4TH KARAGAT FEST WAS HELD IN TEPLOKLYUCHENKA

The fourth annual fruit-and-berry festival Karagat Fest was held in Teploklyuchenka village of Ak-Suu district, Issyk-Kul region, on August 6, 2016.

The event has been held for the fourth consecutive year as part of the Karagat Plus Program

implemented by AVEP Non-Governmental Foundation with the financial support of Kumtor Gold Company. The Company's contribution into the program implementation and development of greenhouse facilities during the last four years has amounted to 67 million KGS.



KUMTOR AMBASSADORS PROGRAM

KGC aims to improve employee engagement with local communities and raise awareness of employees about Community Investment Projects, implemented and supported by KGC in Issyk-Kul region.

KGC employs 3,741 people including contractors. KGC employees make up one of the biggest stakeholder groups, able to provide accurate and credible information about KGC's activities to other interested stakeholders. While taking part in Kumtor Ambassadors Program employees learn about the

Company's projects, that are aimed at complex development of the Issyk-Kul region.

In 2015, employees and contractors of all divisions volunteered 2,000 hours to support the Program.

More than 40 actions have taken place during the reporting period throughout Issyk-Kul and Chui regions.

Senior management of the Company presented appreciation letters and gifts to the most distinguished 'ambassadors' in August.

In this issue:

- 4th Annual Karagat Fest
- Kumtor Ambssadors Program
- KGC Employees and Partners Clean Ton Beaches
- Interim Results of the Karagat+ and Karagat Fest Projects
- Wetland Treatment System at Kumtor Mine
- Kumtor's Team Wins Kyrgyzstan's Tournament of Miners and Metallurgists

KGC EMPLOYEES AND PARTNERS CLEAN TON BEACHES

Twenty KGC employees together with the representatives of local authorities, youth organizations and Jashyl Bilik Public Fund cleaned three beaches in Ton district. They also built an eco-beach in the village of Ton under the Green Point Project in September.

During the event, they collected 200 kg of glass, 512 kg of plastic, 47 kg of waste paper/metal and 693 kg of food waste. All the waste was sent to the Kaji-Sai waste receiving point that was opened last month under the KGC-sponsored Green Point Project.

Five beach chairs, nine trash cans and one pavilion were arranged on the beach at Ton. All were manufactured out of waste wood and metal. There are plans for this to happen again on Ton beach

soon. One more eco-beach will be built in the village of Barskoon, Jeti-Oguz district.

A total of six waste receiving points have been opened under the Green Point project both at the northern and southern shores of Lake Issyk-Kul. Anyone is free to sell waste for processing, get some money and thus contribute to the conservation cause.



4TH ANNUAL KARAGAT FEST WAS HELD IN AK-SUU DISTRICT

This year the Fest has been attended by the Kyrgyz Government's Special Representative in Issyk-Kul region, akim of Ak-Suu district, farmers' associations, companies and societies, carrying out their activities in Issyk-Kul region, representatives of Kumtor Company, as well as about 3,000 participants from 30 villages of the region. Traditionally, the Fest is held in August, when the locals harvest the fruits and berries. The event brings together guests from all over the region and neighboring regions. Every year, the Fest is attended by about 2,000-3,000 people. The goal of the Fest is to popularize and promote fruits and berries grown in Issyk-Kul region in the domestic and foreign markets.

Participants of the Fest have prepared the festive parade of berries, arranged a fruit-and-berry fair, master classes, where attendees could learn how to improve the fruitand-berry production practices, how to export the products, how to erect a greenhouse and how to install and use a drip irrigation system. Guests have had an opportunity to taste and purchase different varieties of fruits and berries. The Fest has been accompanied by an entertainment program and performances of popular musical bands. The organizers and sponsors of the event prepared prizes that have been given out to the particularly distinguished farmers and active participants. Children received gifts from Bugu Ene Social Fund, which included special puzzles, maps and books issued with the support of Kumtor Gold Company. Moreover, all guests and participants could visit the Kumtor Gold Company's information booth, where the company's employees explained the development projects on the development in the Issyk-Kul region and shared printed materials about Kumtor's activities. Every guest could

hold the model of a gold bar and get an answer to their questions about the gold mining enterprise.

"The goal of our Fest is to help the farmers sell their fruit and berry crops and establish links between them and the buyers. Since fruit and berry production is an important part of Issyk-Kul's economy, we believe that such events allow to introduce the export potential of our fruits and berries to prospective buyers and thus contribute to the sector development," noted Nurlan Tokonov, **AVEP Foundation director.**

"The concept of Karagat Plus Program is to teach the farmers to apply new techniques and practices. The Program introduces innovative methods of crop production, teaches the farmers to use new methods and approaches in agriculture, spreads frost-resistant and high-yielding seedlings, erects greenhouses and storage rooms, introduces drip irrigation. For example, about five thousand farmers have been trained to apply new watering methods using drip irrigation. People appreciated its importance and it has become very popular in the region, where certain problems with irrigation water exist. Thousands of farmers have learnt to grow crops in the greenhouses. Greenhouse facilities have been built at the premises of four vocational schools and seven social institutions of Issyk-Kul Region. Now their students and fosterlings can continue their education on greenhouse management and apply their knowledge in the future. We have achieved good results over these years, and the Company is not going to rest on its laurels, but will continue contributing to the agriculture development," noted Rodney Stuparyk, Kumtor Gold Company's Vice President, Risk Management, Compliance and Sustainable Development.



ABOUT THE PROJECT

Joint four-year program of Kumtor Gold Company and AVEP Foundation, Karagat Plus, is aimed at the development of local communities and expansion of fruit-and-berry market potential. The project is implemented in Issyk-Kul region, in particular, on the southern coast of the lake.

As part of this environmental program, AVEP Foundation trains farmers in growing new high-yielding cold- and diseaseresistant varieties of currants and innovative methods of irrigation. Specialists of AVEP Foundation assist in creation of a network of seedling nurseries, greenhouses and collection centers for agricultural products.

More information is available at www.karagat.kg

ABOUT FUNDING

The Program is funded within the strategy for integrated sustainable development of Issyk-Kul region, which Kumtor Gold Company maintains as a socially responsible company. For the moment, Kumtor Gold Company has invested more than 67 million KGS into the Program. It is expected that the Company will allocate about 7 million KGS for the project implementation in 2016.



Interim Results of the Karagat+ Project

Storage Rooms for Products

farmers have obtained loans for construction agricultural products. Up to 150 tonnes of

Greenhouses

farmers have built greenhouses and glasshouses at their own expense after completion of short-term training courses

farmers have taken out the loans for construction of greenhouses

demonstrational greenhouses have been built at the premises of vocational schools

Trainings

farmers have completed special training courses at the vocational schools, where they were taught how to grow fruits and berries

635

short-term modular training courses have been developed: on currant raising, greenhouse facilities and gardening

Drip Irrigation

drip irrigation demonstration sites have been installed in 5 regions of Issyk-Kul region (8 sites – in vocational schools, 50 – in pilot villages)

Collection Centers

20 fruit-and-berry collection centers have been opened in Issyk-Kul region

20

collection centers

have established

direct links with

Kazakhstan and

Russia

tonnes of truits and berries have been sold by farmers to collection centers

745

greenhouses have been built at the premises of social institutions

sites are planted with new varieties of apple, pear, apricot and cherry trees

farmers have completed their training on drip irrigation and fruit-and-berry crop production since 2013

1.500

sites are occupied by new varieties of currant

over the past 3 years

thousand seedlings

have been propagated

and sold to the farmers

by 6 nursery gardens

varieties of fruit and berry crops have been imported, 3 of them have been included into the Plants Register of the Kyrgyz Republic

Nursery Garder

thousand seedlings of high-yielding varieties of berries have been distributed through the Karagat Plus Program during the four-year period of the project operation

contracts with local producers, processing enterprises and wholesale dealers have been already executed. 8 more

advanced vocational trainings have been arranged for the staff of nursery gardens

Issyk-Kul farmers have signed agreements for the supply of 1,095 tonnes of fruits and

according to the sales agreements

Creating the Target Market

Festival map by district

2016

2015

Karagat FEST



have been developed

DEMONSTRATION SCALE CONSTRUCTED WETLAND TREATMENT SYSTEM (CWTS) AT KUMTOR MINE

Wetlands are special environments that are home to aquatic plants and also a wide range of beneficial microbes that clean and purify the water. They are used around the world to treat waters from mining operations and many other industrial activities.

A constructed treatment wetland can clean water using plants, microbes, and soils from the local area. The water is treated using natural processes that typically do not require chemicals or electricity.

It is the naturally present, helpful microbes in the wetland that do much of the work in treating the water, and the plants and soils give them a place to live and do their work.

There is a special group of these beneficial microbes that can clean ammonia from water. In 2014, a study was performed by international experts at Kumtor and the surrounding area to investigate if ammonia-cleaning microbes were naturally present in the area, and if so, what types of wetlands they prefer to live in.

These beneficial microbes were found in many wetlands in the

area, showing that it is possible to naturally treat ammonia from water at Kumtor.

Although the water quality discharge from the Effluent Treatment Plant (ETP) is already good, materially complies with Kyrgyz Standards and does not represent a risk to the environment, this is an effort to improve the water quality even further.

Testing was done in the only cold-climate treatment wetlands pilot-facility in the world with the ability to test and optimize passive water treatment systems in a site-specific way.

KUMTOR'S TEAM WINS KYRGYZSTAN'S TOURNAMENT OF MINERS AND METALLURGISTS

The team of Kumtor Gold Company has won 10 medals thus becoming the winner of the Third Tournament held by the Kyrgyz Republic Union of Miners and Metallurgists, an event that took place in the resort Kyrgyzskoye Vzmorye, Bosteri, Issyk-Kul province on September 15-18, 2016. Participating in the tournament were approximately 500 people representing 23 teams of Kyrgyzstan's mining and metallurgical companies and agencies. It was organized by the State Committee for Industry, Energy and Mining at the Kyrgyz Republic Government, Central Committee of the Union of Miners and Metallurgists, KOC Union and Volunteer Society of Physical Culture and Sport.

The tournament's program included futsal and volleyball matches as well as race, swimming, weight-lifting, tabletennis, chess, pool and tug of war.

Kumtor Gold Company's employees were recognized as winners in the following events:

Swimming, 25 and 50 meters:

1st Place (men aged over 45): Oleg Podgorny;

1st Place (women aged over 45): Marianna Arzamastseva;

1st Place (women aged under 25): Aichurek Kozhegulova.

Chess:

2nd Place, Women: Kalys Jumabayeva.

Gold Bar-2016 Talent Show:

1st Place: Talant Sharsheyev.

Table Tennis:

3rd Place, Men: Kuvanych Kozhegulov.

Team Sports:

Futsal - 1st Place (men).

Volleyball - 3rd Place (women).

Winners and runners-up of the tournament were awarded cups, medals, certificates and valuable gifts.

Our congratulations to the KGC team and employees on their victories!

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