



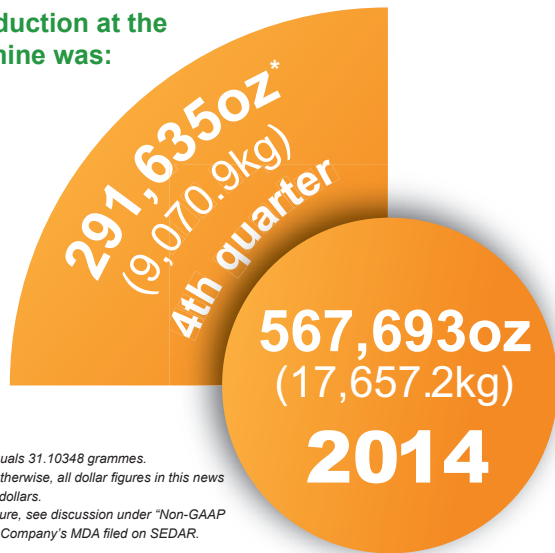
IN TOUCH

ISSUE 10 MAR 2015

2014 PRELIMINARY OPERATING RESULTS

The Kumtor mine met its annual production guidance as it accessed the high-grade SB Zone which the Company is continuing to mine in the first quarter of 2015.

Gold production at the Kumtor mine was:



*One Troy ounce equals 31.10348 grammes.
**Unless specified otherwise, all dollar figures in this news release are in US dollars.
***Non-GAAP measure, see discussion under "Non-GAAP Measures" in the Company's MDA filed on SEDAR.

2015 GUIDANCE

The Kumtor mine is expected to produce between 470,000 and 520,000 ounces, or 14.6 and 16.2 tonnes, of gold in 2015. At Kumtor, relatively even quarterly production is expected this year as compared to prior years when the majority of the ounces were produced in the fourth quarter.



At Kumtor, 2015 total capital expenditures, excluding capitalized stripping, are forecast to be \$75 million**. Spending on sustaining capital*** of \$49 million relates primarily to the major overhaul maintenance of the heavy duty mine equipment (\$36 million), construction to raise the tailings dam (\$7 million) and other items (\$6 million).

Growth capital investment at Kumtor for 2015 is forecast at \$26 million and includes the relocation of certain infrastructure at Kumtor related to the KS-13 life-of-mine expansion plan and dewatering projects.

The cash component of capitalized stripping costs related to the development of the open pit is expected to be \$185 million in 2015.

CHANGES IN THE KUMTOR GOLD COMPANY MANAGEMENT

Kumtor Gold Company announces that effective January 20, 2015, Daniel Desjardins is appointed as KGC President.



Mr Desjardins has 26 years' experience in the international mining industry, including working in Canada, USA, Australia, Indonesia, and several African countries. Daniel Desjardins has a Bachelor of Commerce (Financial Accounting)

from Mount Allison University in Canada, a Master of Science (mineral economics) and an MBA from Curtin University of Technology in Australia, and is a Chartered Public Accountant (CPA, CGA) of Ontario.

Michael Fischer, the former President of Kumtor Gold Company has made significant contributions to the Kumtor Project, will continue working with Centerra Gold Inc. as General Manager of Oksut Madencilik (OMAS) based in Ankara, Turkey.



From February 1, 2015, the Vice President of Risk Management and Compliance, Rodney Stuparyk will now oversee the Sustainable Development department taking over from Douglas Grier.



Phil Welten joined the company as Vice President, Operations on September 16. He has over 30 years experience in Australia and Papua New Guinea.

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- 2014 Preliminary operating results
- Management changes
- AUCA mine visit
- Karagat success story
- Winter wood aid
- Grievance process
- Glaciers

AUCA students visit mine site

In January, a group of students from the American University in Central Asia (AUCA) took a trip to the Kumtor mine. All of them are scholarship-holders of the US Central Asia Education Foundation and are enrolled in the Economics & Business Administration departments.

The would-be business managers and economists were especially interested to learn more about the operation of Kyrgyzstan's largest gold producer which contributes significantly to the national economy. During their visit, the students could observe gold extraction and production process. The group visited the open-pit, gold mill, camp, and Petrov Lake. The Company's experts provided general information about the production process and answered questions. Remarkably, the students were also able to see wild animals within the mine area: a fox and a flock of wild sheep, in the vicinity of the camp.

"I took an investment law course throughout the whole semester at AUCA. We discussed Kumtor in detail as an example of Kyrgyzstan's largest investment project. This trip is the most captivating and helpful experience in my academic life. I'm stunned by the scale of the enterprise and the mine's contribution to our country. I'm happy to have an opportunity to see the production process with my own eyes," said Nasiba Nurmatova, an AUCA student and scholarship-holder of the US Central Asia Education Foundation.



WINTER WOOD AID

Kumtor Gold Company provided twenty-two trucks of firewood in the framework of annual drive to help villagers of Jety-Oguz and Ton districts of Issyk-Kul region during the heating season.

Villagers of Kadjy-Sai, Ton, Kun-Chygysh, Tort-Kul, Kol-Tor of the Ton district received two trucks of firewood each. In the Jety-Oguz district, firewood distributed among social objects. Twelve trucks of wood directed to kindergartens in Barskoon, Tamga, Kyzyl-Suu, Sarru villages, Rural health post in Konkino village, non-government organizations focusing on children with special needs, Public bath houses for people in need, and also to the school of Barskoon village.

Firewood delivery by districts finished this week. Decision to render aid to families in need and to social objects was coordinated with local authorities. The company plans to allocate additional shipment of firewood before the end of heating season.



KARAGAT FEST THE BEST

Karagat FEST recognized as best project in event tourism in Kyrgyzstan



The best tourist projects from last year received awards for the first time in history from the Tourism Department of the Kyrgyz Republic.

Karagat FEST is a festival of fruits and berries that has taken place twice in the last two years in the Issyk-Kul region. The event is part of the Karagat + integrated program, which is run with the financial support from Kumtor Gold Company. In 2013, the festival took place in Bokonbaevo village, Ton. Last year it moved to the stadium of Kyzyl-Suu in Jety-Oguz. In 2015, the festival is planned to be carried out in Tyup on the north side of the lake.



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IF YOU HAVE A GRIEVANCE

Kumtor Gold Company works hard to follow national and international guidelines and to build good community relationships. However, in a company of Kumtor's size, grievances will inevitably arise from time to time.

We care about our workers and our community and strive to respond to all legitimate grievances in a consistent and transparent manner.

To process everyone's complaints fairly we have a robust procedure in place:



1 RECEIVE COMPLAINT OF GRIEVANCE

Complaints and grievances can be made through an email or letter, over the phone, in person, or other ways not listed here. Once the grievance has been logged, a response will be issued, in most cases, within 30 days.

1

2

2 LOG AND ACKNOWLEDGE

The complainant receives a receipt with a unique grievance number acknowledging that Kumtor has received the complaint and it is being processed. *The complainant must sign off on the receipt to acknowledge they have received their grievance number.*



3 PRELIMINARY ASSESSMENT

The severity and applicability of the grievance is assessed. The investigational approach is decided and parties are assigned to carry out the investigation.

3

4

4 INVESTIGATE

The grievance is investigated and a decision as to the legitimacy of the grievance is reached. In legitimate circumstances, options for resolving the conflict are identified.

5 RESPOND

A response is issued, outlining the findings of the investigation and the proposed resolution of the conflict. *The complainant must sign off on the response. This does not mean they agree with the proposed solutions, it only acknowledges that they received a response.*

5



Responses may include acknowledgment of fault; changes in company procedures; or in rare cases, some form of compensation



Complainant satisfied



Complainant NOT satisfied

7

7 GRIEVANCE RESOLVED SUCCESSFULLY

The complainant agrees to one of the proposed solutions.

6 CONSIDER REVIEW OR APPEAL

Other possible solutions are proposed.

6

8 REDRESS GRIEVANCE

The agreed upon solution is implemented.

8

GRIEVANCE MAY BE REVIEWED BY INDEPENDENT THIRD PARTIES

Conflict cannot be resolved

COMPLAINT CLOSED OUT

Conflict resolved

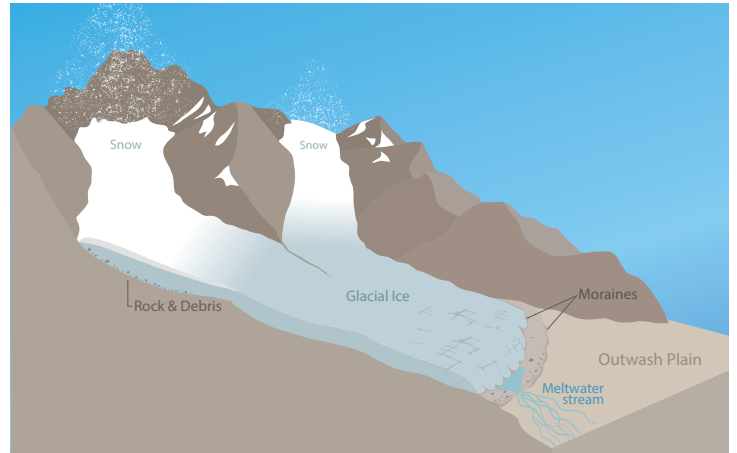
GLACIERS

Glaciers are thick masses of ice that typically form at the polar regions and at very high altitude. In these regions, snow never melts and it accumulates year after year. As more and more snow builds up, it is compressed by its own weight, eventually turning it into very hard glacial ice.

It's the massive weight of glaciers that pushes them forward down mountains. Along the way they pick up rocks and debris carving large 'U' shaped valleys into the mountains, dramatically altering the landscape.

They further change the landscape when they deposit the debris they are carrying. Debris pushed ahead of a glacier or to its sides forms moraines. When a glacier retreats, these moraines can form a natural dam, often causing a moraine lake to form at the bottom of the glacier.

Kumtor Mine is located in the south of the Ak-Shyirak Massiv - a mountain range home to about 170 glaciers. Of these, three are located in the Kumtor concession area, making up about 2% of the glaciated area on Ak-Shyirak.



THE WORLD IS GETTING HOTTER

From 1550 to 1850 ('The Little Ice Age') the world was cooler than today. Since then, temperatures have been steadily rising, except for a few decades between 1950 and 1980, when the trend briefly reversed. In the long term temperatures have continued to climb, leading to the melting of glaciers worldwide. Most of the major glaciated areas of the world have shrunk considerably over the last decades and many glaciers have even disappeared completely.

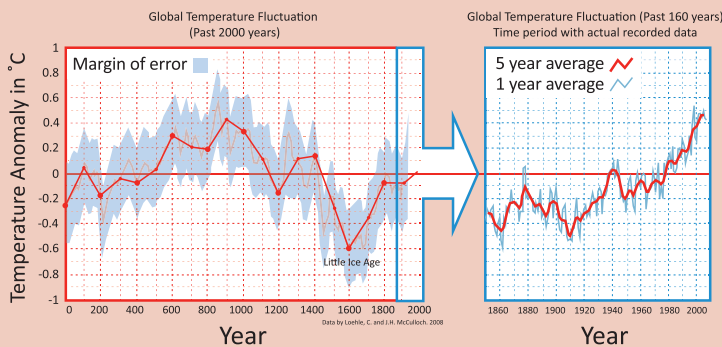
The growing and receding of glaciers is a natural part of the earth's cycle and is not alarming in and of itself, however it does present us with many challenges. As more glaciers melt, people living in dry regions, who depend on glacial meltwater, may have to learn to make do with less. Eventually, if sea levels continue to rise, some low-lying coastal areas of the world may be flooded.



PETROV GLACIER

This is the largest glacier in the concession area and has been steadily receding since before 1950; its meltwater forming Petrov Lake at the foot of the glacier.

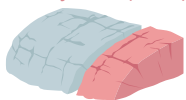
After a number of years studying the glacier and moraine dam holding the lake, KGC will initiate work to design a spill way to slowly lower the lake level over the life of the mine.



5.9% reduction in 10 years (area)

GLACIER MELT IN CENTRAL ASIA

33% reduction in 84 years (area) 20% reduction in 40 years (volume) 23% reduction in 30 years (area)



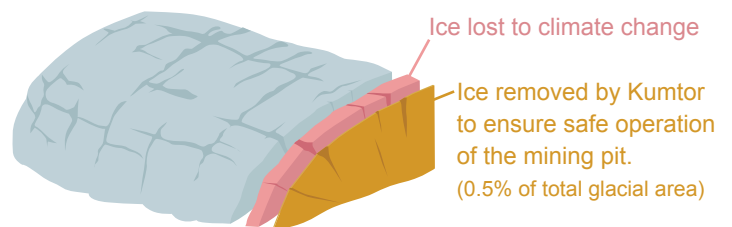
Since 1930
All Central Asia



1960-2000
Kyrgyzstan



1977-2007
Big Naryn Basin



Glaciers on Ak-Shyirak Massiv 2003-13

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"VOLNA" CAMP, BARSKOON

TON INFO CENTRE
Ton Regional Government Offices
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