



# IN TOUCH

ISSUE № 4, MARCH 2013

# PLAYING TOGETHER!



We are proud to be a part of the communities surrounding the site and we're excited to be involved in positive change. We're thrilled to see individuals and communities flourishing - see inside for more examples!



**It is March already, and we can feel that summer is almost here. Three months into our year, Kumtor is well on track, having produced 89,618oz. of gold in the first three months thanks to the hard work of our people.**

This month we are launching two new initiatives: a free-phone number and a new brand campaign "Kumtor Together."

The free-phone number (0800 223 23 23) will allow people to contact Kumtor for free from anywhere in Kyrgyzstan. Whilst we already have information centres and offices in 6 locations across Issyk-Kul and Bishkek, it is not always possible for people to come in to get information or to provide feedback.

By having this number we are taking another step towards accessibility and greater transparency. You can call us about information on upcoming programs or seminars, complaints or to provide other feedback which you feel is important.

Our second initiative is already visible in this edition of our newsletter: "Kumtor Together." This is more than just a fancy slogan or brand; it is a philosophy. Kumtor together with Kyrgyzstan, together with our communities and together with our employees. Our current life of mine plan means that we will be mining until 2024, with milling of ore and gold production continuing until 2026. This leaves many years for us to be neighbors and continue to provide quality jobs and contribute to the socioeconomic development of Kyrgyzstan and the Issyk-Kul region. Our aim is to be proactive and transparent in this and to ensure that by the time we do close, we leave having made a positive impact on the region and the country, whilst at the same time minimizing the impact on the environment.

**Kumtor: Together with you for a positive future.**

Michael Fischer  
*President of Kumtor Operating Company*



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# EMPLOYMENT AND CULTURAL DEVELOPMENT



On March 20 the facilities supported by Kumtor were visited. Members of the Kyrgyz Parliament E. Imankojoeva and T. Uzakbaev along with local state government representatives also took part in the visit.

The delegation started with a visit to the Tamga Village Musical School, Jety-Oguz District, for which the company purchased new desks and musical equipment, and a kindergarten for which 15 bunk beds were purchased.

Further, in the Barskoon Village the delegation took part in official opening of a sewing shop and barber's shop which were quite demanded in the village. The company purchased three sewing machines, overlock sewing machine, embroidery machine, steam iron, electrical scissors and other necessary equipment. Additionally, the company purchased fabrics, polyester batting, threads, and cotton for immediate start of production.

With participation of the local community a park was opened in the Kyzyl-Suu village where youth and children can spend their leisure time. Previously the district park had no equipment, and upon initiative of the local youth and support from Kumtor, benches, garbage bins, slides and swings were installed in the park. Earlier this year the company purchased skates and technical equipment to make an ice-skating rink in the park.

The delegation also visited the Karakol Town where it met the Issyk-Kul women football team. The company pays a lot of attention to development of sports in the region and purchased sports apparel to support the woman athletes of this club.

## Also, in March the company supported the following organizations:

- 'Khadicha' Public Charity Foundation, Kadji-Sai Village, to cover debts for consumed electricity and water;
- 'NUR-TEM' Community Development and Education Center, Kyzyl-Suu Village, was granted a projector for training workshops;
- 'Kyzyl-Saz' Condominium, Balykchy Town, to hold a baseball tournament dedicated to celebration of the Nooruz holiday (purchase of sports apparel);
- Issyk-Kul Province library center for children and teenagers, Karakol Town, to arrange subscription for a newspaper;
- Jety-Oguz District Council of the Afghan War Veterans was granted office furniture;
- PRIMA Public Foundation received support in arrangement of charity concerts and master-classes for students of musical schools in Balykchy and Karakol Towns;
- Hidayat-Tosor Football Club to purchase sports apparel.



On March 28-29, in the Balykchy Town, Ton and Jety-Oguz districts the Regional Committee meetings were held with participation of newly elected committee members. The Regional Committee meetings were quite eventful and fruitful.

The Balykchy Regional Committee members visited the Company Marshaling Yard, familiarized with the environmental water monitoring process and materials storage conditions, and received the opportunity to ask questions they were interested in.

In the Ton District at the meeting of the Regional Committee local residents proposed their own projects for funding. Among these there were projects related to water supply. It should be noted that the Company is already working on installation of solar equipment for autonomous operation of well pumps in the Ton District.

In the Jety-Oguz District, members of the Regional Committee decided to discuss position of the Committee and further provide their offers and discuss their authority.

During all the Regional Committee meetings, Ben Ferris, Environment Director, made presentations on environmental issues and answered a number of questions.



## Scam alert!

### You've won a prize!

It has come to our attention recently that there has been a number of people making phone calls regarding a contest related to the Kumtor 20th anniversary.

The caller claims that you have won a television or some other item, and that you need to deposit money into an account in order to collect your prize.

#### KUMTOR DOES NOT HAVE ANY SUCH CONTESTS

This is a fraud which is being committed by unscrupulous individuals wishing to take advantage of you.

**In no cases should you transfer any money to anybody claiming to represent Kumtor or claiming to run a contest on our behalf.**

We ask that you contact us with details should you be approached by such people (contact information on the back page of this newsletter) or your local police.

## CASH FOR JOBS?

**It is often said that in order to work at Kumtor you must first pay up to 10,000 USD. Kumtor does not ever require any form of deposit or payment in order to secure employment.**

We have taken great steps in recent years to improve the hiring process and even include community observers during the screening and interview process. All hiring is conducted by means of a panel, and it is not possible for any one individual to influence the process.

Despite our repeated requests, we have never had one person come forward with concrete evidence that we could use to investigate or prosecute in such cases. It may be that people are looking for excuses or to blame someone in the case of not receiving an offer for employment, or it may be that people are claiming to be able to influence the hiring process.

Should you be approached requesting a bribe in exchange for employment or a contract, we request that you inform us or your local police so we can investigate such incidents. **Your identity will remain confidential.**

# SUPPLYING POTABLE WATER TO THE MINE CAMP



**Meeting the potable water demand for a high altitude mine camp serving 2,000 workers is a challenge. We meet it daily with dedication and use of modern technology.**

In each of our In Touch newsletters, which are available on Kumtor's website and our Information Centers, we answer frequently asked questions about Kumtor's operations. The previous In Touch issues summarized our overall water use. We also highlighted our in-mill water recycling which amounts to well over 5 million m<sup>3</sup> annually. In this issue, we will focus on how we supply the mine camp with safe drinking water and treat the resulting waste water and sewage.

Our annual potable water use is approximately 175,000 m<sup>3</sup>. The raw water from the Petrov Lake, which serves as the source for our drinking water, is not suitable for drinking without pre-treatment. As typical for glacial lakes, the water in the Petrov Lake is not clear; it has a milky appearance. This is due to the presence of fine glacial sediments. This also means that several elements, such as Aluminum, are naturally elevated and need to be removed. This is the job of Kumtor's Potable Water Treatment Plant.

Using modern technology, the raw water is treated in several steps by aeration, flocculation, filtration and chlorination. Treated water is passed through a series of filters. These help remove impurities and improve taste, odor and color of the

potable water. Finally, the treated potable water is disinfected treated using chlorine and pumped to large storage tanks. As the water is drawn from these storage tanks to the mine camp it is disinfected treated once more by exposing it to ultra-violet light. We monitor our potable water quality closely by testing it for a variety of parameters, including any microbial contamination. The result of this testing is reported and published in our Annual Environmental Reports and confirms that Kumtor's potable water is safe.

The waste water and sewage water generated by our mine camp averages about 450 m<sup>3</sup>/day. We built a dedicated Sewage Treatment Plan (STP) to deal with it. Our STP is unique in the Kyrgyz Republic due to its high altitude location. This imposes additional challenges to operate effectively and meet strict regulatory standards despite of harsh climatic conditions and relative oxygen deficiency. The treated water is discharged and stored in a holding storage pond during the winter months. It is only drained to the Kumtor River during the summer months after receiving a permit for discharge.

Most residents at the mine camp take the safety, quality and availability of our potable water for granted. We encourage everybody to conserve water which is a valuable natural resource.

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