

**NEWS ON NEGOTIATION BETWEEN LOCAL GOVERNMENT, HERDERS' REPRESENTATIVES OF
KHANBOGD SOUM AND OYU TOLGOI COMPANY**

Khanbogd soum

Ikh Bulag

08 June 2015

We regularly provide you with information regarding the agreements reached at the problem solving joint meeting facilitated by the Office of the Ombudsman of International Financial Corporation (CAO) and held between the Herders' Representatives, Local Government and Oyu Tolgoi Company. Last joint meeting has taken a place in Community Development Centre of Khanbogd Soum on 8 June 2015 and herewith you are provided with the brief information about the meeting.

The main purpose of the meeting was to finalize the Memorandum of Understanding on establishment of Tripartite Council where the Local Government, Herders Representatives and Oyu Tolgoi company (OT) will discuss challenging issues faced by herders; the Council's charter; as well as to discuss options for Independent Experts' Panel Phase 2 work, a draft selection criteria for Multi-Disciplinary Team, and the response to an official letter received from EBRD PCM.

The meeting was facilitated by CAO mediator, and attended by Khanbogd Soum Government represented by the Deputy Governor Mrs. Kh. Otgonjargal, Herders Representatives and Representatives of Oyu Tolgoi company.

Basing on the series of discussions and consultations the parties officially established the Tripartite Council between Khanbogd Soum, Herders Representatives and OT; and the Memorandum of Understanding was signed by the Chairman of Citizen's Khural and the Governor on behalf of Khanbogd soum, 5 Herders representatives and the General Manager Social Relations on behalf of Oyu Tolgoi company.

Mr. Osvaldo Gratacos, Vice President of the Office of Complainece, Advisor and Ombudsman attended the meeting in person.

Tripartite Council