



**European Bank**  
for Reconstruction and Development

26 October 2010

Dear NGO representatives,

Thank you for your letters dated 18th October, 2010 and 25<sup>th</sup> October, 2010 addressed to the EBRD management and the Board of Directors.

We confirm that the Bank is considering engaging in a new project with Centerra at the group level. The proposed facility is intended at the corporate level, for all of Centerra's operations in the Bank countries of operation. This facility may or may not be used for the Kumtor project.

We confirm that under the proposed facility, Centerra will not only be required to comply with Kyrgyz environmental law, but also with World Bank and EBRD environmental standards. For example, should a new Category A project in the Kyrgyz Republic be identified, the Bank's usual public consultation requirements would apply.

As this is a facility potentially for any of the Bank's countries of operation and taking into account the status of Centerra as a listed company, the Project Summary Document for this facility was not disclosed as Centerra. A derogation to the Bank's Public Information Policy was granted by the EBRD Board of Directors in this respect.

Please note that facility described above will be discussed by the Board in November 2010.

In terms of the evolution of the glaciers in the Kumtor mine area, please note the following:

- We are not aware of any evidence that the recession of the Petrov glacier is in any way related to mining or tailings disposal in the Kumtor area
- The Environmental and Social Action Plan for the proposed financing will require that disposal of waste rock on the Davidov glacier be terminated, to avoid further mechanical impacts onto the glacier.

We welcome further engagement with your organisations.

Yours sincerely,

Kevin Bortz  
Director – Natural Resources

Enc. Russian translation of the letter