



### **An Open Letter to Employees of the Kumtor Mine**

Dear Friends,

Over the course of many years, we have accomplished something together that a lot of people thought was impossible. With your help, we developed the most advanced gold mining company in the Kyrgyz Republic and created thousands of well-paying jobs for Kyrgyz citizens. I am proud of what we accomplished together – and I hope you are as well.

It has now been more than a month since the government seized the mine based on false information that undermines everything we have built together. We have made clear that we would like to negotiate with the Kyrgyz government, but it has repeatedly refused to engage with us in any way. Instead, the government continues to perpetuate falsehoods about our past operation of the mine as a pretext for its unjustified actions. This is why we want to make sure you know the truth.

First, the government's claims about the mine's environmental record are false. Working together, we operated a world-class facility to international environmental, safety and engineering standards. KGC's operations and activities have always adhered to agreements with the Kyrgyz government and applicable laws. The government, including the state agency responsible for the environment, approved our mining plans and permits every year, and KGC operated the mine accordingly. Now that the government has taken control of the mine, it continues to operate it under the same plans.

Glacial retreat long predates the development of the Kumtor Mine and is common to glaciers throughout the Kyrgyz Republic as well as alpine glaciers in other areas of the world as a result of climate change. The practice of depositing waste rock on glaciers in the Kumtor area, which prior Kyrgyz governments had approved, was discontinued in 2014 and we segregate waste rock and ice to avoid co-disposal.

Second, your safety was always our priority. Shortly before the government took control, all key safety, monitoring and operational systems were functioning properly. As you can imagine, when government authorities confiscated computers and passwords of individual Kumtor employees, Centerra Gold's global IT systems restricted all user access to preserve the integrity of the organization's global IT infrastructure. Although central system access is restricted, mine safety systems, including the individual pit wall and glacier monitoring systems, remained operational.

Finally, Tengiz Bolturuk claims that we blocked KGC's access to US\$1.7 billion. This is just not true. The truth is that, as of April 30, 2021, KGC had US\$17.1 million in its bank account, which was intended to meet the immediate needs of operating the mine. Average weekly expenditures at the mine of US\$16.2 million include wages for more than 4,000 full time and contract employees and supplies purchased from hundreds of local Kyrgyz businesses.

We are deeply disappointed that the government's dispute with us has come to this point. It did not have to be this way. We were ready to invest an additional US\$2 billion to extend the life of the Kumtor Mine and looked forward to working with you for at least another decade. Unfortunately, we had to put these plans on hold because of what has happened.

I know this is a difficult time for you marked by much uncertainty. We have urged the government to come to the table to address its disputes with us in an open and honest manner. My sincere hope is that we can resolve those disputes through negotiation and compromise, as we have in the past. We have solved the unsolvable before, and I know we can do it again. The sooner the government engages, the more certainty there will be for everyone.

In the meantime, I want to express my deep gratitude for all your hard work and dedication over the years and hope that we can all move forward.

Scott Perry  
President and Chief Executive Officer  
Centerra Gold Inc.  
Toronto, Canada