market value of the copper contracts determined based upon price quotes received from the counterparty to the agreements.

	Notional amount	Strike price per pound	Fair value – asset (in thousands)
At December 31, 1999:			
Swap contracts	3,960,000 pounds	$ .80	(295)
At December 31, 1998:			
Swap contracts	11,905,000 pounds	.75	737

(b) Foreign Currency Forward Exchange Contracts

The Company has entered into foreign currency forward exchange contracts to protect against Australian currency fluctuations related to payment of a portion of the expected operating costs of Girilambone. Since these contracts are not specifically identified with anticipated transactions, realized and unrealized gains and losses on these contracts are included currently in the results of operations. For the year ended December 31, 1999, the Company recorded realized and unrealized gains of $901,000 compared to losses of $606,000 and $2,399,000 in 1998 and 1997, respectively. Outstanding contracts at December 31, 1999 totaled $9,450,000 at an average exchange rate of A$1.00 = US$0.742. The amounts maturing in 2000 are as follows: January, $1,949,575; February, $750,000; March, $750,000; April, $750,000; May, $750,000; June, $750,000; July, $750,000; August, $750,000; September, $1,500,000; and October, $750,000.

(c) Counterparty Risk

The Company is exposed to credit risks in the event of nonperformance by the counterparties to the various agreements described above. The Company anticipates, however, that the counterparties will be able to fully satisfy their obligations under the agreements. The Company does not obtain collateral or other security to support financial instruments subject to credit risk.

(Continued)

(7) Nord Resources Corporation

Nord Resources Corporation (Resources) owned approximately 28.5% of the outstanding common stock of the Company as of December 31, 1999 and 1998.

Accounts payable to affiliates includes amounts payable to Resources of $1,378,000 and $443,000 at December 31, 1999 and 1998, respectively. The balance at December 31, 1999 includes a note payable in the amount of $750,000 due September 30, 2000 with interest payable at 10%. The remaining amounts payable to Resources are on open account and do not bear interest. These amounts represent amounts due under an agreement entered into with Resources in 1998 to share office space, administrative personnel and other expenses on a 50/50 basis. Subsequent to December 31, 1999 the note was repaid in full. Interest expense on the note for 1999 was $18,000. Accounts payable to affiliates also include amounts payable to the Company's joint venture partner in Girilambone for operating costs of the mine.

In 1997, Resources provided certain services to the Company under a management agreement. Under the terms of the agreement, Resources was paid a monthly fee of $7,000 and was reimbursed for all direct expenses incurred on behalf of the Company. Management believes that the costs that would have been incurred had the Company obtained such services on a stand-alone basis would have approximated the amounts paid to Resources. The total amount paid to Resources was $566,000 for the year ended December 31, 1997.

In October 1996, the Board of Directors of Resources unanimously agreed to make available to the Company, at Resources' discretion, an operating loan payable on demand and bearing interest at the prime rate plus 1%. In June 1997, advances made to the Company by Resources, net of repayments, totaled $3,747,745. In July and August 1997, the Company repaid $2,000,000 of the amount outstanding. Concurrent with the closing of the Company's Canadian offering on July 3, 1997, Resources converted the remaining amount outstanding into 349,549 Units at $5.00 per unit. Each Unit consisted of one share of common stock and one-half of one purchase warrant. The purchase warrants expired unexercised in 1998. Interest expense paid to Resources totaled $114,000 for the year ended December 31, 1997.

(8) Operating Leases

The Company leases its office space and certain equipment under operating leases. Certain of the leases contain renewal options and escalation clauses. Minimum annual lease payments under non-cancelable operating leases for the years ended December 31 are as follows (in thousands):

2000	$	140
2001		141
2002		142
2003		143
2004		79
Thereafter		11
	$	656

Rent expense for operating leases was $144,082, $112,433 and $125,885 for the years ended December 31, 1999, 1998 and 1997, respectively.

(9) Shareholders' Equity

(a) Canadian Offering

On July 3, 1997, the Company closed its public stock offering in Canada. The offering consisted of the sale of 2,460,000 units, consisting of one common share and one-half of one purchase warrant. Each whole purchase warrant entitled the holder to purchase one share of common stock at C$9.00. The Company also issued 225,000 warrants to the underwriter. Each warrant entitled the underwriter to purchase one share of common stock at C$6.90 prior to July 3, 1998. All of these warrants expired unexercised on July 3, 1998. Gross proceeds from the offering totaled US$12,300,000 (C$16,974,000). The Company received net proceeds of US$10,684,000 (C$14,574,000) after payment of commissions, certain legal fees, and other related costs.

(b) Private Placement to Mineral Resources Development Company Pty, Limited (MRDC)

On December 12, 1997, the Company completed the sale of 600,000 common shares to MRDC, a corporation wholly owned by the Government of Papua New Guinea. These shares were sold at a price of US$4.50 (C$6.40) per share and gross proceeds totaled US$2,700,000 (C$3,840,000). After payment of certain legal and issuance costs, net proceeds were US$2,677,000.

(c) Stock Option Plans and Other Option Grants

The Company has established three incentive stock option plans, the 1989 Stock Option Plan, the 1991 Stock Option Plan and the 1995 Stock Option Plan (the Plans) for the benefit of employees and directors of the Company. The Company has also granted options which are not governed by the terms of the Plans (the Non-Plan Options). At December 31, 1999, Non-Plan Options covering 787,000 shares have been granted to officers and Directors of the Company and are outstanding. During 1998 and 1997, Non-Plan Options covering 49,000 and 53,000 shares, respectively, were issued to certain consultants to the Company.

Options are granted at an exercise price equal to or in excess of the quoted market price on the date of the grant. Options are generally exercisable beginning six months to three years from date of grant and expire over a five to ten year period from date of grant. At December 31, 1999, 104,080 shares are available for future option grants under the terms of the Plans.

(Continued)

A summary of the status of the Company's outstanding stock options as of December 31, 1999, 1998 and 1997 and changes during the years then ended follows:

	1999		1998		1997	
	Options	**Weighted average exercise price**	**Options**	**Weighted average exercise price**	**Shares**	**Weighted average exercise price**
Outstanding at beginning of year	2,299,998	$ 3.92	1,924,678	$ 4.26	1,664,200	$ 4.05
Granted	—	—	499,000	2.68	296,078	5.47
Exercised	—	—	—	—	(35,600)	4.34
Forfeited	(276,000)	4.38	(123,680)	4.38	—	—
Outstanding at end of year	2,023,998	3.86	2,299,998	3.92	1,924,678	4.26
Options exercisable at year-end	1,888,998	3.95	1,923,998	4.04	1,574,800	4.10

The following table summarizes information about stock options outstanding at December 31, 1999:

Exercise prices per share	**Options outstanding**	**Weighted average contract life** (years)	**Options exercisable**
$ 2.41	100,000	3.42	50,000
2.54	216,000	1.02	216,000
2.75	383,000	4.99	292,000
3.91	36,000	2.25	36,000
4.00	362,000	0.12	362,000
4.26	272,800	3.95	272,800
4.38	84,000	4.26	84,000
4.50	309,120	1.09	309,120
4.80	12,000	4.03	12,000
5.25	111,078	5.72	111,078
5.69	150,000	1.75	150,000
$ 2.41-5.69	2,035,998	3.85	1,894,998

(d) Stock Bonus Plan

The 1990 Stock Bonus Plan provides for the issuance of up to 80,000 common shares as incentive bonuses. At December 31, 1999, 76,193 shares have been awarded and 3,807 shares are available for future awards.

(10) Significant Customers

Sales in 1999 included copper sales to two customers of $7,246,000 and $1,551,000. Sales in 1998 included copper sales to two customers of $8,026,000 and $3,051,000. Sales in 1997 included copper sales to three customers of $8,277,000, $2,991,000 and $2,507,000. Management does not believe that the loss of any of these customers would have a material adverse effect on the Company.

(11) Income Taxes

Income tax expense (benefit) consists entirely of future income taxes payable in Australia. These amounts differ from the amounts computed by applying the U.S. statutory income tax rate of 35% to consolidated income (loss) before income tax expense as a result of the following:

	Year ended December 31,		
	1999	1998	1997
Income taxes (benefit) at statutory rate	$ (3,151)	(250)	(4,060)
Foreign income taxes at effective rates in excess of the U.S. statutory rate	112	14	(98)
Change in the valuation allowance for deferred tax assets	718	(176)	4,266
Non-deductible losses of subsidiaries	113	233	1,832
Expiration of exploration cost carryforwards in Papua New Guinea	750	—	—
Adjustment of deferred taxes provided for in prior years in Australia	—	(1,250)	—
Other	177	689	360
Total	$ (1,281)	(740)	2,300

The tax effects of temporary differences that give rise to future income tax assets and future income tax liabilities for Australia, the United States, Papua New Guinea and Mexico are as follows:

		December 31,	
		1999	**1998**
		(In thousands)	
Australia:			
Future income tax liabilities:			
Deferred leach costs	$	(2,962)	(3,389)
Exploration and development costs		(977)	(1,626)
Plant, property and equipment		(52)	(245)
Other		(28)	(40)
Total Australia	$	(4,019)	5,300
United States:			
Future income tax asset – net operating loss carryforwards		1,492	1,518
Valuation allowance		(1,492)	(1,518)
Total United States	$	—	—
Papua New Guinea:			
Future income tax assets:			
Net operating loss carryforwards	$	1,438	—
Exploration cost carryforwards		5,058	5,802
Valuation allowance		(6,496)	(5,802)
Total Papua New Guinea	$	—	—
Mexico:			
Future income tax asset – net operating loss carryforwards	$	775	725
Valuation allowance		(775)	(725)
Total Mexico	$	—	—

A valuation allowance has been provided for all of the Company's net future income tax assets in the United States, Papua New Guinea and Mexico based on the history of operating losses for the Company in these countries and limitations on the use of the carryforwards. The Company's operations in Canada are not significant.

(Continued)

(12) Pension Plans

The Company has a defined contribution pension plan covering certain employees of its Australian operations. Under the terms of the plan, the Company contributes an amount equal to 10% of the employee's wages. Pension costs were $41,000, $38,000 and $48,000 for the years ended December 31, 1999, 1998 and 1997 respectively.

The Company has an unfunded non-contributory defined benefit program for two of its executive officers. Under the terms of the program for one of the executive officers, the Company is obligated to pay a lump sum benefit that matches the difference, if any, between the present value of the executive's retirement benefit and the cash surrender value of an insurance policy owned by the executive at age 62. At December 31, 1999 and 1998, the cash surrender value of the policy of $319,670 and $275,265, respectively, has been offset against the accrued retirement benefit liability.

The following tables set forth the changes in the projected benefit obligation for the years ended December 31, 1999, 1998 and 1997 and the funded status of the plan and amounts recognized in the Company's balance sheet at December 31, 1999 and 1998:

		December 31,	
	1999	**1998**	**1997**
		(In thousands)	
Change in projected benefit obligation			
Benefit obligation, beginning of period	$ 271	350	501
Service cost	25	23	—
Interest cost	18	15	—
Actuarial gain	(44)	(117)	(151)
Benefit obligation, end of period	$ 270	271	350

	December 31,	
	1999	**1998**
	(In thousands)	
Funded status:		
Projected benefit obligation	$ (270)	(271)
Unrecognized net loss (gain)	(36)	9
Unrecognized prior service cost	86	103
Net amount recognized	$ (220)	(159)
Amounts recognized in the balance sheet:		
Accrued benefit liability	$ (270)	(271)
Intangible asset	50	112
Net amount recognized	$ (220)	(159)

(Continued)

The following tables set forth the components of net periodic benefit costs for the years ended December 31, 1999, 1998 and 1997:

		Year ending December 31,		
		1999	**1998**	**1997**
			(In thousands)	
Components of net periodic benefit cost:				
Service cost	$	25	23	—
Interest cost		18	15	—
Amortization of prior service cost		17	17	—
Net periodic benefit cost	$	60	55	—
Assumptions:				
Discount rate		7.75%	6.75%	7.25%
Expected return on plan assets		N/A	NA	NA
Rate of compensation increase		—	—	—

(13) Employment Agreements

The Company has agreements with two of its officers which contain change in control provisions which would entitle one officer to receive 50% of his salary and the other officer to receive 200% of his salary in the event of a change in control of the Company and a change in certain conditions of their employment. The maximum contingent liability under these agreements is approximately $470,000 at December 31, 1999.

(14) Difference Between Canadian and U.S. Generally Accepted Accounting Principles

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in Canada (Canadian GAAP), which differ in certain respects from those principles and practices that the Company would have followed had its consolidated financial statements been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Canadian accounting principles provide for the deferral of exploration expenditures until such time as the property is put into production or the property is abandoned or disposed of through sale, or when it is no longer considered to be commercially viable. For U.S. GAAP purposes, the Company has expensed all exploration costs until such time as the Company establishes, generally by completing a detailed feasibility study, that a commercially mineable deposit exists. During 1999, the Company changed its method of accounting for completing detailed feasibility studies on its properties to expense those costs as incurred. The cumulative effect of this change, calculated as of January 1, 1999 was $4,355,000, which amount was charged to operations in 1999 as the cumulative effect of a change in accounting principle for U.S. GAAP purposes. Management believes the newly adopted accounting method is preferable because it is the more predominant method used in the mining industry and it will better reflect operating income and cash flow.

Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income, requires that a company classify items of other comprehensive income by their nature in a financial statement and display the accumulated balance of other comprehensive income separately from retained earnings and additional paid-in capital in the equity section of the balance sheet. Under U.S. GAAP, the accumulated other comprehensive income at both December 31, 1999 and 1998, is $798,000, representing cumulative foreign currency translation adjustments. Since there was no change in this amount in 1999, 1998 or 1997 comprehensive income under U.S. GAAP is equal to the net loss under U.S. GAAP for those periods presented below.

Other differences between Canadian GAAP and U.S. GAAP as they relate to these financial statements are not significant.

The application of U.S. GAAP would have had the following effect on the Company's balance sheets:

		December 31,			
		1999		1998	
		Canadian GAAP	U.S. GAAP	Canadian GAAP	U.S. GAAP
		(In thousands)			
Deferred exploration and development costs	$	15,591	5,250	19,141	11,897
Deferred tax liability	$	4,019	2,129	5,300	3,498
Shareholders' equity	$	17,617	9,166	25,339	19,898

The application of U.S. GAAP would have had the following effect on the Company's statements of operations:

		Year ended December 31,		
		1999	1998	1997
		(In thousands)		
Net earnings (loss) – Canadian GAAP	$	(7,722)	25	(14,327)
Accounting for exploration costs		1,258	(322)	10,385
Income tax effect		87	370	638
Earnings (loss) before cumulative effect of change in method of accounting – U.S. GAAP		(6,377)	73	(3,304)
Cumulative effect of change in method of accounting		(4,355)	—	—
Net earnings (loss) – U.S. GAAP	$	(10,732)	73	(3,304)

(Continued)

		Year ended December 31,		
		1999	**1998**	**1997**
			(In thousands)	
Loss per share before cumulative effect of change in method of accounting – U.S. GAAP	$	(.49)	—	(.30)
Change in method of accounting – U.S. GAAP	$	(.34)	—	—
Loss per share – U.S. GAAP	$	(.83)	—	(.30)

(a) Additional Disclosures Required Under U.S. GAAP – Stock Compensation

For U.S. GAAP purposes, the Company has elected to measure compensation cost for stock options issued to employees using the intrinsic value based method under Accounting Principles Board (APB) Opinion No. 25, *Accounting for Stock Issued to Employees*, which is consistent with the method used for Canadian GAAP. Had compensation cost for the Company's option grants in 1995 and subsequent years been determined based on the fair value of the options at the grant dates consistent with the provisions of SFAS No. 123, the Company's net loss and loss per share under U.S. GAAP would have been reduced to the pro forma amounts indicated below:

			Year ended December 31,		
			1999	**1998**	**1997**
				(In thousands)	
Net loss – U.S. GAAP	As reported	$	(10,732)	(73)	(3,304)
	Pro forma		(10,848)	(614)	(3,770)
Loss per share – U.S. GAAP	As reported		(.83)	—	(.30)
	Pro forma		(.84)	(.05)	(.34)

No options were granted during 1999. The assumptions used in determining the fair value of options granted during 1998 and 1997 are as follows:

	1998	**1997**
Expected volatility	73%	55%
Expected life of grant	3 years	2.5 years
Risk-free interest rate	5.567%	6.05%
Expected dividend rate	None	None

(Continued)

The weighted average fair value of options granted during the years ended December 31, 1998 and 1997 was $1.14 and $2.06, respectively.

(b) New Accounting Pronouncement

In June 1998, the Financial Accounting Standards Board (the FASB) issued Statement of Financial Accounting Standards (SFAS) No. 133, *Accounting for Derivative Instruments and Hedging Activities*. SFAS No. 133 establishes standards for derivative instruments, including certain derivative instruments imbedded in other contracts, and for hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in its balance sheet and measure those instruments at fair value. This statement is effective for all fiscal quarters of fiscal years beginning after June 15, 2000. The Company has not yet determined the effect of SFAS No. 133 on its financial statements prepared under U.S. GAAP and does not believe that such a determination will be meaningful until closer to the date of initial adoption.

(15) Environmental Contingencies

At December 31, 1999, the Company had reserves of approximately $133,000 for remediation of certain Australian and Papua New Guinea sites and other environmental costs which have been provided for in accordance with the Company's policy to record liabilities for environmental expenditures when it is probable that obligations have been incurred and the costs can reasonably be estimated.

The amounts of these liabilities are very difficult to estimate due to such factors as the unknown extent of the remedial actions that may be required and, in the case of sites not owned by the Company, the unknown extent of the Company's probable liability in proportion to the probable liability of other parties.

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10.2	Shareholders Agreement dated March 11, 1993 by and among Norplex®, Kemira, NK Corp. and Registrant. Reference is made to Exhibit 10.1 of Registrant's Report on Form 8-K dated March 11, 1993, which exhibit is incorporated herein by reference.	**
10.3	Lease Agreement dated May 15, 1988 between ATEL Financial Corporation and Nord Kaolin Company. Reference is made to Exhibit 10.31 of Registrant's Report on Form 10-K for the year ended December 31, 1988, which exhibit is incorporated herein by reference.	**
10.4	Guaranty of Lease dated May 15, 1988 given by Registrant to ATEL Financial Corporation. Reference is made to Exhibit 10.32 of Registrant's Report on Form 10-K for the year ended December 31, 1988, which exhibit is incorporated herein by reference.	**
10.5	Amendment and Waivers dated August 1991 of Guaranty of Lease dated May 15, 1988 given by Registrant to ATEL Financial Corporation. Reference is made to Exhibit 19.6 of Registrant's Report on Form 10-Q for the period ended September 30, 1991, which exhibit is incorporated herein by reference.	**
10.6	Amendments and Waivers dated November 1991 of Guaranty of Lease dated May 15, 1988 given by Registrant to ATEL Financial Corporation. Reference is made to Exhibit 10.75 of Registrant's Report on Form 10-K for the year ended December 31, 1991, which exhibit is incorporated herein by reference.	**
10.7	Waiver, Consent and Agreement made March 11,1993 by and between Nord Kaolin Company and entities under ATEL Financial Corporation Lease Agreement. Reference is made to Exhibit 10.12 of Registrant's Report on Form 10-K for the year ended December 31, 1993, which exhibit is incorporated herein by reference.	**
10.8	License for Proprietary Pigment Technologies dated September 1, 1986 between Nord Kaolin Company and Industrial Progress, Inc. Reference is made to Exhibit 10.33 of Registrant's Report on Form 10-K for the year ended December 31, 1988, which exhibit is incorporated herein by reference.	**

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10.9	Addendum to License for Proprietary Pigment Technologies dated December 1987. Reference is made to Exhibit 10.34 of Registrant's Report on Form 10-K for the year ended December 31, 1988, which exhibit is incorporated herein by reference.	**
10.10	Stock Option Agreement and Second Addendum to License for Proprietary Pigment Technologies between Nord Kaolin Company and Industrial Progress, Inc., dated February 1, 1990. Reference is made to Exhibit 10.53 of Registrant's Report on Form 10-K for the year ended December 31, 1990, which exhibit is incorporated herein by reference.	**
10.11	Second Stock Option Agreement and Third Addendum to License for Proprietary Pigment Technology dated as of July 9, 1992 by and between Nord Kaolin Company and Industrial Progress, Inc. Reference is made to Exhibit 10.94 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.12	Joint Venture Agreement between Nord Southern Dolomite Company and Istria, N.V. forming Manatee Gateway No. I. Reference is made to Exhibit (10)(d) (i) of Registrant's Registration Statement on Form S-2 (No. 33-00961), which exhibit is incorporated herein by reference.	**
10.13	Nord Resources Corporation Non-Qualified Stock Option Plan. Reference is made to Exhibit 10.16 to Registrant's Registration Statement on Forms S-3/S-8 (No. 2-92415), which exhibit is incorporated herein by reference.	**
10.14	Nord Resources Corporation 1982 Nord Incentive Stock Option Plan. Reference is made to Exhibit 10.17 to Registrant's Registration Statement on Forms S-3/S-8 (No. 2-92415), which exhibit is incorporated herein by reference.	**
10.15	Amendment No. 1 to Nord Resources Corporation 1982 Nord Incentive Stock Option Plan. Reference is made to Exhibit 10.32 of Registrant's Report on Form 10-K for the year ended December 31, 1987, which exhibit is incorporated herein by reference.	**
10.16	Amendment No. 2 to Nord Resources Corporation 1982 Nord Incentive Stock Option Plan. Reference is made to Exhibit 10.17 of Registrant's Report on Form 10-K for the year ended December 31, 1994, which exhibit is incorporated herein by reference.	**

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10.17	Amendment No. 3 to Nord Resources Corporation 1982 Nord Incentive Stock Option Plan. Reference is made to Exhibit 10.18 of Registrant's Report on Form 10-K for the year ended December 31, 1994, which exhibit is incorporated herein by reference.	**
10.18	Amendment No. 4 to Nord Resources Corporation 1982 Nord Incentive Stock Option Plan. Reference is made to Exhibit 10.19 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.19	Nord Resources Corporation 1987 Nord Incentive Stock Option Plan. Reference is made to Exhibit 10.33 of Registrant's Report on Form 10-K for the year ended December 31, 1987, which exhibit is incorporated herein by reference.	**
10.20	Amendment No. 1 to Nord Resources Corporation 1987 Nord Incentive Stock Option Plan. Reference is made to Exhibit 10.20 of Registrant's Report on Form 10-K for the year ended December 31, 1994, which exhibit is incorporated herein by reference.	**
10.21	Amendment No. 2 to Nord Resources Corporation 1987 Nord Incentive Stock Option Plan. Reference is made to Exhibit 10.22 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.22	Nord Resources Corporation 1989 Stock Option Plan. Reference is made to Exhibit 10.33 of Registrant's Report on Form 10-K for the year ended December 31, 1989, which exhibit is incorporated herein by reference.	**
10.23	Amendment No. 1 to Nord Resources Corporation 1989 Stock Option Plan. Reference is made to Exhibit 10.55 of Registrant's Report on Form 10-K for the year ended December 31, 1990, which exhibit is incorporated herein by reference.	**
10.24	Amendment No. 2 to Nord Resources Corporation 1989 Stock Option Plan. Reference is made to Exhibit 10.23 of Registrant's Report on Form 10-K for the year ended December 31, 1994, which exhibit is incorporated herein by reference.	**

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10.25	Amendment No. 3 to Nord Resources Corporation 1989 Stock Option Plan. Reference is made to Exhibit 10.26 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.26	Nord Resources Corporation 1991 Stock Option Plan. Reference is made to Exhibit 10.24 of Registrant's Report on Form 10-K for the year ended December 31, 1993, which exhibit is incorporated herein by reference.	**
10.27	Amendment No. 1 to Nord Resources Corporation1991 Stock Option Plan. Reference is made to Exhibit 10.25 of Registrant's Report on Form 10-K for the year ended December 31, 1994, which exhibit is incorporated herein by reference.	**
10.28	Amendment No. 2 to Nord Resources Corporation 1991 Stock Option Plan. Reference is made to Exhibit 10.29 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.29	Restated Deferred Compensation Agreement dated May 10, 1989 between Registrant and Terence H. Lang. Reference is made to Exhibit 10.9 of Registrant's Report on Form 10-K for the year ended December 31, 1989, which exhibit is incorporated by reference.	**
10.30	Amendment No. 1 to the Restated Deferred Compensation Agreement between Registrant and Terence H. Lang, dated November 3, 1995. Reference is made to Exhibit 10.31 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.31	Restated Deferred Compensation Agreement dated May 10, 1989 between Registrant and Edgar F. Cruft. Reference is made to Exhibit 10.11 of Registrant's Report on Form 10-K for the year ended December 31, 1989, which exhibit is incorporated herein by reference.	**
10.32	Amendment No. 1 to the Restated Deferred Compensation Agreement between Registrant and Edgar F. Cruft, dated July 7, 1995. Reference is made to Exhibit 10.34 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**

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10.33	Nord Resources Corporation Trust Agreement for Key Executives as Restated, dated July 7, 1995. Reference is made to Exhibit 10.35 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.34	Amendment No. 1 to Trust Agreement for Key Executives as Restated, dated December 1, 1995. Reference is made to Exhibit 10.36 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.35	Split-Dollar Life Insurance and Supplemental Compensation agreement between Karl A. Frydryk and Registrant dated July 22, 1988. Reference is made to Exhibit 10.29 of Registrant's Report on Form 10-K for the year ended December 31, 1988, which exhibit is incorporated herein by reference.	**
10.36	Nord Resources Corporation Split-Dollar Life Insurance and Supplemental Compensation Plan Trust Agreement, December 5, 1988. Reference is made to Exhibit 10.35 of Registrant's Report on Form 10-K for the year ended December 31, 1988, which exhibit is incorporated herein by reference.	**
10.37	Change of Control Letter Agreement between Registrant and Edgar F. Cruft, dated May 10, 1989. Reference is made to Exhibit 10.27 of Registrant's Report on Form 10-K for the year ended December 31, 1989, which exhibit is incorporated herein by reference.	**
10.38	Amendment No. 2 dated December 1, 1995 to Change of Control Agreement between Registrant and Edgar F. Cruft. Reference is made to Exhibit 10.40 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.39	Change of Control Letter Agreement between Registrant and Terence H. Lang, dated May 10, 1989. Reference is made to Exhibit 10.29 of Registrant's Report on Form 10-K for the year ended December 31, 1989, which exhibit is incorporated herein by reference.	**
10.40	Amendment No. 2 dated December 1, 1995 to Change of Control Agreement between Registrant and Terence H. Lang. Reference is made to Exhibit 10.42 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**

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10.41	Nord Resources Corporation Trust Agreement for Executive Severance Agreements, dated May 10, 1989. Reference is made to Exhibit 10.30 of Registrant's Report on Form 10-K for the year ended December 31, 1989, which exhibit is incorporated herein by reference.	**
10.42	Change of Control Letter Agreement between Registrant and Karl A. Frydryk, dated May 10, 1989. Reference is made to Exhibit 10.32 of Registrant's Report on Form 10-K for the year ended December 31, 1989, which exhibit is incorporated herein by reference.	**
10.43	Amendment No. 2 dated December 1, 1995 to Change of Control Agreement between Registrant and Karl A. Frydryk. Reference is made to Exhibit 10.45 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.44	Change of Control Letter Agreement between Registrant and William W. Wilcox, dated March 9, 1990. Reference is made to Exhibit 10.57 of Registrant's Report on Form 10-K for the year ended December 31, 1990, which exhibit is incorporated herein by reference.	**
10.45	Amendment No. 2 dated December 1, 1995 to Change of Control Agreement between Registrant and William W. Wilcox. Reference is made to Exhibit 10.47 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.46	Change of Control Letter Agreement between Registrant and James T. Booth, dated June 8, 1994. Reference is made to Exhibit 10.38 of Registrant's Report on Form 10-K for the year ended December 31, 1994, which exhibit is incorporated herein by reference.	**
10.47	Amendment No. 2 dated December 1, 1995 to Change of Control Agreement between Registrant and James T. Booth. Reference is made to Exhibit 10.49 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.48	Executive Loan Agreement dated September 10, 1987 between Terence H. Lang and Registrant. Reference is made to Exhibit 10.40 of Registrant's Report on Form 10-K for the year ended December 31, 1987, which exhibit is incorporated herein by reference.	**

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10.49	Executive Loan Agreement dated August 8, 1988 between Edgar F. Cruft and Registrant. Reference is made to Exhibit 10.26 of Registrant's Report on Form 10-K for the year ended December 31, 1988, which exhibit is incorporated herein by reference.	**
10.50	Executive Loan Agreement dated December 31, 1988 between Terence H. Lang and Registrant. Reference is made to Exhibit 10.27 of Registrant's Report on Form 10-K for the year ended December 31, 1988, which exhibit is incorporated herein by reference.	**
10.51	Executive Loan Agreement dated September 19, 1989 between Edgar F. Cruft and Registrant. Reference is made to Exhibit 10.17 of Registrant's Report on Form 10-K for the year ended December 31, 1989, which exhibit is incorporated herein by reference.	**
10.52	Agreement between The Government of the Republic of Sierra Leone and Sierra Rutile Limited (SRL), dated November 3, 1989. Reference is made to Exhibit 10.4 of Registrant's Report on Form 10-K for the year ended December 31, 1989, which exhibit is incorporated herein by reference.	**
10.53	Agreement dated November 17, 1992 amending Fifth Amendment to and Restatement of the Financing Agreement and Second Amendment and Restatement of Credit between SRL and Export-Import Bank of the United States (ExImbank). Reference is made to Exhibit 10.5 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.54	Fifth Amendment to and Restatement of the Financing Agreement dated as of November 24, 1986 between SRL and ExImbank. Reference is made to Exhibit 4.14 of Registrant's Report on Form 10-K for the year ended December 31, 1988, which exhibit is incorporated herein by reference.	**
10.55	Second Amendment and Restatement of Credit Agreement dated as of December 1, 1982 between SRL and ExImbank. Reference is made to Exhibit 10(e)B(v) of Registrant's Registration Statement on Form S-2 (33-00961), which exhibit is incorporated herein by reference.	**

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10.56	Letter Agreement dated October 12, 1993 between SRL and ExImbank. Reference is made to Exhibit 10.10 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**
10.57	Letter Agreement dated November 17, 1993 between SRL and ExImbank. Reference is made to Exhibit 10.11 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**
10.58	Loan Agreement dated August 6, 1992 between DEG-Deutsche Investitions-Und Entwicklungsgesell Schaft MBH (DEG) and SRL. Reference is made to Exhibit 10.73 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.59	First Amendment dated November 20, 1992 to the Loan Agreement between DEG and SRL. Reference in made to Exhibit 10.74 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.60	Amendatory Agreement dated November 17, 1993 between SRL and DEG. Reference is made to Exhibit 10.12 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**
10.61	Investment Agreement dated June 30, 1992 between SRL and International Finance Corporation (IFC). Reference is made to Exhibit 10.75 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.62	Amendment No. 1 dated November 18, 1992 to Investment Agreement between SRL and IFC. Reference is made to Exhibit 10.76 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.63	Amendatory Agreement dated November 17, 1993 between SRL and IFC. Reference is made to Exhibit 10.9 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**

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10.79	Pledge Agreement dated November 17, 1992 between SRL and DEG, ExImbank, IFC, OPIC and CDC. Reference is made to Exhibit 10.84 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.80	Cash Collateral Charge dated November 17, 1992 made by SRL in favor of DEG, ExImbank, IFC, OPIC and CDC. Reference is made to Exhibit 10.86 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.81	Trust Deed between Standard Chartered Bank Sierra Leone Limited, Financing Institutions and SRL. Reference is made to Exhibit 10.87 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.82	Security Sharing and Intercreditor Agreement dated November 17, 1992 among DEG, ExImbank, IFC, OPIC and CDC. Reference is made to Exhibit 10.88 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.83	Security Agreement dated November 17, 1992 among SRL and DEG, ExImbank, IFC, OPIC and CDC. Reference is made to Exhibit 10.90 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.84	Subordination Agreement dated November 17, 1992 among DEG, ExImbank, IFC, OPIC and CDC and Registrant, Nord Rutile Corporation, Nord Rutile Company and SRL. Reference is made to Exhibit 10.89 of Registrant's Report on Form 10-K for the year ended December 31, 1992, which exhibit is incorporated herein by reference.	**
10.85	First Amendment to Subordination Agreement dated as of November 17, 1993 among Registrant, NR Company, CRL, Holdings, CDC, DEG, IFC, OPIC and ExImbank. Reference is made to Exhibit 10.19 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**

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10.86	Arm's Length Agreement dated as of November 17, 1993 between CRL and SRL. Reference is made to Exhibit 10.15 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**
10.87	First Amendment to Arm's Length Agreement dated as of November 17, 1993 between Registrant and SRL. Reference is made to Exhibit 10.16 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**
10.88	Joint Venture Agreement dated as of November 17, 1993 among CRL, Registrant, NR Company and Holdings. Reference is made to Exhibit 10.1 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**
10.89	Marketing Agreement dated as of November 17, 1993 among CRL, Registrant, NR Company, SRL, Holdings and TMMI. Reference is made to Exhibit 10.2 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**
10.90	U.S. Marketing Agreement dated as of November 17, 1993 among CRL, Registrant, NR Company, SRL, Holdings and U.S. Partnership. Reference is made to Exhibit 10.3 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**
10.91	General Partnership Agreement dated as of November 17, 1993 among CRL, CRL Delaware and Registrant. Reference is made to Exhibit 10.4 of Registrant's Report on Form 8-K dated November 17, 1993, which exhibit is incorporated herein by reference.	**
10.92	Amendment to Mining Lease dated September 17, 1991 from the Ministry of Mines of the Government of Sierra Leone. Reference is made to Exhibit 10.12 of Amendment No. 2 to Registrant's Report on Form S-3 dated July 20, 1993, which exhibit is incorporated herein by reference.	**
10.93	Agreement between Sierra Rutile Limited and the Government of Sierra Leone dated 3 January 1995. Reference is made to Exhibit 10.86 of Registrant's Report on Form 10-K for the year ended December 31, 1994, which exhibit is incorporated herein by reference.	**

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10.94	Letter dated February 22, 1995 regarding Sierra Rutile Limited Development Bank Financing. Reference is made to Exhibit 10.92 of Registrant's Report on Form 10-K for the year ended December 31, 1994, which exhibit is incorporated herein by reference.	**
10.95	Agreement and Fourth Amending Agreement dated March 24, 1995 between Consolidated Rutile Limited and Registrant. Reference is made to Exhibit 10.93 of Registrant's Report on Form 10-K for the year ended December 31, 1994, which exhibit is incorporated herein by reference.	**
10.96	Letter Agreement signed by Registrant, Consolidated Rutile limited and, SRL related to CDC, DEG, ExImbank, IFC and OPIC dated December 15, 1995. Reference is made to Exhibit 10.100 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.97	Guaranty among Registrant and DCD, DEG, ExImbank, IFC and OPIC dated February 28, 1996. Reference is made to Exhibit 10.101 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.98	Pledge, Assignment and Security Agreement among Registrant and CDC, DEG, ExImbank, IFC and OPIC dated February 28, 1996. Reference is made to Exhibit 10.102 of Registrant's Report on Form 10-K for the year ended December 31, 1995, which exhibit is incorporated herein by reference.	**
10.99	Letter Agreement dated December 19, 1996 between Registrant, SRL, Consolidated Rutile Limited and CDC, DEG, ExImbank, IFC and OPIC. Reference is made to Exhibit 10.99 of Registrant's Form 10-K for the year-ended December 31, 1996 which exhibit is incorporated herein by reference.	**
10.100	Loan and Security Agreement by and between Congress Financial Corporation (Central) and Nord Kaolin Company, dated July 10, 1996. Reference is made to Exhibit 10.100 of Registrant's Form 10-K for the year-ended December 31, 1996, which exhibit is incorporated herein by reference.	**

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10.101	Promissory note between Registrant (payee) and Nord Pacific Limited (maker) dated October 24, 1996. Reference is made to Exhibit 10.101 of Registrant's Form 10-K for the year-ended December 31, 1996, which exhibit is incorporated herein by reference.	**
10.102	Letter Agreement dated December 30, 1997 between Registrant, SRL, Consolidated Rutile Limited and CDC, DEG, ExImbank, IFC and OPIC. Reference is made to Exhibit 10.102 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.103	Asset Purchase Agreement between Registrant and Dry Branch Kaolin dated March 5, 1997. Reference is made to Exhibit 10.103 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.104	Bill of Sale and Assignment between Registrant and Dry Branch Kaolin dated April 23, 1997. Reference is made to Exhibit 10.104 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.105	Assumption Agreement between Registrant and Dry Branch Kaolin dated April 23, 1997. Reference is made to Exhibit 10.105 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.106	Employment Agreement dated May 27, 1997, between the Registrant and W. Pierce Carson. Reference is made to Exhibit 10.106 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.107	Continuation of Employment Agreement dated May 27, 1997, between the Registrant and Edgar F. Cruft. Reference is made to Exhibit 10.107 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.108	Amendment to Continuation of Employment Agreement dated May 27, 1997, between the Registrant and Edgar F. Cruft. Reference is made to Exhibit 10.108 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**

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10.109	Continuation of Employment Agreement dated May 27, 1997, between Registrant and Terence H. Lang. Reference is made to Exhibit 10.109 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.110	Employment Agreement dated May 27, 1997 May 27, 1997, between the Registrant and MIL (Investment) S.A., Nord Resources, Edgar F. Cruft, Terence H. Lang and W. Pierce Carson. Reference is made to Exhibit 10.110 of Registrant's Form 10-K K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.111	Subscription Agreement between Registrant and Nord Pacific Limited dated July 3, 1997. Reference is made to Exhibit 10.111 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.112	Contract For Sale and Purchase dated March 29, 1996 between the Registrant and Severson Enterprises, Inc. Reference is made to Exhibit 10.112 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.113	Letter Agreement dated March 31, 1998, between Registrant, SRL, Consolidated Rutile Limited and CDC, DEG, ExImbank, IFC and OPIC. Reference is made to Exhibit 10.113 of Registrant's Form 10-K for the year-ended December 31, 1997, which exhibit is incorporated herein by reference.	**
10.114	Letter dated April 28, 1998 from Deloitte & Touche LLC to the Securities and Exchange Commission. Reference is made to Exhibit 10.114 of Registrant's Form 8-K dated April 30, 1998, which exhibit is incorporated herein by reference.	**
10.115	CDC Amendment Agreement dated 5/15/98. Reference is made to Exhibit 10.115 of Registrant's Form 8-K dated May 15, 1998, which exhibit is incorporated herein by Reference.	**
10.116	DEG Amendment Agreement dated 5/15/98. Reference is made to Exhibit 10.116 of Registrant's Form 8-K dated May 15, 1998, which exhibit is incorporated herein by Reference.	**
10.117	ExImbank Amendment Agreement dated 5/15/98. Reference is made to Exhibit 10.117 of Registrant's Form 8-K Dated May 15, 1998, which exhibit is incorporated herein by Reference.	**

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10.118	IFC Amendment Agreement dated 5/15/98. Reference is made to Exhibit 10.118 of Registrant's Form 8-K dated May 15, 1998, which exhibit is incorporated herein by Reference.	**
10.119	OPIC Amendment Agreement dated 5/15/98. Reference is made to Exhibit 10.119 of Registrant's Form 8-K dated May 15, 1998, which exhibit is incorporated herein by Reference.	**
10.120	Account Security and Control Agreement (with exhibits) dated 5/15/98. Reference is made to Exhibit 10.120 of Registrant's Form 8-K dated May 15, 1998, which exhibit is incorporated herein by Reference.	**
10.121	SRL Share Pledge Agreement dated 5/15/98. Reference is made to Exhibit 10.121 of Registrant's Form 8-K dated May 15, 1998, which exhibit is incorporated herein by Reference.	**
10.122	Collateral Agent Agreement, dated 5/15/98. Reference is made to Exhibit 10.122 of Registrant's Form 8-K dated May 15, 1998, which exhibit is incorporated herein by Reference.	**
10.123	Sale and Purchase Agreement (Johnson Camp Mine) dated September 15, 1998 between Arimetco, Inc., as Seller and Summo USA Corporation, as Purchaser. Reference is made to Exhibit 10.123 of Registrant's Form 8-K dated June 23, 1999, which exhibit is incorporated herein by Reference.	**
10.124	Amendment of Sale and Purchase Agreement (Johnson Camp Mine) dated January 19, 1999 between Arimetco, Inc., as Seller and Summo USA Corporation, as Purchaser. Reference is made to Exhibit 10.124 of Registrant's Form 8-K dated June 23, 1999, which exhibit is incorporated herein by Reference.	**
10.125	Second Amendment of Sale and Purchase Agreement (Johnson Camp Mine) dated May 26, 1999 between Arimetco, Inc., as Seller and Summo USA Corporation, as Purchaser. Reference is made to Exhibit 10.125 of Registrant's Form 8-K dated June 23, 1999, which exhibit is incorporated herein by Reference.	**
10.126	Acquisition Agreement dated June 4, 1999 among Nord Resources Corporation, Nord Copper Corporation and Summo USA Corporation. Reference is made to Exhibit 10.126 of Registrant's Form 8-K dated June 23, 1999, which exhibit is incorporated herein by Reference.	**

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10.127	Promissory note dated June 8, 1999 from Nord Copper Corporation to Arimetco, Inc. Reference is made to Exhibit 10.127 of Registrant's Form 8-K dated June 23, 1999, which exhibit is incorporated herein by Reference.	**
10.128	Unconditional Guarantee of Payment dated June 8, 1999 from Nord Resources Corporation in favor of Arimetco, Inc. Reference is made to Exhibit 10.128 of Registrant's Form 8-K dated June 23, 1999, which exhibit is incorporated herein by Reference.	**
10.129	Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated June 8, 1999 between Nord Copper Corporation and Arimetco, Inc. Reference is made to Exhibit 10.129 of Registrant's Form 8-K dated June 23, 1999, which exhibit is incorporated herein by Reference.	**
10.130	Grant of Production Payment (Johnson Camp Mine) effective as of June 8, 1999 from Nord Copper Corporation to Arimetco, Inc. Reference is made to Exhibit 10.130 of Registrant's Form 8-K dated June 23, 1999, which exhibit is incorporated herein by Reference.	**
10.131	Sale and Purchase Agreement dated June 16, 1999 between Nord Resources Corporation, MIL (Investments) S.A.R.L., and SRL Acquisition No. 1 Limited. Reference is made to Exhibit 10.131 of Registrant's Form 8-K dated October 12, 1999, which exhibit is incorporated herein by Reference.	**
10.132	Shareholders Agreement dated September 30, 1999 between Nord Resources Corporation, MIL (Investments) S.A.R.L., SRL Acquisition No. 1 Limited, and SRL Holding GmbH. Reference is made to Exhibit 10.132 of Registrant's Form 8-K dated October 12, 1999, which exhibit is incorporated herein by Reference.	**
10.133	Guaranty dated September 30, 1999 between MIL (Investments) S.A.R.L., as Guarantor, and Nord Resources Corporation. Reference is made to Exhibit 10.133 of Registrant's Form 8-K dated October 12, 1999, which exhibit is incorporated herein by Reference.	**
10.134	Valuation Report and Fairness Opinion dated June 21, 1999 issued by NM Rothschild & Sons (Washington) LLC. Reference is made to Exhibit 10.134 of Registrant's Form 8-K dated October 12, 1999, which exhibit is incorporated herein by Reference.	**

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10.135	Form of Memorandum and Articles of Association of SRL Acquisition No. 1 Limited, a British Virgin Islands corporation. Reference is made to Exhibit 10.135 of Registrant's Form 8-K dated October 12, 1999, which exhibit is incorporated herein by Reference.	**
21.	Subsidiaries of Registrant	

Name of subsidiary	Jurisdiction in which incorporated
Nord Copper Corporation	Delaware

23.1	Consent of KPMG LLP	
27.	Financial Data Schedule	

** Indicates that the exhibit is incorporated by reference in this Annual Report on Form 10-K from a previous filing with the Commission.

Exhibit 23.1

Independent Auditors' Consent

We consent to the incorporation by reference in (i) the Registration Statement No. 33-34196 on Form S-8, (ii) the Registration Statement No. 33-25569 on Form S-8/S-3, and (iii) the Registration Statement No. 33-54600 on Form S-8 of Nord Resources Corporation of our report dated April 5, 2000 on the consolidated balance sheets of Nord Resources Corporation as of December 31, 1999 and 1998, and the related statements of operations, stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 1999, which report appears in the December 31, 1999 Annual Report on Form 10-K of Nord Resources Corporation.

KPMG LLP

Denver, Colorado
April 13, 2000