

December 4, 2014

Mr. Osvaldo L. Gratacós
Compliance Advisor Ombudsman
International Finance Corporation
2121 Pennsylvania Avenue, N.W.
Washington DC 20433

Subject: IFC's Management Response to the CAO Assessment Report on December 2014 on the communities' complaint against Lydian International's Amulsar gold mine exploration project in Armenia (#27657)

Dear Mr. Gratacós:

Thank you for sending us the CAO Assessment Report dated December 2014 on the complaint by representatives of the communities Gndevaz and Jermuk, Armenia with regard to Lydian International's Amulsar gold mine exploration project in Armenia.

Having followed the CAO assessment process closely, we regret to hear that the complainants decided not to proceed to resolve the issues by using a CAO's dispute resolution process. IFC remains committed to pursuing a satisfactory outcome.

IFC remains committed to continuing to support the CAO processes in relation to this project and the IFC project team will support the CAO staff as required during the compliance appraisal.

Sincerely,



Deema Fakhoury
Senior Manager
Infrastructure and Natural Resources
Department