Kumtor and Biodiversity







ABOUT KUMTOR

The Kumtor gold mine, one of the highest gold deposits in the world, is situated in the southern region of the Central Tien Shan at an altitude of 4.000 meters above sea level in a partially glaciated permafrost zone. Kumtor is an open pit mine and has been producing gold since 1997. Kumtor's Life of Mine was recently extended to 2026. Kumtor is a subsidiary of Centerra Gold Inc. Approximately 33% of Centerra Gold's shares are owned by Kyrgyzaltan, a Kyrgyz stated-owned enterprise.

OUR COMMITMENTS

Kumtor is committed to contributing to the protection and conservation of biodiversity. This includes the application of integrated approaches to landuse planning throughout the mining lifecycle. Kumtor seeks to reduce or eliminate significant impacts on biodiversity and ecosystem services. Where feasible, Kumtor identifies opportunities to enhance and improve local ecosystems and

related economic development. Kumtor also recognizes the value of constructive dialogue and collaboration with its stakeholders.

REGIONAL CONTEXT

The Tien Shan Mountain region is known for its rich and unique biodiversity, including a number of rare and endangered species, such as the snow leopard and the Marco Polo sheep (argali). After the Kumtor mine concession had been granted, the Kyrgyz Government established the Sarychat Ertash Nature Reserve (SENR), a Zapovednik, adjacent to the Kumtor Concession. The SENR also serves as a 'core area' for the UNESCO Issvk-Kul Biosphere Reserve which was established in 2001. Other regional land-use includes designation of large parcels of land as hunting zones, and livestock rearing and grazing.

OUR IMPACTS

Our impacts include limited habitat loss related to the project footprint area. However, the numbers of wildlife has increased significantly since the mine started operations. This is being attributed in large part to the no-hunting policy on the Kumtor Concession, along with a material reduction of regional grazing. livestock However, hunting, poaching, overgrazing, overharvesting and limited institutional support have been identified as key issues of concern in terms of biodiversity conservation in the greater Tien Shan region.

OUR STRATEGY

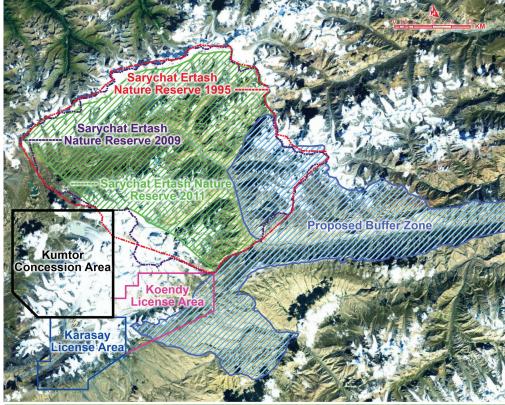
Following a stakeholder workshop in October 2012, Kumtor developed its **Biodiversity** Management Strategy and Plan (BMSP). The BMSP is expected to be finalized and launched in early 2013. It is designed to further integrate biodiversity issues into Kumtor's Environmental Management System and Conceptual Closure Plans. It recognizes biodiversity conservation and enhancements within the region as important opportunities to generate net-positive sustainability outcomes. It also provides a more structured



program to facilitate collaboration and communication with stakeholders interested in Kumtor's biodiversity impacts.

ENHANCEMENT OPPORTUNITIES

In addition to expanding monitoring activities and inventories, and increasing focus on collaboration, Kumtor has also identified a number of collaborative biodiversity enhancement opportunities. These include setting up a Biodiversity Research Center, conducting research focused on important regional fauna and flora, supporting species specific initiatives. addressing information technology and system needs, engaging in ecotourism strategy and planning, piloting a veterinary health project for livestock, seeking collaboration to address regional biodiversity threats, exploring a wetland protection and enhancement initiative, and supporting regional and national protected areas. Additional information will be provided in Kumtor's BMSP.



Location of Kumtor Concession, Exploration Licenses, SENR and Proposed Buffer Zones

Founded in 1903, Fauna & Flora International (FFI)

is the world's longest established international conservation body. Operating in more than 40 countries worldwide - mainly in the developing world - FFI saves species from extinction and ecosystems from destruction while improving the livelihoods of local people. FFI chooses solutions that are sustainable, based on sound science and take account of human needs. The Kyrgyz State Agency of Environmental Protection has recognized FFI's activities by awarding it with Honorary Diplomas in recognition of its conservation initiatives and achievements in Kyrgyzstan.

NEXT STEPS

In November 2012, Kumtor signed a Memorandum of Understanding to formalize its partnership with Fauna & Flora International (FFI, see box on previous page). As part of this MOU, Kumtor and FFI have launched a biodiversity project to progress and expand activities at the Sarychat Ertash Nature Reserve. Previously, a number of local and international environmental organizations including FFI - supported by the IFC, EBRD and Kumtor - worked closely with SENR to improve the capacity of the reserve and develop a comprehensive five-year Management Plan, which included measures to conserve the snow leopard population. The outcome of this new effort with FFI, along with input from other key stakeholders, will assist SENR to implement this Management Plan, and also help Kumtor fine tune and prioritize its biodiversity support efforts.

COMMUNICATION

Kumtor expects to participate in, and occasionally host, stakeholder meetings focused on biodiversity issues. Kumtor is also committed to providing routine and occasional updates about biodiversity initiatives it is involved in. Such communication will range from Kumtor's 'In Touch' newsletters to its Annual Environmental Reports, which can be accessed in multiple languages on Kumtor's website (http://www.kumtor.kg).

CONTACT

Kumtor welcomes your comments and questions about this BMSP and all related activities. Please direct your communication by email to: environment@kumtor.com

or contact Kumtor's Offices or Information Centers:

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PHOTO CREDITS

Front Cover:

- Snow Leopard FFI/Panthera
- Marco Polo Sheep Vladislav Ushakov
- **Petroglyph** Prizma/Proebstel
- Plants near Kumtor deposit Vladislav Ushakov, Aleksandr Fyodorov, Alimajan Jorobaev
- Workers at Kumtor Gold Mine Alimajan Jorobaev
- Map
 Prizma/Kumtor

Inside:

- Plants near Kumtor deposit Vladislav Ushakov, Aleksandr Fyodorov, Alimajan Jorobaev
- Sample collection Olga Zaichenko
- Lysyi Glacier next to Kumtor mine Vladislav Ushakov
- Snow Leopard K. McCarthy/Panthera/SLT

Back Cover:

- Plants near Kumtor deposit Vladislav Ushakov
- October 2012 Stakeholder Workshop Alimjan Jorobaev



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