



NEWS RELEASE

XSTRATA TECHNOLOGY'S ISAMILL SELECTED FOR KUMTOR GOLD PROJECT IN THE KYRGYZ REPUBLIC

Brisbane, [16] May 2005

Xstrata Technology's IsaMill has been chosen to improve gold recovery at the 500,000 oz per annum gold operations at Kumtor Operating Company (KOC), a fully-owned subsidiary of the Canadian company Centerra Gold, in the Kyrgyz Republic. Xstrata Technology will provide a package including a 2.6 MW, M10,000 IsaMill and surrounding equipment for the operations at the KOC Site, Kyrgyzstan. The IsaMill will grind rougher concentrate before cyanide leaching, and is expected to improve gold recovery by 20,000 ounces per year.

Kumtor Senior Vice President Operations, John Kazakoff, said he chose IsaMill technology after personally inspecting fine grinding installations throughout the world. "Xstrata's ISAMILL technology offers the advantages of high power efficiency, proven robust operations and large scale. The small footprint is also important for a site like Kumtor which is located at 4,000 metres above sea level in the remote Tian Shan Mountains," he added.

The inert media used by the IsaMill means that additional steel is not introduced to the feed to cyanidation. KOC's metallurgical team conducted its own testwork to demonstrate the recovery benefits of finer grinding.

Mineral Processing Manager with Xstrata Technology, Lindsay Clark, said that with this installation there would be 24 MW of IsaMills installed in metalliferous grinding, in Australia, South Africa and Central Asia. "We think this is only the beginning", said Clark. "As well as being power efficient, the inert grinding environment has profound benefits to downstream processes. IsaMills also produce a very sharp size distribution without the need for closed-circuit cyclones, a distinct advantage for leaching processes, as well as the obvious cost savings".

At 2.6MW, the IsaMill is easily the biggest stirred mill available. Clark said the combination of large scale, open circuit grinding mills using inert media could have profound implications for plant design and power efficiency.

The M10,000 IsaMill is planned to be commissioned at KOC Site, Kyrgyz Republic in October 2005.



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