



REPUBLIC OF

BALKAN MINERAL AND MINING EAD		
Chelopech village, Sofia District		

BULGARIA

Deputy-Minister of Economy, Energy and Tourism

No 26-B-233

BMM in\_0045\_23.08.2010

Date 18.08.2010

To:

**MR. ADRIAN GOLDSTONE**

*EXECUTIVE DIRECTOR OF BALKAN MINERAL  
AND MINING EAD, 1000 SOFIA  
St. 26 BACHO KIRO, 3rd fl.*

Following letter Ref: N9 26-B-223/21.07.2010

**Re:** EIA Scoping Report of the Investment Project Proposal for Mining and Processing of Auriferous Ores from the Ada Tepe Prospect of the Khan Krum Gold Deposit, Krumovgrad Municipality

**DEAR MR. GOLDSTONE,**

Following your letter of 21.07.2010, we inform you of the following:

The ministry of the Economy, Energy and Tourism (EET) has no notes on the EIA scoping report and the Mining Waste Management Plan presented by Balkan Mineral and Mining EAD. The materials are prepared according to the Underground Resources Act, the Environment Protection Act and the Regulation on the Terms and Procedures for Conducting Environment Impact Assessments.

The EIA scoping report is in accordance with the need to perform compatibility assessment of the project proposal and the Scope and Objectives of Rhodopes-East Protected Site, code BC0001032, designated for protection of natural habitats and wild life and flora, and for the Krumovitsa Protected Site, code BC0002012, for protection of birds.

In order to prevent the possible adverse impacts on the environment, the prospective concessionaire has proposed two alternatives for processing of gold ore - by flotation and gravity concentration, or by cyanide extraction of gold and silver. In this relation the proposal recommends the non-cyanide method. Although the cyanide leaching process ensures higher gold recovery,

Sofia 1052, 8 Slavyanska St., Tel.: +3592 940 71; fax: ( + 3592) 987 21 90, ( + 3592) 981 99 70, ( + 3592) 981 50 39 e-mail: e-docs@mee.government.bg

in terms of the specific conditions of the deposit and the area it is considered environmentally more inappropriate. In addition, it is not acceptable for the local community.

In conclusion and in view of the above, I inform you that upon granting a concession for mining the Khan Krum deposit the ministry of the Economy, Energy and Tourism will comply with the recommendations of the competent environmental protection authorities.

Marii Kosev  
Deputy Minister