

DIMITRIS TSITSIRAGOS
Vice President, New Business

April 28, 2017

Armenian Environmental Front
“Ecological Academy” NGO
EcoLur Informational NGO
Greens Union of Armenia
Jermuk Development Center
Mining Watch Canada

Dear civil society organizations,

Re: IFC investment in Gold Mining in Amulsar, Armenia

Thank you for your letter dated April 24, 2017, to the Board of Directors of the World Bank, COO and VPs of the International Finance Corporation. We value your views on the Amulsar project. Open communication is a vital part of our environmental and social impact assessment process, which is enshrined in IFC Performance Standards.

IFC supports development of the mining sector in Armenia, with the aim of boosting private sector growth. As part of this strategy, we became a shareholder in Lydian in 2007, supporting its Amulsar gold mining project.

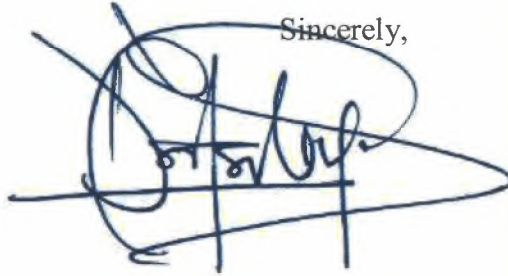
Implementation of the Amulsar project is expected to have important economic benefits for Armenia, including generating revenue for the state and boosting employment in rural areas of the country.

IFC applies the highest environmental and social standards to the projects it finances and its clients. The Amulsar project is subject to these same standards and international best practice.

We feel that the concerns expressed in your letter were addressed by the Environmental and Social Impact Assessment (ESIA) of the Amulsar project prepared by independent international consultants, with the support of Armenian institutes and experts. The ESIA for Amulsar has gone through several reviews by a number of specialist parties prior to being disclosed by Lydian. IFC conducted its own review and was satisfied that the ESIA met IFC Performance Standards requirements.

However, please note that Lydian was able to successfully complete financing of the project with funding from a number of other parties, so IFC is not considering additional financing for the mine development. You may also wish to contact Lydian if you have any additional questions.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Artak Azizyan', is written over a large, stylized circular scribble.

cc: Frank Heemskerk, Member of the Board of Directors, IFC
Artak Azizyan, Advisor to Executive Director