PROTOCOL ON TEMPORARY WATER DELIVERY
FROM OYU TOLGOI MINING SITE TO KHANBOGD SOUM HERDERS

PURPOSE

This protocol shall be pursued in organizing temporary water delivery during the times of water shortage to the herders residing in the vicinity of mining site of Oyu Tolgoi LLC that runs its operation in the territory of Khanbogd soum, South-Gobi province.

ONE. General

1.1 This protocol shall be pursued in organizing temporary water delivery to the herders and shall govern the parties obligations and relation therein.
1.2 Oyu Tolgoi LLC shall be responsible for organizing delivery of water for livestock (not drinking water) from mining site in times of water reserve shortage in the wells of herders residing within 20 km radius from mining site.
1.3 The decision on water delivery shall be made basing on herder’s request, Soum Veterinary and Livestock Breeding Unit Specialist’s opinion and bagh governor’s recommendation.
1.4 Basing on the decision for water delivery, the parties involved shall conclude a temporary memorandum of understanding wherein volume of water, frequency and duration of water delivery shall be specified.

TWO. Obligations of the parties

2.1 When necessary and if the neighboring herder households with winter and spring camps around agreed, the water may be delivered to the summer pastureland.
2.2 The herder whose well reserve deteriorated shall submit a request for water delivery in written to the Regional development and community department of Oyu Tolgoi LLC clearly specifying the number of households and number of livestock that need water as well as the duration of water supply.
2.3 Herder who submits a request must inform the other herders in neighborhood and those who share same pastureland about the situation and shall make them to write a supporting letter confirmed with their signatures.
2.4 The bagh Governor shall review the herder’s request and make a recommendation confirming the circumstance.
2.5 The herder who is concerning the well water deterioration shall submit a request to the Bagh Governor and should have the Soum Veterinary and Livestock Breeding Unit Specialist’s opinion on the situation.
2.6 Oyu Tolgoi LLC will review herder’s request for water delivery and shall make a decision within 7-10 working days basing on consultation held with bagh Governor.
2.7 Oyu Tolgoi LLC shall timely deliver appropriate volume of water as specified in the memorandum.
2.8 The herder who uses delivered water shall be responsible for the integrity of water tank and other equipment provided by Oyu Tolgoi LLC and hand over those at the end of the period specified in the memorandum.
2.9 Herder households shall make every effort to prepare the water tank themselves and this matter shall be decided through mutual agreement.
2.10 All parties shall endeavor efforts to pursue this protocol and are obliged to mutual monitoring.

THREE. Other

3.1 This protocol shall become effective and pursued from this day upon mutual agreement and consensus reached at the joint meeting attended by the representatives from Khanbogd Soum Government, Herders and OT LLC on March 20, 2015.

Khanbogd Soum Government, Herders Representatives,
Oyu Tolgoi LLC Representatives