TAVAN NUUR MINING PROJECT COMPLIANT

COMPLAINT TO EBRD PROJECT COMPLIANCE MECHANISM

10 November 2014

SECTION 1 COMPLAINT

For complainants to fill in

- Issues related to the adverse impacts from project and claims of complaint:
- 1. Unregulated use of roads
- 2. Dust from concentrate and transportation black dust contamination
- 3. No road crossings for human and animal at necessary points alongside the road
- 4. Road is built in close proximity to biodiversity migration path and habitat area
- Winter and spring shelters and pastureland social impact:
- 1. 22 herders households involved in the relocation could not acquire winter shelters that are permitted and licensed, thus suffer losses
- 2. Herders households located near to mining area are chased out without being covered by the relocation and compensation program
- 3. Increased illness cases among population affect the growth
- 4. Traditional use of natural recourses' is lost: food, mineral water, plants are lost, wild animals fled away
- 5. Drunkenness, theft, disease, many negative impacts on social relations
- Water:
- Herders' 150 meter deep wells are drying up water in the wells in Buurtiin Am drained out thus the right to water is in breach
- Springs and ponds in Suhant are dried up
- Well in Tovgor is still out of water
- Well in Khukh Ereg: promised to provide a motor but gave a motor with less power

Pastureland quality is diminished:

- Dust build up from mining and road, plants are contaminated and stopped growing due to lack of water
- No grass growing in hay field
- No pasture for camels and horses
- Cultural heritage:
- 1. Nomadic herders are loosing their assets, winter shelters and livestock to inherit to next generation
- 2. Horse racing path and long distance training area for racing horses are cut off by paved road route

- 3. Traditional food item is out of menu lungs and liver are no more part of five internal organs
- 4. No pastureland to live on herding livestock
- 5. The cemetery has been destroyed by mining
- 6. Dump built on 3 ancient graves
 Biodiversity: medical plants and vegetation used for food that are disappeared or
 become rare: desert cistanche, licorice, nitrebush, zygophyllum potanini (potanin's
 beancaper), zygophyllum pterocarpum bunge (winged fruit beancaper), saxaul, and
 tamarisk

PROPOSED SOLUTIONS:

To reduce road impacts:

1. To assess and compensate damages caused to households residing in the road impact area

A\ pasture fragmentation, no crossings

- Use one road, prohibit creating many roads
- 3. Use wet method, road rehabilitation, road maintenance, and garbage removal
- 4. No consultation held with local community no crossings in much needed places need to conduct consultation to build crossings
- 5. To address an issue related to crossings for herds and animals to Sukhant river oasis To reduce mining impact:
- 1. To resolve the issues related to households located in the mining impact area to assess the damages
- 2. To carry out an audit on compensation provided to impacted households and compensate the damages
- 3. To conduct a necessary study in order to resolve the issues related to households that are no longer able to earn living from livestock herding
- 4. To assess the impact on health of population living in the impacted area
- 5. To conduct an assessment on social impact
- 6. To disclose programs related to social responsibility and regional development, and to consult with local community
- 7. To develop and implement a program to protect nomadic way of life and its culture from going extinct

To require the implementation of formal orders of the Ministry of Environment and Green Development (MoEGD)

Complainants and their contact information:

Nomadic herders residing in Khar Buudal, Ulaan Chuluu, Shivee 1-15, Zalaagiin am, Khariin Zavsar, Byatskhan Us, Khar Tsagaanii Zaag dahi Buudal of Tseel soum, Gobi-Altai province:

Confidentiality:

Would like to require to keep confidential the names of complainants' except ... and Because, since 2013 Altain Khuder Company filed court claims against the herders who expressed criticism about the adverse impacts thus putting them into a trouble.

- Type of Complaint:
 - List of herders' names who are filing a Complaint, in case of filing through representative please provide information about the representative and a document witnessing the agreement on the conditions of representation

etc. The advisory parties to this Compliant are: Oyu Tolgoi Watch NGO, Bank Accountability and SOMO – and all need to be included in any formal letters and documents.

SIGNATURES OF COMPLAINANTS:

Signatures

OT Watch

TO USE EBRD COMPLIANT MECHANISM

11 November 2014

| No. | Name, surname | Name of | Occupation | e-mail, phone | Signature |
|-----|---------------|--------------|------------|---------------|-----------|
| | | organization | | | |