



REPUBLIC OF BULGARIA

Ministry of Environment and Waters

Water Basin Department, East Aegean Region

Ref. No No KD-04-44
Plovdiv, Sep-02-2010

MR. ADRIAN GOLDSTONE,
EXECUTIVE DIRECTOR OF
BALKAN MINERAL AND MINING
EAD, SOFIA

To:

Re: *Terms of reference for the EIA scope and content for 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 requesting our feedback on the Investment Project Proposal for Mining and Processing of Auriferous Ores from the Ada Tepe Prospect of the Khan Krum Gold Deposit, Krumovgrad Municipality and following our review of the ToR for the scope of the EIA, we are sending you the statement of the Plovdiv-based Basin Department, East Aegean Region including our remarks and suggestions:

1. The ToR are prepared in compliance with the Regulation on the Terms and Procedures for Preparation of Environment Impact Assessments. There are a detailed descriptions of the Investment Project, environmental conditions of the project area, environmental impact forecast, importance of the environmental impact, identified inevitable and long-term impact to be generated by the construction works and the operation, i.e. those that may be substantial and need to be reviewed in detail in the EIA Statement, in addition to a List of required Appendices and BMM's Mine Waste Management Plan.

2. We recommend the EIA to include (according to the provided description of the Investment Project) explanations whether a canal or pipeline will be constructed to enable waste water discharge from the project site into Krumovitsa River, as such discharge water [rate] needs to be compliant with the respective individual emission limits as set in the Waste Water Discharge Permit.

We believe the EIA should include an assessment of whether a waste water treatment plant has to be built to treat any waste water which will be discharged in surface water bodies, including all mine water, storm water, process and drainage water, for the purpose of ensuring compliance with the respective individual emission limits and by factoring in the pollution generation risk for the water body and measures to prevent any major instant release(s) in cases of heavy rains.

Sincerely,

Valcho Karadzhov, MSc.

*For the Director of the Water Basin
Department, East Aegean Region under
Order No RD-389/20 issued by the
Minister of Environment and Water*

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Page 2 of 2