CENTAMIN EGYPT LIMITED

ANNUAL REPORT 2010

Company
Particulars

DIRECTORS
Mr Josef El-Raghy,
Executive Chairman

Mr Harry Michael,
Chief Executive Officer

Mr Trevor Schultz,
Executive Director of Operations

Mr H Stuart Bottomley,
Senior Non Executive Director

Mr Colin Cowden,
Non Executive Director

Dr Thomas Elder,
Non Executive Director

Professor G Robert T Bowker,
Non Executive Director

COMPANY SECRETARY
Mrs Heidi Brown

CHIEF FINANCIAL OFFICER
Mr Mark Di Silvio

GENERAL MANAGER – EGYPT
Mr Youssef El-Raghy

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Egypt
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54 Elbatal Ahmed Abdel Aziz Street
Cairo, Egypt

Commercial International Bank
Sultan Hussein Branch
Alexandria, Egypt

United Kingdom
Clydesdale Bank Plc
50 Lothian Road
Edinburgh EH3 9BY

AUDITORS
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Buchanan Communications
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STOCK EXCHANGES
The Company is listed on the following stock exchanges:

- the Main Market of the London Stock Exchange (LSE:CEY); and
- the Toronto Stock Exchange (TSX:CEE).

The Primary Listing is in London.

LOCATION OF REGISTERS OF SECURITIES
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Chairman's **Report**

Dear Shareholders **This year's annual report is one that captures the final transition of your company from junior explorer to a gold producer, a path travelled that has been very rewarding on many levels for all those involved. With the commissioning of the Sukari Gold Mine the Company has reopened the highly prospective yet underexplored Egyptian gold fields and whilst we view our achievements to date with pride we do see great challenges and opportunities ahead. Your company is well placed and looking forward to both the challenges and the opportunities.**

During the first half of the year construction activities continued at Sukari with well over 1500 people on site. The January quarter then saw the focus shift to commissioning of the Stage 1 oxide circuit. The April quarter saw the commissioning of the Stage 2 sulphide circuit, our first quarter of commercial production and a maiden operating profit before tax of over $19 million for the quarter. At the end of the financial year the Company held over $31 million in cash, had no debt, no hedging and is able to fund the planned Sukari expansion from Sukari cash flow.

In parallel with the Stage 1 and 2 completion of Sukari, underground decline development progressed well throughout the year with nearly 2km of decline work completed and the commencement of ore drive development remaining on schedule for the last quarter of 2010. It is envisaged that early in calendar 2011 high grade ore from the underground will supplement the open pit ore being fed to the plant.

After Stage 2 plant commissioning handover our construction team rolled immediately into Stage 3 (5Mtpa) plant expansion activities with orders for key long lead items placed during the period and detailed design well underway. The Stage 3 expansion remains on track for completion by mid 2011.

The Stage 4 (8-10Mtpa) Scoping Study was also commenced during 2010 with the goal of achieving +500,000oz per annum of gold production. This rate of production is more in line with the size of the Sukari resource and reserve, both of which continued to grow significantly through the year and we see every indication that this growth will continue. Exploration efforts are now looking further afield than Sukari alone and we have been encouraged by the early results from locations such as Quartz ridge to the east of Sukari.

Corporately the Company continues to evolve. The Company's shares trade with good volume on the TSX where they are included in the TSX gold index. In November 2009 the Company's share trading in London moved from the AIM market to the main market. Following this the Company was admitted to the FTSE 250 in June 2010. In March 2010, Mr Harry Michael was appointed Chief Executive Officer. Harry's experience in building and operating large scale mines in Africa will be invaluable as we continue to push for production and company growth.

As the first modern gold mine in Egypt, this achievement is indeed a testament to our dedicated staff, many of whom have been with our Company for more than 10 years. We have seen employees grow over the years to now be managers and skilled operators and it is these people that have built the Company.

It is a particular credit to our operating team that within our first year of operation a lost time injury frequency rate of 0.23 per 200,000 manhours was achieved which is well below mining industry accident frequency statistics in more established mining environments.

I would like to take the opportunity to thank our previous Chairman, Mr Sami El-Raghy, who along with fellow director Mr Brian Speechly, stood down from the Board at the end of 2009. Sami's work in Egypt which began in the early 1990's has set the base for growth for both the Company and the industry within Egypt and with the development of Sukari his vision is beginning to be realized.

I would like to close by thanking His Excellency Sameh Fahmy, the Minister for Petroleum and Mineral Resources for his continued support in the Company's activities. Furthermore, I would like to thank my co-directors for their counsel during the year, our dedicated team at Sukari, in Alexandria, and of course our Company Secretary in Perth.

Your Company is now well placed to be a large scale, long life, low cost gold producer.

On behalf of the Board of Directors

Josef El-Raghy
Chairman

Review of **Operations**

Centamin Egypt Limited ("Centamin" or "the Company") is a mineral exploration, development and mining company that has been actively exploring in Egypt since 1995. The Company's principal asset is the Sukari Gold Project, located in the Eastern Desert of Egypt.

For the financial year ended 30 June 2010, 67,101 ounces of gold was produced from the Sukari open pit mine. A total of 4.2Mt of ore @ 0.89g/t Au was mined for the year from Stage 1 and 2 of the open pit at an average waste to ore ratio of 3:1. During the year, mine development has progressed through the oxide contact and into the higher grade sulphide zones toward the end of the financial year. Whilst greater quantities of sulphide ore were being exposed throughout the year, the transitional-sulphide contact was slightly deeper than originally anticipated (approx 15m) deferring the full presentation of the higher grade sulphides to the process plant. Full sulphide exposure in the Stage 1 pit is now scheduled early in the forthcoming year. Mine productivity continued to improve throughout the year and it is anticipated that a positive and significant reduction in unit mining cost will result throughout the foreseeable future.

Operational Performance

		Financial Year ended 30 June 2010
Ore Mined	('000t)	4,183
Total Mined	('000t)	17,003
Mine Head Grade	(g/t)	0.89
Strip Ratio	waste/ore	3.1
Ore Processed	('000t)	1,906
Mill Head Grade	(g/t)	1.37
Gold Recovery	(%)	87
Gold Produced [1]	(oz)	67,101
Cash Operating Cost of Production [2]	US$/oz	478
Gold Sold	(oz)	63,753
Average Sales Price	US$/oz	1,152

(1) *Gold produced is gold poured and does not include gold-in-circuit at period end.*

(2) *Cash operating costs excludes royalties, exploration and corporate administration expenditure.*

In preparation for an increase in mining rate early in 2011, orders have been placed for a fourth Terex RH120 excavator, three CAT785C dump trucks, a CAT993K front end loader and further ancillary equipment.

Initial ore treatment through the Sukari process plant commenced in late 2009. Total process plant throughput for the year was 1,906,182 tonnes at an average grade of 1.37g/t. Whilst the result was a pivotal achievement for the Company, higher process rates were impacted by a specific number of unscheduled stoppages to replace prematurely worn or damaged SAG mill liners and lifters. To mitigate this issue, the plant management team are introducing a steel liner system during the second half of calendar 2010 which should bring reline schedules more closely to design expectations. A dump leach trial during the year is well underway with material gold recovery expected to commence in the second half of this year. By financial year end, total placement of low grade oxide totaled over 2.0Mt at an average dumped grade of 0.5 g/t with about 50% of this tonnage under irrigation.

Cash cost per ounce for the year was $478, which was higher than expected due primarily to lower gold production through the commissioning phase of Stage 1 and Stage 2. Cost per ounce is expected to decrease throughout the remainder of the year as feed grade and plant availability improve.

Underground Mine Development

Underground development at Sukari commenced in December 2009, with a decline development advance of 1,924 metres, (inclusive of main decline, ventilation decline and escape way) completed for the reporting period. First development ore is scheduled to be produced during the fourth quarter of 2010.

Additional equipment was being mobilized in preparation for the above production phase by the end of the reporting period.

Sukari Project Expansion

Stage 3 (5Mtpa Expansion)

The Stage 3 expansion project primarily involves installation of a secondary crushing circuit and related infrastructure that will be integrated into the existing process plant crushing circuit. Stage 3 is targeting a mill throughput increase of 25% to 5Mtpa and project completion is expected in mid 2011. As at the end of June 2010, award of key contracts for crushers, feeders and high voltage switchgear to support the Stage 3 plant expansion were underway. Construction activities are scheduled to commence during the latter half of 2010.

Stage 4 (8-10Mtpa Expansion)

As a part of the Stage 4 development, a scoping study was initiated during the second half of the financial year to determine the optimum process flow route for a plant expansion of up to 10Mtpa. Initial test work has indicated a number of crushing and grinding alternatives exist to achieve this outcome. Upon completion of the study, scheduled for the second half of 2010, detailed design and costing of the preferred route as well as ordering of long lead items will commence. Stage 4 completion is targeted to occur in 2012.

Sukari Mineral Resource Estimation

Similar to previous years, the current financial year has seen continued and sustained growth in resources for the Sukari Gold Project. Measured and Indicated ("M&I") resources are now estimated to be 235.73Mt @ 1.45g/t Au for 10.99Moz Au with additional Inferred resources of 68.9Mt @ 1.6g/t for 3.5Moz (Table 1). The Measured and Indicated resource has increased by 1.08Moz (11%) from the previous financial year (Figure 1).

Exploration drilling over the year showed the high grade Hapi and related zones extend from the far south Amun Zone north to the area of current drilling in the Ra and Pharaoh zones (Figure 2). These zones, along the entire strike length of the Sukari Hill (2.5km), are the target of current infill and extension drilling with eight diamond coring rigs.

Table 1 – Total Resource (June 2010)

	Measured		Indicated		Total Measured + Indicated			Inferred		
Cut-off (g/t Au)	Tonnes (Mt)	Grade (g/t Au)	Tonnes (Mt)	Grade (g/t Au)	Tonnes (Mt)	Grade (g/t Au)	Gold (Moz)	Tonnes (Mt)	Grade (g/t Au)	Gold (Moz)
0.5	84.01	1.42	151.72	1.47	235.73	1.45	10.99	68.9	1.6	3.5
0.7	61.23	1.72	112.85	1.77	174.08	1.75	9.81	50.1	2.0	3.2
1	40.54	2.17	75.95	2.22	116.49	2.20	8.26	33.8	2.5	2.7

Note to Table: Figures in table may not add correctly due to rounding. Proven and probable ore reserves are included in mineral resources.

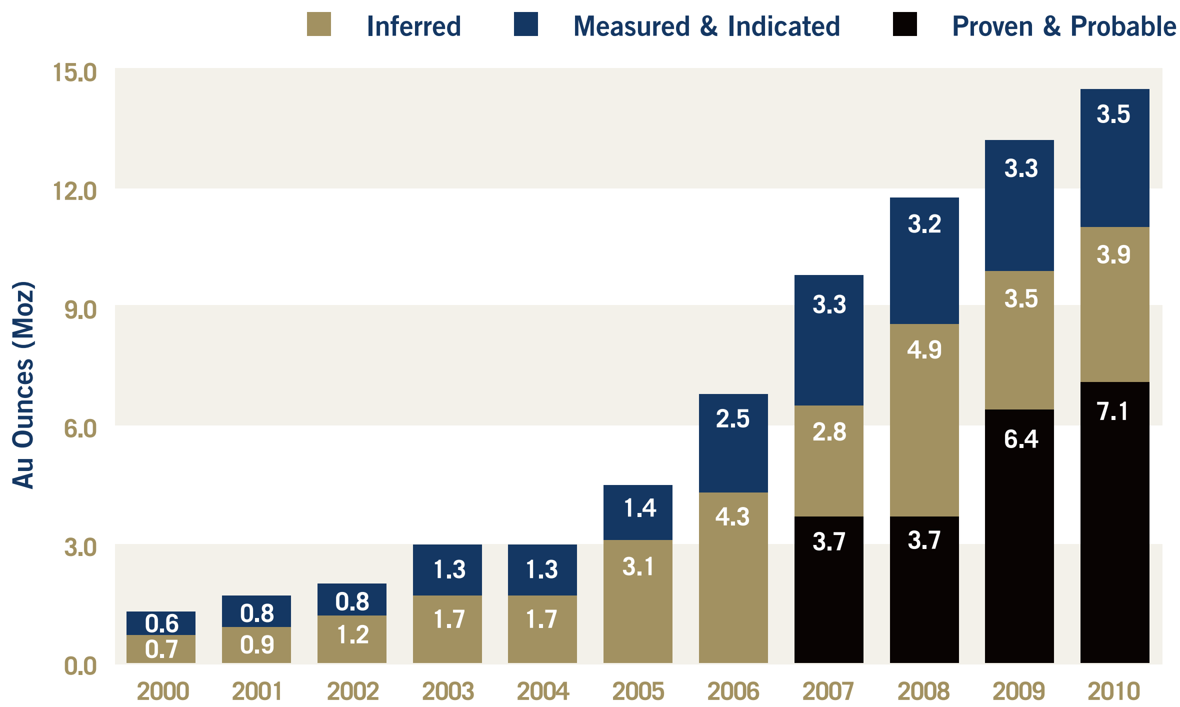

Figure 1 – Sukari Resource Growth from 2000 to June 2010

The resources are estimates of recoverable tonnes and grades using Multiple Indicator Kriging ("MIK") with block support correction. Measured resources lie in areas where drilling is available at a nominal 25 x 25 metre spacing, Indicated resources occur in areas drilled at approximately 25 x 50 metre spacing and Inferred resources exist in areas of broader spaced drilling. The resource model extends from 9700mN to 12200mN and to a maximum depth of 2mRL (a maximum depth of approximately 1,050 metres below wadi level). Mineral resource estimate is adjusted to end of May 2010 mining surface and for historical underground mining voids.

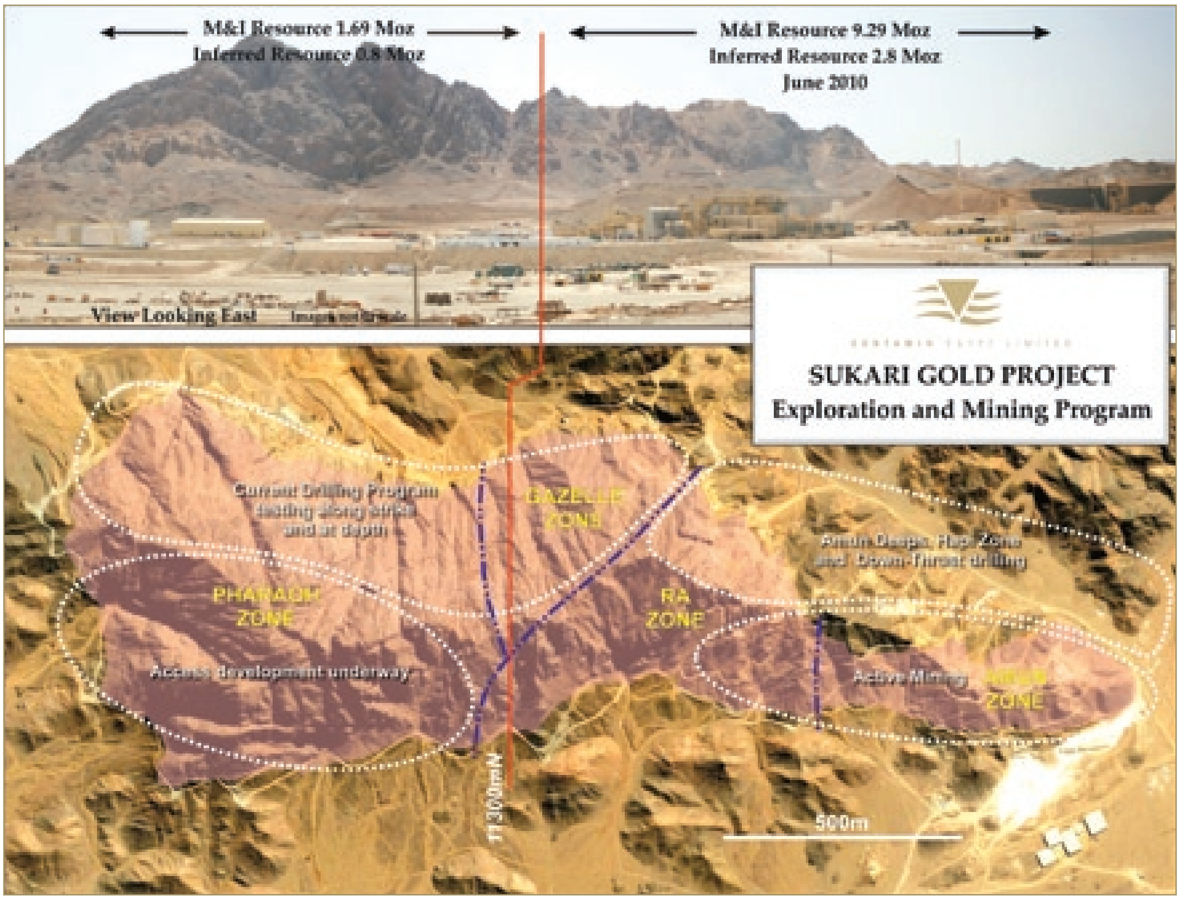

Figure 2 – Plan View of Sukari Porphyry with Upgraded Resource Distribution

C E N T A M I N   E G Y P T   L I M I T E D

Sukari Mineral Reserve

During the year, mineral reserves were increased in relation to the Sukari Gold Project.

The total Sukari mineral reserves stand at 7.1 million ounces, an increase of 0.7 million ounces from the previously reported 6.4 million ounces (April 2009). The new mineral reserves are based on drilling up to 01 November 2009 and a gold price of US$700 per ounce. Details of the new reserves calculated for Sukari are listed in the table below.

Table 2 – Sukari Open Pit Mineral Reserve Estimate (as at 31 December 2009)
(reported at a cut-off grade of 0.4 g/t Au for oxide and sulphide material and 0.5 g/t for transitional)

	Proven		Probable		Mineral Reserve		
	Tonnes (Mt)	Au (g/t)	Tonnes (Mt)	Au (g/t)	Tonnes (Mt)	Au (g/t)	Cont Au (Moz)
New Reserve	69.1	1.37	90.1	1.41	159.3	1.39	7.1
Previous Reserve	64	1.38	78	1.43	142	1.4	6.4

Note: New reserve figure includes 1,167,798t @ 0.74g/t for 27,762ozs of stockpile material in the proven category

Exploration

During the year, resource definition was concentrated in the Pharaoh Zone following the high grade Hapi Zone at depth, deeper Hapi zones at the basal porphyry contacts, the west dipping high grade shear zone basal porphyry contact at the eastern margins and other mineralised structures within the porphyry. Drilling also occurred in the more southern Amun and Ra zones of the Sukari porphyry from 10600N to 11200N, testing the along strike continuity of the Amun Deeps porphyry block and mineralisation, Hapi, Downthrust Zones and Hangingwall Porphyries.

Encouraging high grade assay intersections have been returned from the Pharaoh Zone in the targeted Hapi Zone, deeper Hapi and eastern basal porphyry contact zones, and deep drilling in the Ra Zone between 10800N and 11000N intersected high grade porphyry blocks in the Amun Deeps and Downthrust zones. Results have significantly increased the resource base and advanced understanding of the complex controls on gold mineralisation along strike and at depth.

The drilling continues to show the high grade Hapi and related zones extend from the far south Amun Zone north to the area of current drilling in the Ra and Pharaoh zones. These zones, along the entire strike length of the Sukari Hill (2.5km), are the target of current infill and extension drilling with eight diamond coring rigs.

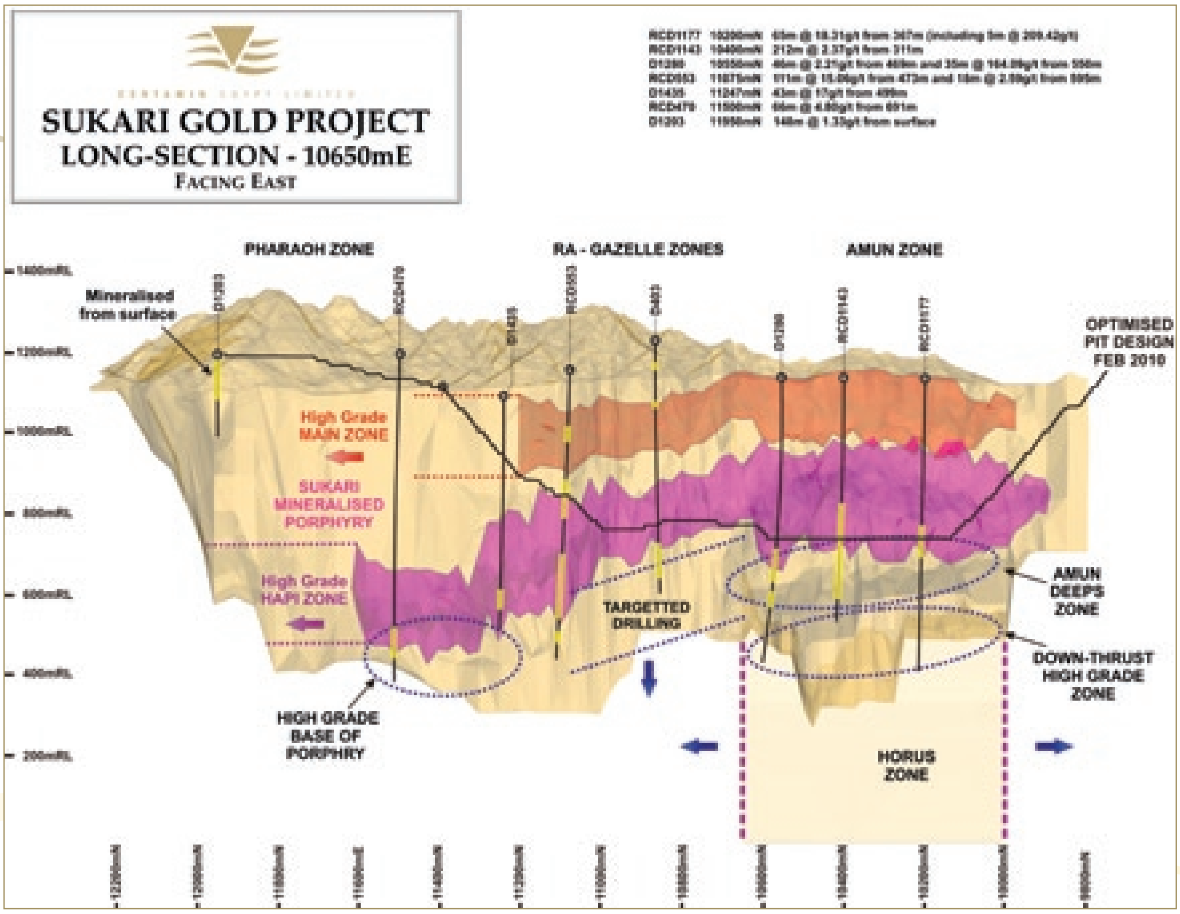

Figure 3 – Long Section of Sukari Porphyry showing significant intersections, key zones and targeted drilling areas

Significant intersections received for the year include:

D1454 – 32m @ 5.65g/t Au from 691m
D1455 – 42m @ 2.79g/t Au from 423m
D1466 – 19m @ 4.88g/t Au from 583m
D1468 – 16m @ 4.29g/t Au from 441m
D1470 – 20m @ 3.61g/t Au from 310m
D1471 – 19m @ 13.7g/t Au from 804m
D1479 – 16m @ 8.16g/t Au from 547m
D1482 – 21m @ 4.19g/t Au from 593m
D1490 – 45m @ 2.11g/t Au from 325m
D1494 – 24m @ 3.19g/t Au from 311m
D1509 – 13m @ 4.06g/t Au from 600m
D1529 – 156m @ 2.07g/t Au from 230m
D1530 – 38m @ 2.56g/t Au from 180m
D1552 – 37m @ 4.84g/t Au from 624m

Regional Exploration

Work at Quartz Ridge prospect commenced in the year, drilling returned encouraging results and intersected the outcropping quartz vein over a strike length of 300m and the anomalous and interpreted porphyry like felsic intrusive rock unit hosting the quartz veins, shear zones and gold mineralisation (Figure 4). Mineralisation remains open along strike and at depth.

QZ013- 6m @ 2.92 g/t Au from 89m
QZ036- 3m @ 15.54 g/t Au from 40m
QZ016 – 15m @ 1.05g/t Au from 1m
QZ020 – 2m @ 9.68g/t Au from 52m
QZ022– 7m @ 2.30g/t Au from 77m
QZ036 – 3m @ 15.54g/t Au from 40m

Wide spaced regional work continued to increase coverage of the mapping and geochemistry as the exploration push continues away from the Sukari hill (Figure 4).

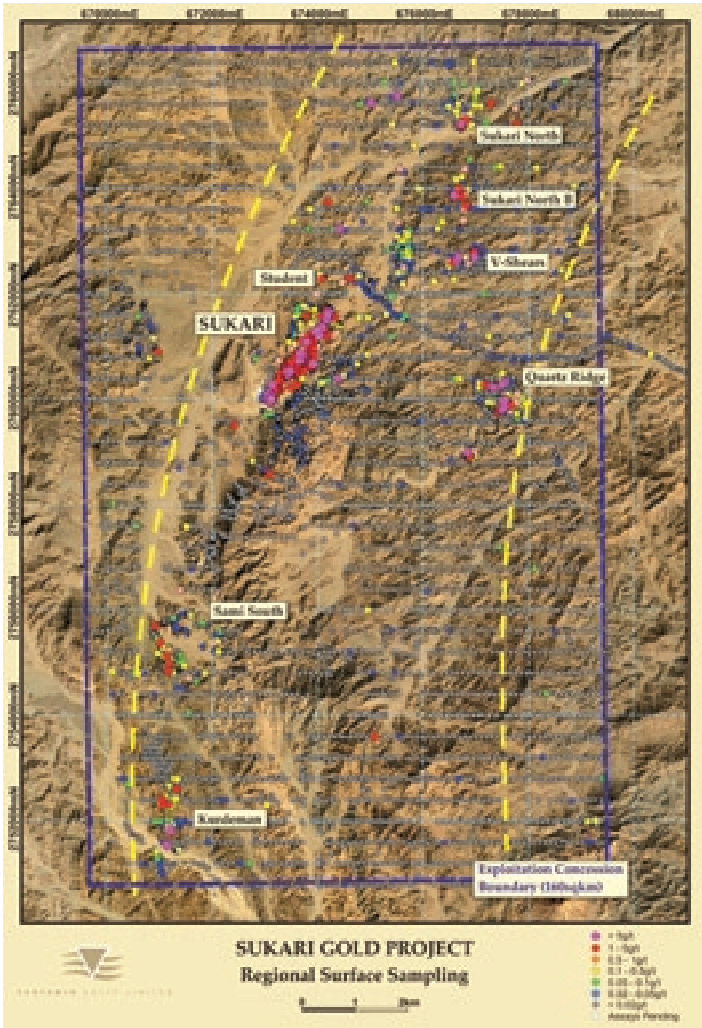

Figure 4 – Regional surface geochemistry and prospect map in the Sukari Exploitation Licence

Australian Projects

The Company is entitled to a royalty over the Nelson's Fleet gold project near St Ives, Western Australia, from the St Ives Gold Mining Co Pty Ltd, a subsidiary of Gold Fields Ltd. The Company has not been informed of any mining of the tenement to date.

Competent Persons Statement

Quality Assurance and Control and Qualified Person

The information in this report that relates to ore reserves has been compiled by Mr Andrew Pardey. Mr Pardey is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of the Company. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a "Competent Person" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and is a "Qualified Person" as defined in the "National Instrument 43-101 of the Canadian Securities Administrators" and "CIM Definition Standards For Mineral Resources and Mineral Reserves" of December 2005 as prepared by the CIM Standing Committee on Reserve Definitions of the Canadian Institute of Mining. Mr Pardey's written consent has been received by the Company for this information to be included in this report in the form and context which it appears.

The information in this report that relates to ore reserves has also been independently verified by Mr Pieter Doelman, an employee of Coffey Mining Pty Ltd Perth. Mr Doelman is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a "Competent Person" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and is a "Qualified Person" as defined in the "National Instrument 43-101 of the Canadian Securities Administrators" and the "CIM Definition Standards For Mineral Resources and Mineral Reserves" of December 2005 as prepared by the CIM Standing Committee on Reserve Definitions of the Canadian Institute of Mining. Mr Doelman consents to the inclusion of this estimate in reports.

The information in this report that relates to mineral resources is based on work completed independently by Mr Nicolas *Johnson, who is a Member of the Australian Institute of Geoscientists. Mr Johnson is a full time employee of Hellman and Schofield Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Competent Person" as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and is a "Qualified Person" as defined in "National Instrument 43-101 of the Canadian Securities Administrators". Mr Johnson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

Information in this report which relates to exploration, geology, sampling and drilling is based on information compiled by geologist Mr Richard Osman who is a full time employee of the Company, and is a member of the Australasian Institute of Mining and Metallurgy with more than five years experience in the fields of activity being reported on, and is a 'Competent Person' for this purpose and is a "Qualified Person" as defined in "National Instrument 43-101 of the Canadian Securities Administrators". His written consent has been received by the Company for this information to be included in this report in the form and context which it appears.

The assay samples were analysed by Ultra Trace Pty Ltd, Canning Vale, Western Australia.

Refer to the updated Technical Report which was filed in May 2009 for further discussion of the extent to which the estimate of mineral resources/reserves may be materially affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issue.

Directors' Report

The Directors of Centamin Egypt Limited submit herewith the annual financial report of the Company for the financial year ended 30 June 2010. In order for the Company to comply with the provisions of the Corporations Act 2001, the Directors' Report is as follows:-

Directors

The names and particulars of the Directors of the Company during or since the end of the financial year are:-

Mr Josef El-Raghy

B.Comm
Executive Chairman (appointed 3 March 2010), age 39
Director since 26 August 2002

Josef El-Raghy was Managing Director/CEO of the Company until 3 March 2010. Mr El-Raghy holds a Bachelor of Commerce Degree from the University of Western Australia and had a ten year career in stock broking. He was formerly a director of both CIBC Wood Gundy and Paterson Ord Minnett. His expertise in international capital markets has greatly assisted the Company in its fundraising and development activities. Mr El-Raghy was also a director of ISIS Resources Plc (now Verona Pharma Plc) from 24 February 2005 to 18 September 2006.

Mr Harry Michael

B. Mining Engineering (Hons), Member AusIMM, Member AICD
Chief Executive Officer, age 48
Director since 3 March 2010

Mr Michael was Executive Director, Chief Operating Officer and Vice President of Operations of Equinox Minerals Limited (TSX:EQN), between 2004 and 2009 where he oversaw the development, commissioning and operation of the large scale Lumwana Copper Mine in Zambia, one of the largest new copper mines to be developed in recent years. In addition he was responsible for all Government negotiations in securing various fiscal and other operating licence agreements necessary for project development. Prior to joining Equinox, he was responsible for completing the bankable feasibility study ("BFS") for the Sukari Gold Project, Centamin's flagship mine, during 2003 and 2004. His past experience includes the role of Chief Executive Officer of Geita Gold Mine (AngloGold Ashanti) in Tanzania from 1998 to 2002, one of the largest gold mines in Africa, producing 500,000 ounces of gold per annum, where he was responsible for the construction and operation of the mine. Prior to this, Mr Michael was General Manager of the Iduapriem Gold Mine in Ghana (AngloGold Ashanti) from 1995 to 1998 and was responsible for various CIL and Heap Leach expansions as well as operations. He has held senior management roles in Granny Smith Gold Mine in Western Australia (Barrick Gold – 1994 to 1998) and Porgera Gold Mine in Papua New Guinea (majority owned by Barrick – 1990 to 1994) as well as other operational roles in the gold and iron ore sectors of the Australian mining industry. Mr Michael has also held a non executive director position with Red Back Mining Inc (TSX:RBI) from 2003 to March 2010, playing a key role in the growth and strategic direction of the company during the time while Redback grew from and explorer through to a major gold producer.

Mr Trevor Schultz

M.A (ECON), M.Sc (Min Eng)
Executive Director of Operations, age 68
Director since 20 May 2008

Mr Schultz has a Masters Degree in Economics from Cambridge University, a Masters of Science Degree in Mining from the Witwatersrand University and completed the Advanced Management Program at Harvard University. With more than 40 years experience at the executive management and board level with leading international mining companies, including BHP, RTZ/CRA, Pegasus Gold and Ashanti Goldfields, Trevor was most recently the President and CEO of Guinor Gold Corporation. His roles have included development of several new mining operations in Africa, South America and the U.S.A., negotiations with various governments and their agencies and project financing and capital raisings. Mr Schultz is currently a director of Pacific Road Capital Management. From 1 April 2003 until 31 December 2005, Mr Schultz was a director of Guinor Gold Corporation, from 1 December 2003 to 15 June 2006 was a director of Southern Era Pty Ltd and from 1 October 1996 to 31 December 2003 was a director of Ashanti Goldfields Pty Ltd.

Mr H. Stuart Bottomley

Non Executive Director, age 65
Senior Independent Director
Member Audit Committee
Chairman Compliance/Corporate Governance Committee
Director since 26 September 2005

Stuart Bottomley has broad non executive knowledge and experience in international asset management, risk management and corporate funding. After working as a stockbroker for nine years, Stuart worked as a portfolio manager for the Target Group of Unit Trusts first under the ownership of Dawnay Day and subsequently with J Rothschild Investment Management. In 1984, he joined Fidelity International in London, working with the ERISA group, focused on UK and European markets. Since leaving Fidelity, Stuart has consulted for numerous private and public companies, advised many Australian companies on admissions to AIM and assisted in IPOs and other fundraisings. He is currently a non executive director of African Consolidated Resources Plc (since 27 May 2005), Polar Star Mining Corp (since 17 April 2009), Starfield Resources Inc (since 1 February 2007) and Verona Pharma Plc (since 24 February 2005).

Mr Colin Cowden

FAII, ASA, ACIS, ACIM, FNIBA, CD
Non Executive Director, age 66
Chairman Audit Committee
Member Remuneration Committee
Director since 8 March 1982

Colin Cowden is the Executive Chairman of Cowden Limited, a licensed insurance broking company formed in 1972. Cowden Limited is a prominent broking firm in Western Australia with branch offices in Sydney, Melbourne and Adelaide. Mr Cowden is a qualified accountant and Chartered Secretary, and is a Fellow of the Australian Insurance Institute. Mr Cowden has been a director of Wentworth Holdings Limited since 26 October 2005, and from 27 November 1998 until 27 October 2005, was a director of OAMPS Limited.

Dr Thomas G. Elder

PhD, FIMMM, FGS
Non Executive Director, age 71
Chairman Remuneration Committee
Member Compliance/Corporate Governance Committee
Director since 8 May 2002

Dr Elder is a geology graduate of Durham University and post-graduate NATO Scholar at the University of Oslo. His extensive background in mineral exploration was gained with major companies including BP and Rio Tinto. Dr Elder ran exploration programmes in the UK, Spain, Italy, Portugal and Greenland for Cominco, prior to his appointment as worldwide Exploration Manager for BP Minerals in 1983. Following the take-over by Rio Tinto in 1989, he was a director of Rio Tinto Exploration Limited until 1995, focusing on project development in the Former Soviet Union. Dr Elder was a non executive director of Angus & Ross from 12 January 2006 to 31 January 2009 and, having held the position of President from 4 October 1998 to 30 September 2007, Dr Elder stepped down as President but remained a non executive director of Mano River Resources Inc until 25 June 2009.

Professor G. Robert Bowker

PhD, GAICD
Non Executive Director, age 60
Member Remuneration Committee
Member Audit Committee
Member Compliance/Corporate Governance Committee
Director since 21 July 2008

Professor Bowker retired from the Australian Foreign Service in June 2008 after a 37 year career specialising in Middle East issues. He was Australian Ambassador to Egypt (2005 to 2008) and Jordan (1989 to 1992), in addition to postings in Syria (1979 to 1981) and Saudi Arabia (1974 to 1976). Professor

Bowker was accredited from Cairo as a non-resident ambassador to Libya, Sudan, Syria and Tunisia. Professor Bowker has a PhD from the Centre for Arab and Islamic Studies, Australian National University 2001, an MA from the Centre for Middle East and Central Asian Studies, Australian National University 1995, a BA (Hons) Indonesian and Malayan Studies and Political Science, Melbourne University 1970 and completed an RAF Arabic course, Beaconsfield, UK 1988.

Mr Sami El-Raghy

B.Sc. (Hons), FAusIMM, FSEG, MAICD
Executive Chairman, age 68 (retired 31 December 2009)
Director from 29 April 1993 to 31 December 2009

A graduate of Alexandria University in 1962, Mr El-Raghy worked in Egypt and Europe before moving to Australia in 1968 and joining American Smelting and Refining Company (Asarco). He was instrumental in the discovery and development of a number of gold mines, including the Wiluna Gold Mine for Asarco and the Mt Wilkinson Gold mine for Chevron Exploration. Mr El-Raghy recognised the potential of the Marymia Dome and the Barwidgee Yandal Belt long before these areas became the most sought after mining areas in Australia. Mr El-Raghy brought to the Board over 41 years experience in the industry, both in Australia and overseas.

Mr G. Brian Speechly

FAusIMM
Non Executive Director, age 76 (retired 31 December 2009)
Director from 15 August 2000 to 31 December 2009

Mr Speechly is a Fellow of the Australasian Institute of Mining and Metallurgy with over 50 years experience in the mining industry. During his career, Mr Speechly has been involved in over 320 mining projects and is recognised in Australia and overseas as an expert in both underground and open pit mining and design. He is particularly noted for his innovative and low cost approaches to mining issues. Mr Speechly has been a director of Dynasty Metals & Mining Inc since 28 April 2004.

Management

Mrs Heidi Brown

GCertAppFin (Finsia), ACIS
Company Secretary

Mrs Brown is a Chartered Secretary with over 12 years experience in the finance and securities industries. Mrs Brown holds a Graduate Certificate of Applied Finance and Investment and a Diploma of Financial Advising through the Financial Services Institute of Australasia (Finsia).

Mr Mark Di Silvio

B.Bus, MBA, CPA
Chief Financial Officer

Mr Di Silvio holds a Bachelor of Business from Curtin University in Western Australia and completed a Master of Business and Administration at the University of Western Australia. A Certified Practicing Accountant with over 19 years post graduate experience in the resources sector, Mr Di Silvio commenced his career with a variety of finance based roles within the gold mining sector whilst based in Kalgoorlie, Western Australia. Mr Di Silvio joined oil and gas independent Woodside Energy Limited in 1998, gaining oilfield experience through the financial management of joint ventures and the development of accounting and compliance management systems. Prior to leaving Woodside in 2007, Mr Di Silvio was responsible for the financial management of Woodside's Mauritanian oilfield assets. Mr Di Silvio was CFO for Central Petroleum Limited, a junior oil and gas exploration company based in Perth, Western Australia prior to joining Centamin Egypt Limited on 25 July 2008.

Mr Youssef El-Raghy

General Manager - Egyptian Operations

An officer graduate of the Egyptian Police Academy Mr El-Raghy held senior management roles within the Egyptian Police force for a period in excess of ten years, having attained the rank of captain, prior to joining the Company. Mr El-Raghy has extensive contacts within the government and industry and maintains excellent working relationships with all of the Company's stakeholders within Egypt.

Directors' Meetings

The following table sets out the number of Directors' meetings (including meetings of the committees of directors) held during the financial year and the number of meetings attended by each Director (while they were a Director or committee member). During the financial year, 8 Board meetings, 2 Nomination and Remuneration Committee meetings, 2 Compliance/Corporate Governance Committee meetings and 6 Audit Committee meetings were held.

	Board of Directors		Nomination and Remuneration Committee		Compliance/ Corporate Governance Committee		Audit Committee	
Director	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Mr J El-Raghy	8	8	-	-	-	-	-	-
Mr H Michael [2]	2	2	-	-	-	-	-	-
Mr T Schultz	8	8	-	-	-	-	-	-
Dr T G Elder	8	8	2	2	2	2	-	-
Mr H S Bottomley	8	8	-	-	2	2	6	6
Professor G R T Bowker	8	8	2	2	2	2	6	6
Mr C Cowden	8	8	2	2	-	-	6	6
Mr S El-Raghy [1]	5	5	-	-	-	-	-	-
Mr G B Speechly [1]	5	5	-	-	-	-	-	-

(1) Mr S El-Raghy and Mr G B Speechly retired from the Board effective 31 December 2009.

(2) Mr H Michael joined the Board on 3 March 2010.

In addition to these formal meetings, during the year the Directors considered and passed ten (10) Circular Resolutions pursuant to clause 61 of the Company's Constitution.

Principal Activities

The consolidated entity's principal activities during the course of the financial year were the exploration for precious and base metals, production of gold and ongoing development at the Sukari project.

Dividends

No dividends have been declared or paid since the end of the previous financial year.

Changes in State of Affairs

There was no change in the state of affairs of the consolidated entity during the financial year.

Future Developments

It is the objective of the Company to continue to drill at the Sukari project, so as to increase the overall size of the geological resource whilst at the same time, increasing gold production.

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report.

Share Options

Options Converted During the Financial Year

A total of 7,520,000 unlisted options were exercised during the financial year to 30 June 2010. The details of these options are as follows:-

Number of Ordinary shares under option	Exercise Price A$	Expiry Date
690,000	0.7106	31 January 2010
2,060,000	1.0500	31 May 2010
250,000	1.4034	15 October 2010
950,000	0.3500	31 October 2010
500,000	1.5000	28 November 2010
2,320,000	1.7022	16 April 2011
750,000	0.7033	28 October 2011

The issuing entity was Centamin Egypt Limited. The market weighted average closing price of Centamin Egypt Limited shares during the 2010 financial year was C$2.03 (2009: A$1.06). No amount was unpaid on these shares.

Options Lapsed During the Financial Year

A total of 185,000 unlisted options lapsed during the financial year to 30 June 2010, due to employees ceasing work with the Company. The details of these options are as follows:-

Number of Ordinary shares under option	Exercise Price A$	Expiry Date
60,000	1.7022	16 April 2011
125,000	0.6750	28 November 2011

Options Exercised Subsequent to Balance Date

290,000 options have been exercised subsequent to balance date. The issuing entity was Centamin Egypt Limited. No amount was unpaid on these shares. The details of these options are as follows:-

Number	Exercise Price A$	Expiry Date
290,000	1.7022	16 Apr 2011

Options Lapsed Subsequent to Balance Date

No options have lapsed subsequent to balance date.

Employee Option Plans

At the Annual General Meeting on 20 November 2006, shareholders approved the Employee Option Plan 2006. The following options issued to Executives and Employees are in existence as at the date of this report:

Number of Ordinary shares under option	Exercise Price A$	Expiry Date
830,000	1.7022	16 April 2011
250,000	1.1999	25 August 2011
1,000,000	1.0000	19 December 2011
350,000	1.8658	06 August 2012

The following options were not issued under any of the Employee Option Plans, however were issued in accordance with employment contracts and/or agreements and are in existence at the date of this report:

Number of Ordinary shares under option	Exercise Price A$	Expiry Date
100,000	0.3500	31 October 2010
1,630,150	1.2000	31 December 2012
500,000	1.5000	28 November 2010

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company, body corporate or registered scheme. The issuing entity for all options was Centamin Egypt Limited.

Broker Warrants

Broker Warrants Converted During the Financial Year

A total of 10,357,710 unlisted broker warrants were exercised during the financial year to 30 June 2010. The details of these broker warrants are as follows:-

Number of Ordinary shares under option	Exercise Price A$	Expiry Date
4,770,720	1.2000	23 November 2009
4,636,990	0.6500	10 February 2011
788,437	1.5600	16 July 2011
161,563	1.5200	26 August 2011

The issuing entity was Centamin Egypt Limited. No amount was unpaid on these shares.

There are no broker warrants in existence as at the date of this report.

Environmental Regulations

The consolidated entity is currently complying with relevant environmental regulations and has no outstanding environmental orders against it.

Events Subsequent to Balance Date

There were no events subsequent to balance date requiring disclosure.

Review of Operations

A review of the Company's operations is located at the beginning of this Annual Report.

Indemnification of Directors & Auditors

During the financial year, the Company paid a premium in respect of a contract insuring the directors and officers of the Company and any related body corporate against a liability incurred as a director or officer to the extent permitted by the Corporations Act 2001.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

The Directors of Centamin Egypt Limited present the Remuneration Report prepared in accordance with section 300A of the Corporations Act 2001 for the Company and the consolidated entity for the financial year ended 30 June 2010. For the purposes of this report, Directors and executives of the Company and consolidated entity are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and consolidated entity ("the Group"), directly or indirectly, including any director (whether executive or otherwise) of the parent company. This Remuneration Report forms part of the Directors' Report.

Overview

Remuneration levels for directors and executives are competitively set to attract the most qualified and experienced candidates. Details of the Company's remuneration strategy for the 2010 financial year are set out in this Remuneration Report.

This Remuneration Report:

- explains the Board's policies relating to remuneration of directors and executives;
- discusses the relationship between these policies and the Company's performance; and
- sets out remuneration details for each Director and senior executive.

The fees paid to Non Executive Directors are set at levels which reflect both the responsibilities of, and the time commitments required from, each Non Executive Director to discharge their duties and are not linked to the performance of the Company.

The remuneration strategy for the Chief Executive Officer (CEO) and executives, including the Company Secretary, comprise a fixed cash component and where applicable, statutory superannuation contributions, an annual merit based performance bonus and the issue of share options or other share based incentives in the Company which is intended to provide competitive rewards to attract high calibre executives. The issue of performance bonuses and share options, whilst not dependent on the performance of the Company, are aligned with the ongoing performance assessment of the incumbent, following review and assessment by the Board of Directors.

Criteria used to determine the annual merit based performance bonus for the CEO and executives, during the preproduction phase, is the setting of key objectives for each executive and measuring performance against these objectives. Key objectives will normally include capital budget criteria where performance will be measured against progress indicators. These key objectives will largely be determinable by the objective assessment of performance by the CEO. There are no specific performance based key financial indicators set and bonuses and/or options are at the discretion of the Board. The Nomination and Remuneration Committee reviews the CEO's performance and makes a recommendation to the Directors.

Share options are offered to executives at the discretion of the Directors, having regard, among other things, to the length of service with the Group, the past and potential contribution of the person to the Group and in some cases, performance of the individual.

There is no Board policy in relation to limiting the recipient exposure to risk in relation to securities.

The table below sets out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to 30 June 2010:

	30 June 2010 US$'000	30 June 2009 US$'000	30 June 2008 US$'000	30 June 2007 US$'000	30 June 2006 A$'000
Revenue	37,710	2,893	6,789	2,815	1,140
Net profit/(loss) before tax	17,028	(22,271)	4,647	6,890	1,011
Net profit/(loss) after tax	12,870	(22,102)	4,203	6,890	1,011
Share price at start of year	A$1.79	A$1.21	A$1.12	A$0.74	A$0.27
Share price at end of year	A$2.88	A$1.79	A$1.21	A$1.12	A$0.74
Dividends	-	-	-	-	-
Basic earnings per share (cents)	1.26	(2.40)	0.51	1.11	0.19
Diluted earnings per share (cents)	1.26	(2.40)	0.51	1.10	0.19

Directors and Senior Management

The following persons acted as Directors of the Company during or since the end of the financial year:-

- Mr Josef El-Raghy (Chairman)
- Mr Sami El-Raghy (Chairman), retired 31 December 2009
- Mr Harry Michael (Chief Executive Officer), appointed 3 March 2010
- Mr Trevor Schultz (Executive Director of Operations)
- Mr H Stuart Bottomley (Senior Independent Non Executive Director)
- Dr Thomas G Elder (Non Executive Director)
- Mr Colin Cowden (Non Executive Director)
- Mr G Brian Speechly (Non Executive Director), retired 31 December 2009
- Professor G. Robert Bowker (Non Executive Director)

The term 'senior management' is used in this remuneration report to refer to the following persons:

- Mrs Heidi Brown (Company Secretary)
- Mr Mark Di Silvio (Chief Financial Officer)

Remuneration of Directors and Senior Management

The Nomination and Remuneration Committee reviews the remuneration packages of all Directors and senior management on an annual basis. Remuneration packages are reviewed and determined with due regard to current market rates and are benchmarked against comparable industry salaries.

2010	Short-term employee benefits			Long-term employee benefits	Post-employment benefits	Share-based payment	Total A$
	Salary & Fees A$	Bonus A$	Non-monetary A$	Leave[8] A$	Super-annuation A$	Options & rights A$[1]	
Non Executive Directors							
T Elder	55,000	-	-	-	-	-	55,000
C Cowden	50,458	-	-	-	4,541	-	54,999
G B Speechly	18,348	-	-	-	1,651	-	19,999
H S Bottomley	55,000	-	-	-	-	-	55,000
G Bowker	25,114	-	27,525	-	52,385	-	105,024
Executive Officers							
S El-Raghy[2]	240,012	-	21,500[5]	3,612	-	-	265,124
J El-Raghy	541,329	-	44,025[5]	34,315	-	-	619,669
H Michael[3]	187,602	-	-	-	15,137	-	202,739
T Schultz	457,400	-	80,604[5]	-	-	86,945	624,949
M Di Silvio	305,680	-	58,104[5]	-	-	269,109	632,893
H Brown	186,382	-	36,275	-	14,175	-	236,832
Total	2,122,325	-	268,033	37,927	87,889	356,054	2,872,228

2009	Short-term employee benefits			Long-term employee benefits	Post-employment benefits	Share-based payment	Total A$
	Salary & Fees A$	Bonus A$	Non-monetary A$	Leave[8] A$	Super-annuation A$	Options & rights A$[1]	
Non Executive Directors							
T Elder	50,815	-	-	-	-	-	50,815
C Cowden	46,965	-	-	-	4,226	-	51,191
G B Speechly	35,297	-	-	-	3,176	-	38,473
H S Bottomley	50,815	-	-	-	-	-	50,815
G Bowker[4]	45,056	-	-	-	4,506	-	49,562
Executive Officers							
S El-Raghy	479,615	-	43,000[5]	7,167	-	-	529,782
J El-Raghy	397,549	-	41,118[5]	44,178	-	-	482,845
T Schultz	370,098	-	68,081[5]	-	-	291,709	729,888
M Di Silvio[6]	278,172	-	52,325[5]	-	-	72,442	402,939
H Brown	186,214	-	10,586	-	13,500	61,888	272,188
M Smith[7]	116,268		23,097[5]	-	-	-	139,365
Total	2,056,864	-	238,207	51,345	25,408	426,039	2,797,863

1 *Options value is calculated in accordance with the Black-Scholes pricing method.*

2 *Mr S El Raghy retired on 31 December 2009. Upon cessation of employment Mr El-Raghy was paid A$750,000 in accumulated leave entitlements with a further A$212,966 due and payable as at 30 June 2010.*

3 *Mr H Michael was appointed 3 March 2010.*

4 *Professor Bowker was appointed on 21 July 2008.*

5 *Values shown represent taxes paid in Egypt on behalf of the Executive Officer.*

6 *Mr Di Silvio was appointed 25 July 2008.*

7 *Mr Smith retired on 7 August 2008.*

8 *Long term employment benefits are in relation to accrued benefits of long service leave.*

No Director or senior management person appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

Employment Contracts

Remuneration and other terms of employment for the following Directors and executives are formalised in employment agreements, the terms of which are set out below:-

Josef El-Raghy
Chairman

- **term:** 3 years (expiring 01 September 2013), 6 months notice of termination period
- **base salary:** A$600,000 (net of taxes in Egypt) pa, reviewed annually by the Nomination and Remuneration Committee

Harry Michael
Chief Executive Officer

- **term:** 3 years (expiring 03 March 2013), 6 months notice of termination period
- **base salary:** A$550,000 including superannuation, reviewed annually by the Nomination and Remuneration Committee

Trevor Schultz
Executive Director of Operations

- **term:** 3 years (expiring 15 August 2011), 3 months notice of termination period
- **base salary:** A$550,000 (net of taxes in Egypt) pa, reviewed annually by the Nomination and Remuneration Committee

Mark Di Silvio
Chief Financial Officer
(appointed 25 July 2008)

- **term:** 2 years (expiring 25 July 2012), 3 months notice of termination period
- **base salary:** A$325,000 (net of taxes in Egypt) pa, reviewed annually by the Nomination and Remuneration Committee

Heidi Brown
Company Secretary

- **term:** 2 years (expiring 21 July 2012), 3 months notice of termination period
- **base salary:** A$180,000 + 9% superannuation, reviewed annually by the Nomination and Remuneration Committee

No director or executive is entitled to any termination payments apart from remuneration payable up to and including the date of termination and all payments due by way of accrued leave.

Options issued to Directors and senior management

Options are issued to Directors and senior management under the Employee Option Plan 2006 (previously under the Employee Option Plan 2002) as part of their remuneration. Options are offered to Directors and senior management at the discretion of the Directors, having regard, among other things, to the length of service with the Group, the past and potential contribution of the person to the Group. The following options have been issued to Directors and senior management up to 30 June 2010 and granted subsequent to balance date:-

Name	Office	Grant Date	No of Unquoted Options	Fair Value at Grant Date A($)	Exercise Price A($)	Expiry Date
C N Cowden	Non Executive Director	8 December 2005	500,000	0.1495	0.4355	8 December 2008
T G Elder	Non Executive Director	8 December 2005	500,000	0.1495	0.4355	8 December 2008
H S Bottomley	Non Executive Director	8 December 2005	500,000	0.1495	0.4355	8 December 2008
T S Schultz	Executive Director of Operations	19 December 2008*	1,000,000	0.3568	1.0000	19 December 2011
M Di Silvio	Chief Financial Officer	25 August 2008*	250,000	0.3070	1.1999	25 August 2011
		6 August 2009**	350,000	0.6714	1.8658	6 August 2012
H Brown	Company Secretary	16 April 2008	250,000	0.4015	1.7022	16 April 2011

* *As at 30 June 2010, 100% of these options had vested.*

** *As at 30 June 2010, only 50% of these options had vested.*

The options granted vest and are exercisable over a period of 12 months, with 50% vesting and exercisable after 6 months and the other 50% vesting and exercisable after 12 months of grant. These options have a term of 3 years.

Options exercised by Directors and senior management

There were no options exercised by Directors and senior management during the year.

Value of Director and senior management options granted, exercised and lapsed during the year

The following table shows the value of Director and senior management options granted, exercised and lapsed during the year:-

Name	Options Granted	Options Exercised	Options Lapsed	Value of Options Included in Remuneration for the Year (1)	Percentage of Total Remuneration for the Year that Consists of Options
	Value at Grant Date A$	Value at Exercise Date A$	Value at Time of Lapse A$	A$	%
S El-Raghy	-	-	-	-	-
J El-Raghy	-	-	-	-	-
C N Cowden	-	-	-	-	-
T G Elder	-	-	-	-	-
G B Speechly	-	-	-	-	-
H S Bottomley	-	-	-	-	-
T Schultz	-	-	-	86,945	13.9%
G Bowker	-	-	-	-	-
H Michael	-	-	-	-	-
M Di Silvio	283,946	-	-	269,109	42.5%
H Brown	-	-	-	-	-

(1) *The value of options granted during the period is recognised in compensation over the vesting period of the grant, in accordance with Australian Accounting Standards.*

Directors' Shareholdings

The relevant interest of each Director in the share capital of the Company shown in the Register of Directors' Shareholdings as at the date of this report are:-

Director	No. of Fully paid ordinary shares	No. of share options
J El-Raghy	69,195,086	-
H Michael	75,000	
C Cowden	1,203,626	-
T Elder	250,000	-
H S Bottomley	2,650,000	-
T Schultz	-	1,000,000
G Bowker	-	-

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the consolidated accounts) because of a contract made by the Company, its controlled entities or a related body corporate with the Director or with a firm of which the Director is a member, or with an entity in which the Director has a substantial interest.

Rounding of Amounts

The Company is of a kind referred to in Class Order 98/100 issued by the Australian Investments and Exchange Commission dated 10 July 1998 and in accordance with that Class Order, amounts in the Financial Report and the Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Auditor's Independence Declaration

The Auditor's Independence Declaration is included on page 34 of the financial report.

Non-Audit Services

Tax and due diligence services were provided by Deloitte Touche Tohmatsu during the year. The Audit Committee is satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Audit Committee is satisfied that the services provided did not compromise the external auditor's independence for the following reasons:-

- all non-audit services have been reviewed by the Audit Committee to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in the Code of Conduct - APES 110 Code of Ethics for Professional Accountants, issued by the Accounting Professional & Ethics Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company or jointly sharing economic risks and rewards.

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 23 to the financial statements.

This Directors' Report is signed in accordance with a resolution of the directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors

Colin Cowden
Director

Perth, 31 August 2010

Management Discussion
& Analysis

The following Management's Discussion and Analysis of the Financial Condition and Results of Operations ("MD&A") for Centamin Egypt Limited (the "Company" or "Centamin") should be read in conjunction with the Directors' Report and the audited Financial Report for the year ended 30 June 2010. The effective date of this MD&A is 31 August 2010.

The financial information presented in this MD&A has been prepared in accordance with Australian Accounting Standards and Interpretations, other mandatory professional reporting requirements and the Corporations Act 2001.

In addition to these Australian requirements, further information has been included in the Consolidated Financial Statements for the year ended 30 June 2010 in order to comply with applicable Canadian securities law, as the Company is listed on the Toronto Stock Exchange.

Additional information relating to the Company, including other public announcements and the Company's Annual Information Form, is available at **www.centamin.com** and **www.sedar.com**.

All amounts in this MD&A are expressed in United States dollars unless otherwise identified.

Forward Looking Statements

Some of the statements contained in this MD&A, including those relating to strategies and other statements, are predictive in nature, and depend upon or refer to future events or conditions, or include words such as "expects", "intends", "plans", "anticipates", "believes", "estimates" or similar expressions that are forward looking statements. Forward looking statements include, without limitations, the information concerning possible or assumed further results of operations as set forth herein. These statements are not historical facts but instead represent only expectations, estimates and projections regarding future events and are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations generally.

The forward looking statements contained in this MD&A are not guarantees of future performance and involve certain risks and uncertainties that are difficult to predict. The future results of the Company may differ materially from those expressed in the forward looking statements contained in this MD&A due to, among other factors, the risks and uncertainties inherent in the business of the Company. The Company does not undertake any obligation to update or release any revisions to these forward looking statements to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events.

General

Centamin is a mineral exploration, development and mining company that has been actively exploring in Egypt since 1995. The principal asset of Centamin is its interest in the Sukari Project, located in the Eastern Desert of Egypt. Construction at the Sukari Project commenced in March 2007 and the first gold bar being produced on 26 June 2009.

Optimal design throughput at the Sukari Gold Project was achieved during December 2009. In January 2010, the Company announced that the Sukari Gold Project had achieved yet another important milestone with the commencement of gold exports to a nominated overseas gold refinery. From a financial accounting standpoint, commercial production commenced on 1 April 2010.

The Sukari Project is the first large-scale modern gold mine in Egypt. Centamin's operating experience in Egypt gives it a significant first-mover advantage in acquiring and developing other gold projects in the prospective Arabian-Nubian Shield.

Highlights for the Year

The Company's highlights for the year were:

Plant Construction

- Construction and commissioning of the Sukari process plant was completed during the financial year, enabling commercial production of gold to commence during 2010.

Exploration

- The Sukari mineral resource was upgraded to 10.99 million ounces of gold Measured and Indicated, plus 3.5 million ounces of gold Inferred at a 0.5g/t cut off grade. An increase of 11% in Measured and Indicated resources compared to last financial year.
- In February 2010, the Company announced that the total reserves had increased to 7.1 million ounces, an increase of 0.7 million ounces (11%) from the previously reported 6.4 million ounces as announced in April 2009. The new mineral reserves are based on drilling up to 1 November 2009 and utilized a gold price of US$700 per ounce.

Open Pit Mine Production

- Open pit mine production continued to progress well from the Sukari open pit. A total of 4.2Mt of ore @ 0.89g/t Au was mined for the year from Stage 1 and 2 of the open pit at an average waste to ore ratio of 3:1. Orders for additional mobile equipment have been placed, which will see a further three CAT 785C dump trucks and a fourth Terex RH120 excavator in operation during 2011, thereby increasing the rate of mine development.

Underground Development

- Underground development at Sukari commenced in December 2009. Underground works are performed by Barminco, an experienced underground mining contractor, with supervision and engineering management provided by Company personnel.
- For the financial year ended June 2010, underground decline development recorded an advance of 1,924 meters, inclusive of main decline, ventilation decline and escape way infrastructure. First development ore is scheduled to be produced during the fourth quarter of 2010 and stoping panels are scheduled to reach commercial production during early 2011.

Sukari Project Expansion

- Future development of the Sukari gold project involves the Stage 3 and Stage 4 expansion programmes. The Stage 3 expansion project primarily involves installation of a secondary crushing circuit and related infrastructure that will be integrated into the existing process plant crushing circuit. Stage 3 is targeting a mill throughput increase of 25% to 5Mtpa and project completion is expected in mid 2011.
- As a part of the Stage 4 development, a scoping study was initiated during the second half of the financial year to determine the optimum process flow route for a plant expansion up to 10Mtpa. Initial test work has indicated a number of crushing and grinding alternatives exist to achieve this outcome. Upon completion of the study, scheduled for the second half of 2010, detailed design and costing of the preferred route as well as ordering of long lead items will commence. Stage 4 completion is targeted to occur in 2012.

Corporate

- In July 2009, the Company announced that it had attained subscriptions from various North American resource focussed funds for a private placement of 19 million ordinary shares at an offering price of C$1.56 per share. The offer was fully subscribed and raised gross proceeds of C$29.6M.
- In August 2009, the Company announced its intention to apply for admission to the Official List of the UK Listing Authority (the "Official List") and to trading on the London Stock Exchange's Main Market for listed securities. Following completion of due diligence, the Company commenced trading on the London Stock Exchange's Main Market for listed securities on 6 November 2009. Subsequent to this, the Company closed its association with the Australian Securities Exchange ("ASX") in an effort to streamline listing and compliance costs. Removal from the ASX official list occurred on 29 January 2010.
- Board changes during the year saw that Mr Sami El-Raghy announced his resignation from the Board on 31 December 2009 along with fellow director Mr Gordon Brian Speechly. During 2010, Mr Harry Michael joined the Board of Centamin as Chief Executive Officer. Following Mr Michael's appointment, Mr Josef El-Raghy, transitioned to the role of Executive Chairman of Centamin.

Results of Operations

The Company recorded a profit for the year primarily due to the commencement of operations. The results for the year reflect the commencement of operations at the Sukari Gold Mine, with exploration related expenditure being capitalised according to the Company's accounting policies.

Selected Financial Information

The table below sets forth selected financial data relating to the Company's years ended 30 June 2010, 30 June 2009 and 30 June 2008. This financial data is derived from the Company's audited consolidated financial statements.

Condensed Statement of Comprehensive Income

	Year ended 30 June 2010 $US'000	Year ended 30 June 2009 $US'000	Year ended 30 June 2008 $US'000
Revenue	37,710	2,893	6,789
Other income	888	12	202
Cost of sales	(3,547)	-	-
Production royalty	(2,205)	-	-
Foreign exchange gain/(loss)	3,614	(19,284)	3,427
Administrative expenses	(5,813)	(2,142)	(3,432)
Depreciation and amortisation	(11,897)	(544)	(309)
Share based payments	(1,722)	(3,206)	(2,030)
Profit/(Loss) before income tax	**17,028**	**(22,271)**	**4,647**
Tax (expense)/income	(4,158)	169	(444)
Net profit/(loss) for the period	**12,870**	**(22,102)**	**4,203**
Earnings/(Loss)per share			
- Basic (cents per share)	1.26	(2.40)	0.51
- Diluted (cents per share)	1.26	(2.40)	0.51

Revenue reported comprises proceeds from gold sales and interest revenue applicable on the Company's available cash and working capital balances and term deposit amounts. On a comparative annual basis, Revenue is higher due to the commencement of gold sales during the June quarter of 2010. Other income includes the profit on the sale of assets and silver sales associated with gold production.

Cost of sales represents the cost of mining and processing ore, offset by the movement in production inventory which has been transferred to the Statement of Financial Position.

Production royalty represents the 3% royalty payable to the Egyptian Government for gold bullion and associated metals. This is also applicable to pre-production revenues earned during the year.

Foreign exchange gain reported is attributable to positive exchange rate movement during the period as a result of the strengthening Australian dollar against the United States dollar.

Administrative expenses comprise consultants, Directors' fees, stock exchange listing fees, employee salaries and corporate office administration expenses. The amount disclosed for the twelve months ended 30 June 2010 period is higher than the corresponding period due to due diligence fees associated with the Company's main board listing on the London Stock Exchange.

Depreciation and amortisation includes the depreciation of fixed assets and amortisation of waste material movement and mine properties. Also includes provision for rehabilitation.

Share based payments reported relate to the requirement to recognise the cost of granting options (or warrants) to directors, and employees under the Employee Option Plan or for payment for services done under a contractual arrangement. Calculation of the cost is performed in accordance with the requirements of AIFRS over the option (or warrant) vesting period.

Condensed Statement of Financial Position

	Year ended 30 June 2010 $US'000	Year ended 30 June 2009 $US'000	Year ended 30 June 2008 $US'000
Total current assets	56,771	73,364	185,529
Total non-current assets	421,597	333,058	174,968
Total assets	**478,368**	**406,422**	**360,497**
Total current liabilities	23,204	8,504	6,762
Total non-current liabilities	2,622	1,736	778
Total liabilities	**25,826**	**10,240**	**7,540**
Net assets	**452,452**	**396,182**	**352,957**

Current assets for the 2010 year are lower than previous years due to the consumption of funds made in favour of continued investment in the development and construction of the Sukari Gold Project.

Non-current assets have increased throughout 2010 as a result of net expenditure incurred for construction and development related to the Sukari project and for ongoing exploration resource drilling at Sukari. The Company's accounting policy is to capitalise expenditure of this nature under the category of Exploration, Evaluation & Development.

Current liabilities are higher in 2010 compared to the same period last year, representing additional creditor commitments associated with the commencement of operations of the Sukari Gold Project.

Non-current liabilities as at 30 June 2010 have increased from that reported last financial year end due to the continued provision for restoration and rehabilitation.

Condensed Statement of Changes in Equity

	Year ended 30 June 2010 $US'000	Year ended 30 June 2009 $US'000
Total equity at beginning of period	396,182	352,957
Movement in issued equity	48,210	63,938
Movement in reserves	(4,720)	1,389
Profit/(Loss) for the period	12,870	(22,102)
Total equity at end of period	**452,542**	**396,182**

Issued equity increased during the 2009 year driven by an equity raising completed in July 2009 and the exercising of employee options previously granted under the employee share options scheme.

Reserves have decreased due to the exercise of employee options.

Profit for the year ended 30 June 2010 is analysed under the section Condensed Statement of Comprehensive Income.

Condensed Statement of Cash Flows

	Year ended 30 June 2010 $US'000	Year ended 30 June 2009 $US'000
Net cash flow from operating activities	21,878	1,908
Net cash flow from investing activities	(103,966)	(179,974)
Net cash flow from financing activities	41,768	58,186
Net decrease in cash and cash equivalents	(40,320)	(119,880)
Cash and cash equivalents at the beginning of the financial period	68,609	182,329
Effects of exchange rate changes	3,037	6,160
Cash and cash equivalents at the end of the financial period	**31,326**	**68,609**

The net cash flow from operating activities for the year ended 30 June 2010 is attributable to income received from gold sales, offset by payments for production costs, exploration expenditure and corporate compliance related costs.

The net cash flow from investing activities for the year ended 30 June 2010 is attributable to Sukari development expenditure which includes acquisition of mining fleet, preproduction overhead and materials cost.

The net cash flow from financing activities for the year ended 30 June 2010 is attributable to equity raised during July 2009, offset by costs of equity raising, and the conversion of employee share options.

Selected Quarterly Information

The following table sets out selected financial information for and as of the end of the quarterly periods as shown in the table. Information for the quarter ended 30 June 2010 is derived from management-prepared unaudited financial statements of the Company.

Three months ended	30 Jun 2010	31 Mar 2010	31 Dec 2009	30 Sep 2009	30 Jun 2009	31 Mar 2009	31 Dec 2008	30 Sep 2008
Revenue ($USD'000)	37,194	66	148	302	414	385	998	1,108
Net profit/(loss) ($USD'000)	15,047	(1,635)	(1,333)	791	5,302	(2,970)	(21,225)	(3,209)
Net profit/(loss) c.p.s **	1.45	(0.22)	(0.05)	0.08	0.53	(0.31)	(2.78)	(0.36)
Net profit/(loss) c.p.s – diluted	1.45	(0.22)	(0.05)	0.08	0.53	(0.31)	(2.78)	(0.36)
Net assets ($USD'000)	**452,542**	**430,468**	**431,527**	**426,948**	**396,182**	**383,385**	**329,694**	**350,883**

*** USD per share*

Revenue for the three months ended 30 June 2010 comprises income from gold sales and interest revenue applicable on the Company's available cash and term deposit amounts. The amount reported June quarter is higher than previous quarters reflecting the commencement of commercial production and revenue accounting.

Net income for the three months ended 30 June 2010 is a significantly higher than previous quarters of the 2010 financial year and is due to the commencement of revenue accounting from operations.

Liquidity and Capital Resources

At 30 June 2010, the Company had cash and cash equivalents of $31,326,000 compared to $68,609,000 at 30 June 2009. The majority of funds have been invested in short term deposits. The decrease in cash position is due to the completion of Stage 1 and 2 plant construction activities at the Sukari Gold Project during the current financial year. Commercial production commenced on 1 April 2010.

The following is a summary of the Company's outstanding commitments as at 30 June 2010:

Payments due	Total	Less than 1 year	1 to 5 years	After 5 years
	US$'000	US$'000	US$'000	US$'000
Employee entitlements	1,613	1,442	171	-
Creditors	21,318	21,318	-	-
Provision for Rehabilitation	2,451	-	-	2,451
Current tax liabilities	444	444	-	-
Total commitments	**25,826**	**23,204**	**171**	**2,451**

The Company's financial commitments are limited to discretionary spending on work programmes at the Sukari Gold Project, administration expenditure at the Egyptian and Australia office locations and for general working capital purposes.

During 2009, the Company entered into an agreement with Macquarie Bank Limited ("MBL") to provide a corporate loan facility of up to US$25 million. The facility remains subject to final documentation and remains undrawn to date. In return for entering into this agreement, Centamin issued MBL with 1,630,150 unquoted share options, exercisable at a price of A$1.20 and expiring 31 December 2012. Included within the share based payments expense in the prior year is an amount of A$705,203 in respect of the share options granted to MBL.

Other than described above the Company has no other off Statement of Financial Position arrangements.

Outstanding Share Information

As at 31 August 2010, the Company had 1,029,108,333 fully paid ordinary shares issued and outstanding. The following table sets out the fully paid ordinary shares issuable under the Employee Share Option Plan and Warrants issued:

As at 31 August 2010	Number
Shares on Issue	1,029,108,333
Options issued but not exercised	4,660,150
	1,033,768,483

Segment Disclosure

The Company is engaged in the business of exploration for precious and base metals only, which is characterised as one business segment only.

Significant Accounting Estimates

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgments, estimates, and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment of Inter Company Loans

The Company made loans and advances to its subsidiaries as detailed in Note 9 to the financial statements. These loans and advances were established for the purpose of routing funds out of Australia to fund exploration and resource development in Egypt. The recovery of these loans and advances is entirely dependent upon returns from the successful development of mining operations in Egypt or from surpluses from the sale of either the subsidiary companies or their projects.

Recovery of Capitalised Exploration Evaluation and Development Expenditure

The Company capitalises exploration, evaluation and development expenditure incurred on ongoing projects. The recoverability of this capitalised exploration expenditure is entirely dependent upon returns from the successful development of mining operations or from surpluses from the sale of the projects or the subsidiary companies that control the projects. In accordance with AASB 136 *Impairment of Assets*, at the point that it is determined that any capitalised exploration expenditure is definitely not recoverable, it is written off.

Internal Controls

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to management, including the CEO and CFO, on a timely basis so that appropriate decisions can be made regarding public disclosure. Management, with the participation of the certifying officers, has evaluated the effectiveness of the design and operation, as of 30 June 2010, of the Company's disclosure controls and procedures (as defined by the Canadian Securities Administrators). Based on that evaluation, the certifying officers have concluded that such disclosure controls and procedures are effective and designed to ensure that material information relating to the Company and its subsidiaries is known to them by others within those entities.

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of our financial reporting and compliance with generally accepted accounting principles in our financial statements. Management has evaluated the design of internal control over financial reporting and has concluded that such internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in Canada. In addition, there have been no changes in the Company's internal control over financial reporting during the year ended 30 June 2010 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Financial Instruments

At 30 June 2010, the Company has exposure to interest rate risk which is limited to the floating market rate for cash.

The Company does not have foreign currency risk for non-monetary assets and liabilities of the Egyptian operations as these are deemed to have a functional currency of United States dollars. The Company has no significant monetary foreign currency assets and liabilities apart from Australian dollar and United States dollar cash term deposits.

The Company currently does not engage in any hedging or derivative transactions to manage interest rate or foreign currency risks.

Foreign Investment in Egypt

Foreign investments in the petroleum and mining sectors in Egypt are governed by individual production sharing agreements (concession agreements) between foreign companies and the Ministry for Petroleum and Mineral Resources or EMRA (as the case may be) and are individual Acts of Parliament.

Title, exploitation and development rights to the Sukari Project are granted under the terms of the Concession Agreement promulgated as Law No. 222 of 1994, signed on 29 January 1995 and effective from 13 June 1995. The Concession Agreement was issued by way of Presidential Decree after the approval of the People's Assembly in accordance with the Egyptian Constitution and Law No. 61 of 1958. The Concession Agreement was issued in accordance with the Egyptian Mines and Quarries Law No. 86 of 1956 which allows for the Ministry to grant the right to parties to explore and mine for minerals in Egypt.

While the Company will be the first foreign company to develop a modern large-scale gold mine in Egypt there is significant foreign investment in the petroleum sector. Several large multinational oil and gas companies operate successfully in Egypt, some of which have long histories in the country and have dedicated significant amounts of capital. The Company believes that the successful track record of foreign investment established by these companies in the petroleum sector is an important indication of the ability of foreign companies to attract financing and receive development approvals for the construction of major projects in Egypt.

Overview of Sukari Concession Agreement

Through its wholly owned subsidiary, Pharaoh Gold Mines NL ("PGM"), the Company has entered into a Concession Agreement with EGSMA (now Egyptian Mineral Resource Authority, or "EMRA") and the Arab Republic of Egypt ("ARE") granting PGM and EMRA the right to explore, develop, mine and sell gold and associated minerals in specific concession areas located in the Eastern Desert of Egypt. The Concession

Agreement came into effect under Egyptian law on 13 June 1995.

In accordance with the terms of the Concession Agreement, PGM undertook a feasibility study to support its application to EMRA for a "Commercial Discovery" (within the meaning of the Concession Agreement) with respect to the Sukari Project. On 9 November 2001, EMRA notified PGM that the feasibility submission had demonstrated that a Commercial Discovery had been made at the Sukari Project. As a result, the Concession Agreement was converted from exploration to exploitation status and PGM, together with EMRA, were granted an Exploitation Lease over 160 km2 surrounding the Sukari Project site. The Exploitation Lease was signed by PGM, EMRA and the Egyptian Minister of Petroleum and gives tenure for a period of 30 years, commencing 24 May 2005 and extendable by PGM for an additional 30 years upon PGM providing reasonable commercial justification. The Exploitation Lease will lapse if production of gold is not achieved within five years of the signing date.

Following demonstration of a Commercial Discovery, PGM and EMRA were required to establish an operating company owned 50% by each party (the "Operating Company").The Operating Company, named Sukari Gold Mining Company, was incorporated under the laws of Egypt on 27 March 2006. The Operating Company was formed to conduct exploration, development and exploitation in accordance with the Concession Agreement. The registered office of the Operating Company is at 361 El-Horreya Road, Sedi Gaber, Alexandria, Egypt.

The ARE is entitled to a royalty of 3% of net sales revenue from the sale of gold and associated minerals from the Sukari Project, payable in cash in each calendar half year. Net sales revenue is calculated by deducting from sales revenue all shipping, insurance, smelting and refining costs, delivery costs not payable by customers, all commercial discounts and all penalties (relating to the quality of gold and associated minerals shipped).

Under the Concession Agreement, PGM solely funds the Operating Company but is entitled to recover the following costs and expenses payable from sales revenue (excluding the royalty payable to ARE):

- all current operating expenses incurred and paid after the initial commercial production;
- exploration costs, including those accumulated to the commencement of commercial production (at the rate of 33.3% per annum); and
- exploitation capital costs, including those accumulated prior to the commencement of commercial production (at the rate of 33.3% per annum).

Recovery of capital costs shall include interest on a maximum of 50% of investment borrowed from financial institutions not affiliated with PGM provided that PGM shall use best efforts to obtain the most favourable rate of interest, not to exceed LIBOR + 1%. If costs recoverable by PGM exceed the sales revenue (excluding any royalty payable to ARE) in any financial year, the excess is carried forward for recovery in the next financial year or years until fully recovered, but in no case after the termination of the Concession Agreement.

After deduction of the royalty payments and recoverable expenses by PGM, the remainder of the sales revenue from the Sukari Project will be shared equally by PGM and EMRA except that for the first and second years in which there are net proceeds for the entire year, an additional 10% of such proceeds will be paid to PGM as an incentive (i.e. 60% to PGM and 40% to EMRA), and for each of the next two years in which there are net proceeds for the entire year, an additional 5% of such proceeds will be paid to PGM (i.e. 55% to PGM and 45% to EMRA).

In addition, under the Concession Agreement, certain tax exemptions have been granted, including the following:

- commencing on the date of commercial production, PGM will be entitled to a 15 year exemption from any taxes imposed by the Egyptian government. The parties intend that the Operating Company will in due course file an application to extend the tax-free period for a further 15 years. The extension of tax-free period requires that certain activities in remote areas of the lands under the Concession Area have been programmed and agreed by all parties;
- PGM, EMRA and the Operating Company are exempt from custom taxes and duties with respect to the importation of machinery, equipment and consumable items required for the purpose of exploration and mining activities at the Sukari Project;
- PGM, EMRA, the Operating Company and their respective buyers will be exempt from any duties or taxes on the export of gold and associated minerals produced from the Sukari Project;
- PGM will at all times be free to transfer in US dollars or other freely convertible foreign currency any cash of PGM representing its share of net proceeds and recovery of costs, without any Egyptian government limitation, tax or duty; and

- PGM's contractors and sub-contractors are entitled to import machinery, equipment and consumable items under the "Temporary Release System" which provides exemption from Egyptian customs duty.

Under the Concession Agreement, all land in the Sukari Project shall be the property of EMRA as soon as it is purchased. The title to the fixed and movable assets are to be transferred by PGM to EMRA as soon as their costs are recovered by PGM, with PGM being entitled to use all fixed and movable assets during the term of the Exploitation Lease and any extensions thereof.

In case of national emergency, due to war or imminent expectation of war or internal causes, ARE may requisition all or part of the production from the areas that are the subject of the Concession Agreement, and require the Operating Company to increase production to the utmost extent. ARE may also requisition the mine itself and, if necessary, related facilities. In the event of any requisition, ARE must indemnify EMRA and PGM for the period during which the requisition is maintained.

ARE has the right to terminate the Concession Agreement in the following circumstances:

- PGM has knowingly submitted any material false statements to the Egyptian government;
- PGM assigns any interest to any unrelated party without the written consent of the Egyptian government;
- PGM does not comply with any final decision reached as a result of provisions in the Concession Agreement with respect to disputes and arbitration;
- PGM intentionally extracts any mineral other than gold and associated minerals authorized by the Concession Agreement without the approval of the Egyptian government; or
- PGM commits any material breach of the Concession Agreement.

If the Egyptian government deems that any one of the foregoing causes exists, the government is required to give PGM 90 days' notice to remedy the defaults. If the default remains unremedied at the expiration of the grace period, the Egyptian government may terminate the Concession Agreement.

Risks and Uncertainties

The operations of the Company are speculative due to the high risk nature of its business which includes the acquisition, financing, exploration, development and operation of mining properties. These risk factors could materially affect the Company's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Calculation of Mineralisation, Resources and Reserves

There is a degree of uncertainty attributable to the calculation of mineralisation, resources and reserves and corresponding grades being mined or dedicated to future production. Until reserves or mineralisation are actually mined and processed, the quantity of mineralisation and reserve grades must be considered estimates only. In addition, the quantity of reserves and mineralisation may vary depending on commodity prices. Any material change in quantity of reserves, mineralisation, grade or stripping ratio may affect the economic viability of a project. In addition, there can be no assurance that recoveries from laboratory tests will be duplicated in tests under on-site conditions or during production.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges and port facilities are important determinants that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's activities and profitability.

Title Matters

Any changes in the laws of Egypt relating to mining could materially affect the rights and title to the interests held there by the Company. No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties.

Mineral Prices

Factors such as inflation, foreign currency fluctuation, interest rates, supply and demand and industrial disruption have an adverse impact on operating costs, commodity prices and stock market prices and on the Company's ability to fund its activities. The Company's possible revenues and share price can be affected by these and other factors which are beyond the control of the Company. The market price of minerals, including industrial minerals, is volatile and cannot be controlled. The Company's ongoing operations are influenced by fluctuation in the world gold price. If the price of gold or other minerals should drop significantly, the economic prospects of the Company's current project could be significantly reduced or rendered uneconomic. There is no assurance that, even if commercial quantities of ore are discovered, a profitable market will continue to exist for the sale of products from that ore. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Mineral prices have fluctuated widely, particularly in recent years. The marketability of minerals is also affected by numerous other factors beyond the control of the Company, including government regulations relating to royalties, allowable production and importing and exporting of minerals, the effect of which cannot be accurately predicted.

Funding Requirements

Mining exploration and development involves financial risk and capital investment. The capital development of the Sukari Gold Project and the continuance of the Company's development and exploration activities depend upon the Company's ability to generate positive cash flows, obtain financing through the joint venturing of projects, private and public equity project financing, debt and/or other means. There is no assurance that the Company will be successful in obtaining additional financing on a timely basis, or at all.

Uninsured Risks

The mining business is subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, encountering unusual or unexpected geologic formations or other geological or grade problems, encountering unanticipated ground or water conditions, cave-ins, pit wall failures, flooding, rock bursts, periodic interruptions due to inclement or hazardous weather conditions and other acts of God. Such risks could result in damage to, or destruction of, mineral properties or facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The Company maintains insurance against certain risks associated with its business in amounts that it believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. There can be no assurance that such insurance will continue to be available, will be available at economically acceptable premiums or will be adequate to cover any resulting claim.

Foreign Operations

Operations, development and exploration activities carried out by the Company are or may be affected to varying degrees by taxes and government regulations relating to such matters as environmental protection, land use, water use, health, safety, labor, restrictions on production, price controls, currency remittance, maintenance of mineral rights, mineral tenure, and expropriation of property. There is no assurance that future changes in taxes or such regulation in the various jurisdictions in which the Company operates will not adversely affect the Company's operations. Industrial disruptions, work stoppages and accidents in the course of the Company's operations can result in future production losses and delays, which may adversely affect future profitability. The Company's principal asset is held outside of Australia in Egypt, North Africa. Although the operating environment in Egypt is considered favorable compared to that in other developing countries there are still political risks. The risks include, but are not limited to, terrorism, hostage taking, military repression, expropriation, extreme fluctuations in currency exchange rates, high rates of inflation and labor unrest. Changes in mining or investment policies or shifts in political attitudes may also adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, maintenance of claims, environmental legislation, expropriation of property, land use, land claims of local people, water use and safety. The effect of these factors cannot be accurately predicted.

Exploration and Development Risks

The successful exploration and development of mineral properties is speculative and subject to a number of uncertainties which even a combination of careful evaluation, experience and knowledge may not eliminate. There is no certainty that the expenditures made or to be made by the Company in the exploration and development of its mineral properties or properties in which it has an interest will result in the discovery of mineralized materials in commercial quantities. Most exploration projects do not result in the discovery of commercially mineable deposits. While discovery of a base metal or precious metal bearing structure may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that exploration programmes carried out by the Company will result in profitable commercial mining operations. The Company's operations are subject to all of the hazards and risks normally incident to mineral exploration, mine development and operation, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all damage. Hazards such as unusual or unexpected formations, pressures or other conditions may also be encountered.

Environmental and Other Regulatory Requirements

The current or future operations of the Company, including development activities and, if warranted, commencement of production on properties in which it has an interest, require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. The Company believes it is in substantial compliance with all material laws and regulations that currently apply to its activities. However, there can be no assurance that all permits which the Company may require for the conduct of mineral exploration and development can be obtained or maintained on reasonable terms or that such laws and regulations would not have an adverse effect on any such mineral exploration or development which the Company might undertake. Amendments to current laws, regulations and permits governing operations and activities of mineral exploration companies, or more stringent interpretation, implementation or enforcement thereof, could have a material adverse impact on the Company.

Mining and Investment Policies

Changes in mining or investment policies or shifts in political attitude may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and safety regulations. The effect of these factors cannot be accurately predicted.

Hedging and Foreign Exchange

While hedging of commodity prices and exchange rates is possible, there is no guarantee that appropriate hedging will be available at an acceptable cost should the Company choose or need to enter into these types of transactions.

Related Party Transactions

The related party transactions for financial year ended 30 June 2010 are summarised below:

Mr J El-Raghy and Mr S El-Raghy are directors and shareholders of El-Raghy Kriewaldt Pty Ltd ("El-Raghy Kriewaldt"). El-Raghy Kriewaldt provides office premises to the Company. All dealings with El-Raghy Kriewaldt are in the ordinary course of business and on normal terms and conditions. Rent and office outgoings paid to El-Raghy Kriewaldt during the year were A$66,274 (2009: A$64,475). Mr S El-Raghy retired as a director of Centamin Egypt Limited Group on 31 December 2009.

Mr S El-Raghy provides office premises to the Company in Alexandria, Egypt. All dealings are in the ordinary course of business and on normal terms and conditions. Mr S El-Raghy retired as a director of Centamin Egypt Limited Group on 31 December 2009. Rent paid for the six months to 31 December 2009 amounted to GBP 3,900 (Full year ended 30 June 2009: GBP 7,800).

A Director of the Company, Mr C Cowden has an interest as a director and shareholder of Cowden Limited Insurance Brokers. This company provides insurance broking services to the Company. All dealings with this company are in the ordinary course of business and on normal terms and conditions. Cowden Limited was paid A$73,481 during the year (2009: A$51,977) for these services. In addition, amounts of A$443,529 (2009: A$320,428) were paid to Cowden Limited to be passed on to underwriters for premiums during the year.

For further details of the related party transactions see Note 31 of the Notes to the Financial Statements.

Subsequent Events

There were no events subsequent to balance date requiring disclosure.

Auditor Independence Declaration

Deloitte.

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The Board of Directors
Centamin Egypt Limited
57 Kishorn Road
MT PLEASANT WA 6153

31 August 2010

Dear Board Members

Centamin Egypt Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Centamin Egypt Limited.

As lead audit partner for the audit of the financial statements of Centamin Egypt Limited for the financial year ended 30 June 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ross Jerrard
Partner
Chartered Accountants

Corporate Governance Statement

The Board of Directors of Centamin Egypt Limited is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of Centamin Egypt Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

Unless disclosed below, the best practice recommendations of the ASX Corporate Governance Council ("ASXCGC"), the Financial Reporting Council's Combined Code On Corporate Governance ("Combined Code") and the best practice recommendations of the Toronto Stock Exchange and those prescribed under National Policy 58-201 – Corporate Governance Guidelines ("NP 58-201") have been applied for the entire financial year ended 30 June 2010. Since migrating to the main market of the London Stock Exchange on 6 November 2009, the Company has also adhered to the provisions of the Model Code. Where there has been any variation from the recommendations, those practices continue to be the subject of the scrutiny of the full Board.

Copies of the current Board and Committee Charters and Policies are available on the Company's website **www.centamin.com**.

Board Composition:

The Board comprises seven Directors, of whom the Chairman, the Chief Executive Officer and the Executive Director of Operations are the only Executive Directors. The best practice recommendations of the ASXCGC, the Combined Code on Corporate Governance and NP 58-201 favour that the Chairman be an independent Director. However, as the Executive Chairman, Mr Josef El-Raghy, has been primarily based in Egypt during the Company's development, where his knowledge of the Company's project, the Egyptian culture and government contacts are invaluable, the Board believes that it is appropriate in the Company's circumstances that his role and status continues to be both as an Executive and as Chairman. Major shareholders were consulted before Mr El-Raghy transitioned from Managing Director/CEO to Chairman on 3 March 2010.

The period of office held, skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report, their attendances at meetings and their term of office are detailed in the Directors' Report.

The names of the Directors of the Company in office at the date of this statement are:

Name	Position	Committees
Josef El-Raghy	Chairman	-
Harry Michael	Chief Executive Officer	-
Trevor Schultz	Executive Director of Operations	-
H Stuart Bottomley	Senior Independent Non Executive Director	Audit Committee Compliance/Corporate Governance Committee
Colin N Cowden	Independent Non Executive Director	Audit Committee Nomination and Remuneration Committee
Thomas G Elder	Independent Non Executive Director	Nomination and Remuneration Committee Compliance/Corporate Governance Committee
G Robert T Bowker	Independent Non Executive Director	Audit Committee Nomination and Remuneration Committee Compliance/Corporate Governance Committee

Josef El-Raghy, Colin Cowden and Robert Bowker are also Directors of the wholly owned subsidiary companies, Pharaoh Gold Mines NL, Viking Resources Ltd, and North African Resources NL. Josef El-Raghy and Tom Elder are also Directors of the wholly owned subsidiary, Centamin Limited. External Directorships of the Company's Directors are detailed in the Directors' Report.

Non Executive Directors have the right to seek independent professional advice in the furtherance of their duties as Directors, at the Company's expense. Written approval must be obtained from the Chief Executive Officer prior to incurring expenses on behalf of the Company.

When determining whether a Director is independent, the Board has established a Directors' Test of Independence Policy, which is based predominantly on the definition of independence as defined in Canadian Securities Administrators' Multilateral Instrument 52-110 ("MI 52-110"), and is available on the Company's website or upon request. The criteria in MI 52-110 are mandatory and are more stringent in certain respects than the independence criteria suggested by the ASXCGC or the Combined Code. Based on this Policy, the majority of the Board are considered to be independent Non Executive Directors. The Board considers that Mr Cowden is independent, notwithstanding his tenure on the Board would potentially be a relevant factor for determining independence under the Combined Code. Furthermore, the Board believes that Mr Cowden's financial expertise and experience provide a valuable contribution to the deliberations and operations of the Board and certain Committees. In addition, the Board considers that Dr Tom Elder and Mr Stuart Bottomley are each independent, notwithstanding circumstances which may appear relevant to determining their independence under the Combined Code, such as their previous participation in the Company's Employee Option Plan, because the Board believes that each of Dr Elder and Mr Bottomley still exert independent judgment when carrying out their responsibilities as non executive directors.

The Directors are aware of the need for the composition of Board to evolve with the development of Company, and propose to revise the composition of the Board in due course, including the possibility of appointing additional independent Non Executive Directors.

Meetings of Independent Directors:

The Board appointed Mr Stuart Bottomley as the Company's Senior Independent Director on 26 August 2009. Mr Bottomley is responsible for meeting with other Non Executive Directors and major shareholders on a regular basis, and chairs meetings of the Company's independent Directors, who meet at least once a year without the non-independent Directors and members of management present. Although the Company has not implemented formal structures or procedures for the independent functioning of the Board of Directors, the Board of Directors believes that it operates independently of management.

Position Descriptions:

The roles of Chairman and Chief Executive Officer are strictly separated as defined in the Company's Board Charter, which was revised during the year, and the Company intends to develop formal written position descriptions for the Chair of each Board committee.

Mandate/Charter of the Board of Directors:

The Board of Directors supervises the management of the business and affairs of the Company. The Board of Directors assumes responsibility for the stewardship of the Company, and the functions the Company has established that are reserved to the Board include:

- *Strategic Planning:* The Board of Directors regularly reviews and approves strategic plans and initiatives of the Company at Board of Directors meetings, and otherwise as required.
- *Risk Assessment:* The Board of Directors has primary responsibility to identify principal risks in the Company's business and ensure the implementation of appropriate systems to manage these risks. See "Managing Risks" below.
- *Succession Planning:* The Board of Directors is responsible for succession planning, including the appointment, training and monitoring of senior management.
- *Communications:* The Board of Directors oversees the Company's public communications with shareholders and others interested in the Company.
- *Internal Controls:* The Board of Directors and the audit committee of the Board of Directors oversee the Company's internal control and management information systems.

In addition to its general oversight responsibilities, significant transactions out of the ordinary course of the Company's business or which may be material to the Company are considered and approved by the Board of Directors. The Board of Directors generally has at least six regularly scheduled meetings in each financial year. Additional meetings may be held depending upon opportunities or issues to be dealt with by the Company from time to time. During the financial year ended 30 June 2010, the Board of Directors held eight (8) meetings, and considered and passed ten (10) circular resolutions pursuant to the Company' Constitution.

A full copy of the Company's Board Charter is available on the Company's website or upon request.

Orientation and Continuing Education:

The Company's formal orientation or education program for new Directors begins with new Board members receiving an orientation package which includes reports on operations and results, and public disclosure filings by the Company. Board meetings are combined with presentations by the Company's management and employees to give the Directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all members of the Board of Directors. New Board members are also encouraged to broaden their skills and knowledge by undertaking continuing education.

Managing risks:

The Board meets regularly to evaluate, control, review and implement the Company's operations and objectives.

Regular controls established by the Board include:

- timely and detailed monthly financial and operational reporting;
- implementation of operating plans, cash flows and budgets by management and Board monitoring of progress against projections; and
- procedures to allow Directors, and management in the furtherance of their duties, to seek independent professional advice via the utilisation of various external technical consultants.

The Board is responsible for reviewing and approving the Company's risk management strategy, policy and key risk parameters, including determining the Group's appetite for country risk and major investment decisions. Management reports to the Board on the Company's key risks and the extent to which it believes these risks are being managed. This is performed periodically. The Board is also responsible for satisfying itself that management has developed and implemented a sound system of risk management and internal control. The Board has delegated oversight of the Risk Management Policy, including review of the effectiveness of the Company's internal control framework and risk management process to the Audit Committee, which is reviewed at least annually. Management is responsible for designing, implementing, reviewing and providing assurance as to the effectiveness of the Policy. This responsibility includes developing business and functional risk identification, specific risk treatment, controls, monitoring and reporting capability. A standardized approach to risk assessment is used to ensure that risks are consistently assessed and reported to an appropriate level. The Board regularly discusses risks associated with the Company's business and operations along with the Company's risk tolerance. The Company has developed a series of operational risks which the Company believes to be inherent to the Company. These operational risks are summarized in the Management, Discussion and Analysis section of this annual report. Mitigation and optimization strategies are considered equally important in risk management.

The Risk Management Policy is available on the Company's website or upon request.

Monitoring of the Board's performance

In order to ensure that the Board continues to discharge its responsibilities in an appropriate manner, the performance of all Directors is constantly reviewed by the Chairman. The Company did not have a formal process for evaluation of the Board, the Board members, or Board committees during the financial year, however, a formal process has been now been established. A formal Board evaluation questionnaire was drafted and delivered to each member of the Board for completion in August 2010. The questionnaire covered questions on the structure of the Board, the selection of management, strategy determination, etc, as well questions on the Director's personal contribution to the board and the Company's Committees. The completed questionnaires were provided to the Chairman for review and subsequent discussion. The Company did not utilize any external search consultancy or open advertising during this process.

Nomination and Remuneration Committee and policies:

The Nomination and Remuneration Committee comprises Dr Tom Elder (Chairman), Mr Colin Cowden and Professor Robert Bowker, all independent Directors of the Company.

The Committee's primary functions are to:-

(a) make recommendations to the Board on:-
  - i) The Company's remuneration, recruitment, retention, termination, superannuation and incentive policies and procedures for Directors and senior executives;
  - ii) The Employee Option Plan;
  - iii) The development of a process for evaluation of the performance of the Board, its committees and Directors.

(b) Review the necessary and desirable competencies, skills, knowledge and experience of Directors;

(c) Review the Board succession plans; and

(d) Make recommendations for the appointment, re-election and removal of Directors to/from the Board.

The Board believes that whilst the Company has the current number of independent Non Executive Directors located in different jurisdictions (the United Kingdom, Egypt, Switzerland and Australia), a single committee combining both nomination and remuneration functions, rather than separate committees, is appropriate in the Company's circumstances, as this allows committee meetings to be held in an efficient manner and on a timely basis. Such a combined committee is consistent with Australian corporate governance practices.

The Nomination and Remuneration Committee establishes guidelines for the future nomination and selection of potential new Directors. The full Board (subject to members voting rights in general meeting) is ultimately responsible for selection of new members and has regard to a candidate's experience and competence in areas such as mining, exploration, geology, finance, administration and other areas of relevance that can assist the Company in meeting its corporate objectives and plans.

Under the Company's current Constitution:

- the maximum number of Directors on the Board is ten;
- a Director may not retain office for more than three years without submitting for re-election;
- at the Annual General Meeting (AGM) each year effectively one third of the Directors in office retire by rotation and must seek re-election by shareholders; and
- any Director appointed by the Board must have their election confirmed by shareholders at the next AGM.

Corporate Governance Statement

Non Executive Directors who have served more than nine years on the Board are subject to annual re-election at the Company's AGM. Where a Non Executive Director has served six years or longer on the Board, their re-election will be subject to particularly rigorous review and will take into account the need for progressive refreshing of the Board.

The Company has established a Remuneration Policy which sets out the structure of the remuneration of key senior executives, Executive Directors, Non Executive Directors, termination, disclosure of remuneration etc. The Board has also established a Selection, Appointment and Re-Appointment of Directors Policy which details the procedures for the selection, appointment, re-appointment and evaluation of the Company's Directors. The Committee considers both policies before making recommendations to the Board on nomination and remuneration matters. Both Policies, along with the Nomination and Remuneration Committee Charter are available on the Company's website or upon request.

All compensation arrangements for Directors and senior executives are determined by the Committee and approved by the Board, after taking into account the current competitive arrangements prevailing in the market. This approach is consistent with the practices of other Australian companies.

The amount of remuneration for all Directors including the full remuneration packages, comprising all monetary and non-monetary components of the Executive Directors and executives, are detailed in the Directors' Report. Non Executive Directors receive annual fees within an aggregate Directors' fee pool limited to an amount which is approved by shareholders. The Board Nomination and Remuneration Committee reviews and recommends, for Board approval, remuneration levels and policies for Directors within this overall Directors' fee pool. The fees which are paid are also periodically reviewed. The current annual fee for Non Executive Directors is a base fee of A$40,000 per annum. Due to the additional time required, the Chairperson of the Board's various Committees receives an additional fee (currently A$10,000) for Chairing that Committee, and the members of each committee also receive an additional fee (currently A$5,000) for being a Committee member. These amounts include any statutory superannuation payments where applicable. The exception to this is Professor Bowker who is paid A$100,000 pa (including superannuation and committee fees), due to the additional time required to attend meetings on behalf of, or in connection with, the Company in the Middle East.

Although no formal written policy has been established, the senior executives are responsible for:-

- developing corporate strategy, performance objectives, business plans, budgets etc for review and approval by the Board;
- managing the day to day business of the Company;
- managing the risk and compliance frameworks including reporting to the Board and, where necessary, the market;
- appointing staff, evaluating their performance and training requirements as well as development of Company policies; and
- ensuring all available information in connection with items to be discussed at a meeting of the Board is provided to each Director prior to the meeting.

The Chief Executive Officer is responsible for ensuring senior executives properly discharge the responsibilities delegated and for keeping the Board informed on these matters.

The performance of senior executives is evaluated by the Nomination and Remuneration Committee, often taking into account recommendations from the Chief Executive Officer and/or Chairman. The Board can exercise its discretion in relation to approving incentives, bonuses and options and can recommend changes to the Committee's recommendations. All executives receive base salary and superannuation (if applicable) and in some cases, performance incentives and fringe benefits. These packages are reviewed on an annual basis. All remuneration paid to executives is valued at the cost to the Company and is measured in accordance with the applicable accounting standards.

The performance of our senior executives was evaluated in the current year by the Nomination and Remuneration Committee. The Committee reviewed recommendations received from the Chairman, considered the performance of the senior executive, his/her current contract, and whether a bonus and/or the grant of employee options was warranted. During the financial year, the Board believed it to be appropriate to base performance on how well the executive performs his/her role, and not necessarily base it on the Company meeting financial objectives. The Company is, however, in the process of setting performance targets for senior executives.

Directors, executives and employees, are from time to time invited to participate in the shareholder approved Employee Option Plan. Separate shareholder approval is sought before any Director can be issued options. Shares issued are valued as the difference between the market price of those shares and the amount paid by the Executive. Options are valued using the Black-Scholes methodology. Non Executive Directors have long been encouraged by the Board to hold shares in the Company to align their interests more closely to those of the Company's shareholders.

The Board expects that the remuneration structure that is implemented will result in the Company being able to attract and retain the best executives to manage the economic entity. It will also provide the Executives with the necessary incentives to work to grow long-term shareholder value. Please refer to the Remuneration Report which forms part of the Directors' Report for information on remuneration paid to Directors and executives during the financial year.

There are no schemes for retirement benefits other than statutory superannuation for Non Executive Directors.

Compliance / Corporate Governance Committee:

The Compliance / Corporate Governance Committee comprises Mr Stuart Bottomley (Chairman), Professor Robert Bowker and Dr Tom Elder, all independent Directors of the Company.

The Committee assists the Board in fulfilling its fiduciary responsibilities by making recommendations to the Board with respect to the formulation or re-formulation of and implementation, maintenance and monitoring of the Company's Corporate Compliance Program and Code of Conduct as may be modified, supplemented or replaced from time to time, designed to ensure compliance with corporate governance policies and legal rules and regulations. Fundamental to the Company's corporate governance policy and practice is that all Directors and employees reflect the Company's key values of accountability, fairness, integrity and openness. The Committee oversees the Company's activities in the area of corporate compliance that may impact the Company's business operations or public image, in light of applicable government and industry standards, legal and business trends and public policy issues. It will pay particular attention to health and safety, environmental, archaeological and social responsibility issues addressed by the Company.

The Compliance / Corporate Governance Committee is currently reviewing the recent changes to The UK Corporate Governance Code.

Audit Committee:

The Audit Committee comprises Mr Colin Cowden (Chairman), Mr Stuart Bottomley and Professor Robert Bowker, all independent Directors of the Company.

The Company has a duly constituted Audit Committee which comprises two Australian based independent Directors and one Swiss (previously UK) resident Director whose names, qualifications and attendances are included in the Directors' Report. The responsibilities of the Audit Committee are laid out in its charter, and amongst other things, includes the responsibility to ensure that an effective internal control framework exists within the entity, and to review quarterly, half yearly and annual financial statements for submission to the Board for approval. The Committee receives regular reports from management and external auditors on accounting and internal control matters. This includes the safeguarding of assets, the maintenance of proper accounting records, the need for an internal audit function and the reliability of financial information as well as non-financial considerations. The Audit Committee will also recommend the appointment, and will review the fees, of external auditors. The Committee and the Board reviewed the need for an internal audit function during the year and resolved not to implement an internal audit function at the time, being that the Company has a single operation in one country.

A copy of the Audit Committee Charter is available on the Company's website or upon request.

External auditors:

The auditors of the Company, Deloitte Touche Tohmatsu ("Deloitte"), have open access to the Board of Directors at all times. Deloitte have audited the Company and its subsidiaries for a number of years and have adopted a policy of rotating audit partners every five years. The last rotation of the audit partner occurred during the previous financial year.

Deloitte do attend the Company's Annual General Meeting and it is consistent with their current business practice, and is in accordance with s250RA of the Corporations Act 2001.

Securities Trading Policy:

The Company has adopted a formal Securities Trading Policy restricting Directors, senior executives and employees from acting on material information until it has been released to the market in accordance with the requirements of continuous disclosure. Directors and senior management of LSE listed companies are restricted in a number of ways, by statute, common law and by the Model Code to deal in the Company's securities. This rule imposes restrictions beyond those imposed by law in that the Directors and certain employees and persons connected with them do not abuse and do not place themselves under suspicion of abusing price-sensitive information that they have or are thought to have, especially in periods leading up to announcement of results (close periods). The Company's Securities Trading Policy is available on the Company's website or upon request.

Commitment to stakeholders & ethical standards:

The Board supports the highest standards of corporate governance and requires its members and the management and staff of the Company to act with integrity and objectivity in relation to:

- Compliance with laws and regulations affecting the Company's operations;
- Listing rules, the Combined Code On Corporate Governance, and NP 58-201;
- Employment practices;
- Responsibilities to the community;
- Responsibilities to the individual;

- The environment;
- Conflict of interests;
- Confidentiality;
- Ensure that shareholders and the financial community are at all times fully informed in accordance with the spirit and letter of the Model Code and the Canadian Securities Administrators' National Instrument 51-102;
- Corporate opportunities or opportunities arising from these for personal gain or to compete with the Company;
- Protection of and proper use of the Company's assets; and
- Active promotion of ethical behaviour.

The Company has a formal Code of Conduct, which all Directors, employees and contractors are required to observe, and a range of corporate policies which detail the framework for acceptable corporate behaviour. These set out the procedures that personnel are required to follow in a range of areas, including compliance with the law, dealing with conflicts of interest, use of knowledge and information, gifts and entertainment, responsibility to shareholders and the financial community etc. The Company's policies are reviewed periodically.

A copy of the Code of Conduct is available on the Company's website or upon request.

Communication to shareholders:

The Board of Directors aims to ensure that shareholders are provided with important information in a timely manner through written and electronic communications. It is for this reason that the Company established a Shareholder Communications Policy during the previous year.

The Board of Directors aims to ensure that the shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the Company. Information is communicated to the shareholders through:

- the Annual Report;
- the Annual Information Form;
- the availability of the Company's Quarterly Report, Half-Yearly Report and other announcements distributed to shareholders so requesting;
- adherence to continuous disclosure requirements;
- webcasts of the Company's quarterly results;
- the Annual General Meeting and other meetings called to obtain shareholder approval for Board action as appropriate; and
- the provision of the Company's website containing all of the above mentioned reports and its constant update and maintenance.

The Chairman, CEO and other Directors, communicate with major shareholders on a regular basis in the way of face to face contact, telephone conversations, and analyst and broker briefings, to help better understand the views of the shareholders. Any material feedback is then discussed at Board level.

The Board recognises the importance of keeping the market fully informed of the Company's activities and of communicating openly and clearly with all stakeholders. The Company established a formal Continuous Disclosure Policy during the previous year to ensure that this occurs. The Policy is designed to ensure compliance with the listing rules in all jurisdictions in which the Company is listed. A copy of this Policy is available on the Company's website or by request.

In accordance with the Policy, Company information considered to be material is announced immediately to the LSE and TSX. All key communications are placed immediately on the Company website, and when necessary, provided directly to shareholders. As part of the move to the Main Market of the London Stock Exchange, the Company now complies with the various obligations imposed on it pursuant to the Disclosure Rules and the Transparency Rules ("DTRs").

Statement by the Chief Executive Officer and Chief Financial Officer

The Board receives written assurance from the Chief Executive Officer and Chief Financial Officer to confirm that to the best of their knowledge and belief, the group's financial position presents a true and fair view and that the financial statements are founded on a sound system of risk management, internal compliance and control. Further, it is confirmed that the group's risk management and internal compliance is operating efficiently and effectively. The Board notes that due to its nature, internal control assurance from the Chief Financial Officer and Chief Financial Officer can only be reasonable rather than absolute, and therefore is not and cannot be designed to detect all weaknesses in control procedures.

Deloitte.

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Independent Auditor's Report to the Directors of Centamin Egypt Limited

Report on the Financial Report

We have audited the accompanying financial report of Centamin Egypt Limited, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year as set out on pages 43 to 80.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 3, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte.

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion:

(a) the financial report of Centamin Egypt Limited is in accordance with the *Corporations Act 2001*, including:
  (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2010 and of their performance for the year ended on that date; and
  (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 3.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 17 to 20 of the directors' report for the year ended 30 June 2010. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Centamin Egypt Limited for the year ended 30 June 2010, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ross Jerrard
Partner
Chartered Accountants

Perth, 31 August 2010

Directors' Declaration

The Directors declare that:

a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company and the consolidated entity; and

c) In the Directors' opinion, the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 3;

d) the Directors' have been given the declarations required by s.295A of the *Corporations Act 2001*.

At the date of this declaration, the Company is within the class of companies affected by ASIC Class Order 98/1418. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee. In the directors' opinion, there are reasonable grounds to believe that the Company and the companies to which the ASIC Class Order applies, as detailed in Note 22 to the financial statements will, as a group, be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

Signed in accordance with a resolution of the Directors made pursuant to s. 295(5) of the *Corporations Act 2001*.

On behalf of the Directors

Mr Colin Cowden
Director

Perth, 31 August 2010

Statement of Comprehensive Income

for the financial year ended 30 June 2010

	Note	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
Revenue	5	37,710	2,893	544	2,591
Cost of Sales	6	(3,547)	-	-	-
		34,163	2,893	544	2,591
Other revenue	5	888	12	-	8
Production royalty	6	(2,205)	-	-	-
Foreign exchange gain / (loss)	6	3,614	(19,284)	4,523	(18,722)
Administrative expenses	6	(5,813)	(2,142)	(4,735)	(1,857)
Depreciation and amortisation expense	6	(11,897)	(544)	(11)	(22)
Share based payments	6	(1,722)	(3,206)	(1,722)	(3,206)
Profit / (Loss) before tax		**17,028**	**(22,271)**	**(1,401)**	**(21,208)**
Income tax income/(expense)	7	(4,158)	169	(3,959)	18
Net Profit / (Loss) for the year		**12,870**	**(22,102)**	**(5,360)**	**(21,190)**
Other Comprehensive Income					
Other Comprehensive Income (net of tax)		-	-	-	-
Other Comprehensive Income for the period		-	-	-	-
Total Comprehensive Income		**12,870**	**(22,102)**	**(5,360)**	**(21,190)**
Earnings / (Loss)Per Share:					
Basic (cents per share)	25	1.26	(2.40)		
Diluted (cents per share)	25	1.26	(2.40)		

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes on pages 49 to 80.

Statement of Financial Position

as at 30 June 2010

	Note	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
CURRENT ASSETS					
Cash and cash equivalents	26(a)	31,326	68,609	14,883	58,747
Trade and other receivables	9	3,316	30	5	14
Inventories	10	21,861	3,780	-	-
Other assets	11	268	945	-	-
Total current assets		56,771	73,364	14,888	58,761
NON-CURRENT ASSETS					
Trade and other receivables	9	-	-	423,759	337,604
Property, plant and equipment	12	283,072	59,879	11	18
Other financial assets	13	-	-	4,502	4,502
Deferred tax assets	7	-	4,104	-	3,904
Exploration, evaluation and development	14	138,525	269,075	302	302
Total non-current assets		421,597	333,058	428,574	346,330
Total assets		478,368	406,422	443,462	405,091
CURRENT LIABILITIES					
Trade and other payables	15	22,204	7,454	312	145
Current tax liabilities	7	444	444	489	489
Provisions	16	556	606	144	70
Total current liabilities		23,204	8,504	945	704
NON-CURRENT LIABILITIES					
Provisions	16	2,622	1,736	-	-
Total non-current liabilities		2,622	1,736	-	-
Total liabilities		25,826	10,240	945	704
Net assets		**452,542**	**396,182**	**442,517**	**404,387**
EQUITY					
Issued capital	17	465,096	416,886	465,096	416,886
Reserves	18	4,237	8,957	4,727	9,447
Accumulated losses		(16,791)	(29,661)	(27,306)	(21,946)
Total equity		**452,542**	**396,182**	**442,517**	**404,387**

The above Statement of Financial Position should be read in conjunction with the notes on pages 49 to 80.

Statement **of Changes in Equity**

for the financial year ended 30 June 2010

	Consolidated 2010				
	Fully Paid Ordinary Shares $US'000	Other Reserves $US'000	Share Options Reserve $US'000	Accumulated Losses $US'000	Total $US'000
Balance as at 30 June 2009	416,886	2,295	6,662	(29,661)	**396,182**
Profit for the year	-	-	-	12,870	**12,870**
Total Comprehensive income for the period	-	-	-	12,870	**12,870**
Recognition of share based payments	-	-	1,722	-	**1,722**
Transfer from share options reserve	6,442	-	(6,442)	-	**-**
Issues of shares under ESOP*	16,262	-	-	-	**16,262**
Issues of shares	27,023	-	-	-	**27,023**
Share issue costs	(1,572)	-	-	-	**(1,572)**
Tax effect of current period share issue costs	55	-	-	-	**55**
Balance as at 30 June 2010	465,096	2,295	1,942	(16,791)	**452,542**

	Consolidated 2009				
	Fully Paid Ordinary Shares $US'000	Other Reserves $US'000	Share Options Reserve $US'000	Accumulated Losses $US'000	Total $US'000
Balance as at 30 June 2008	352,948	2,295	5,273	(7,559)	**352,957**
Loss for the year	-	-	-	(22,102)	**(22,102)**
Total Comprehensive income for the period	-	-	-	(22,102)	**(22,102)**
Recognition of share based payments	-	-	3,206	-	**3,206**
Transfer from share options reserve	1,817	-	(1,817)	-	**-**
Issues of shares under ESOP*	1,278	-	-	-	**1,278**
Issues of shares	60,127	-	-	-	**60,127**
Share issue costs	(3,219)	-	-	-	**(3,219)**
Tax effect of prior and current period share issue costs	3,935	-	-	-	**3,935**
Balance as at 30 June 2009	416,886	2,295	6,662	(29,661)	**396,182**

** Employee share option plan*

The above Statement of Changes in Equity should be read in conjunction with the notes on pages 49 to 80.

Company 2010

	Fully Paid Ordinary Shares $US'000	Other Reserves $US'000	Share Options Reserve $US'000	Accumulated Losses $US'000	Total $US'000
Balance as at 30 June 2009	416,886	2,785	6,662	(21,946)	**404,387**
Loss for the year	-	-	-	(5,360)	**(5,360)**
Total Comprehensive income for the period	-	-	-	(5,360)	**(5,360)**
Recognition of share based payments	-	-	1,722	-	**1,722**
Transfer from share options reserve	6,442	-	(6,442)	-	**-**
Issues of shares under ESOP*	16,262	-	-	-	**16,262**
Issues of shares	27,023	-	-	-	**27,023**
Share issue costs	(1,572)	-	-	-	**(1,572)**
Tax effect of current period share issue costs	55	-	-	-	**55**
Balance as at 30 June 2010	465,096	2,785	1,942	(27,306)	**442,517**

Company 2009

	Fully Paid Ordinary Shares $US'000	Other Reserves $US'000	Share Options Reserve $US'000	Accumulated Losses $US'000	Total $US'000
Balance as at 30 June 2008	352,948	2,785	5,273	(756)	**360,250**
Loss for the year	-	-	-	(21,190)	**(21,190)**
Total Comprehensive income for the period	-	-	-	(21,190)	**(21,190)**
Recognition of share based payments	-	-	3,206	-	**3,206**
Transfer from share options reserve	1,817	-	(1,817)	-	**-**
Issues of shares under ESOP*	1,278	-	-	-	**1,278**
Issues of shares	60,127	-	-	-	**60,127**
Share issue costs	(3,219)	-	-	-	**(3,219)**
Tax effect of prior and current period share issue costs	3,935	-	-	-	**3,935**
Balance as at 30 June 2009	416,886	2,785	6,662	(21,946)	**404,387**

** Employee share option plan*

The above Statement of Changes in Equity should be read in conjunction with the notes on pages 49 to 80.

Statement of Cash Flows

for the financial year ended 30 June 2010

	Note	Consolidated		Company	
		2010 $US'000	2009 $US'000	2010 $US'000	2009 $US'000
Cash flows from operating activities					
Receipts from customers		34,282	-	-	-
Interest received		583	2,893	544	2,591
Other income		123	12	-	8
Payments to suppliers and employees		(13,110)	(997)	(4,485)	(1,705)
Net cash generated by/ (used in) operating activities	26(b)	21,878	1,908	(3,941)	894
Cash flows from investing activities					
Payment for plant and equipment		(23,219)	(30,026)	(4)	(2)
Payments for exploration & evaluation		(12,015)	(10,463)	-	(9)
Proceeds from the sale of plant and equipment		3,900	-	1	-
Advances to subsidiaries		-	-	(84,001)	(160,698)
Payments for mine development		(109,101)	(139,485)	-	-
Proceeds from gold sales (pre-production)		36,469	-	-	-
Net cash used in investing activities		(103,966)	(179,974)	(84,004)	(160,709)
Cash flows from financing activities					
Proceeds from the issue of equity and conversion of options		43,340	61,405	43,340	61,405
Share issue costs		(1,572)	(3,219)	(1,572)	(3,219)
Net cash provided by financing activities		41,768	58,186	41,768	58,186
Net decrease in cash and cash equivalents		(40,320)	(119,880)	(46,177)	(101,629)
Cash and cash equivalents at the beginning of the financial year		68,609	182,329	58,747	154,198
Effect of exchange rate changes on the balance of cash held in foreign currencies		3,037	6,160	2,313	6,178
Cash and cash equivalents at the end of the financial year	26(a)	31,326	68,609	14,883	58,747

The above Statement of Cash Flows should be read in conjunction with the notes on pages 49 to 80.

1. General information

Centamin Egypt Limited (the Company) is a listed public company, incorporated in Australia and operating in Egypt.

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Australia
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Principal Place of Business
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2. Adoption of new and revised accounting standards

In the current year, the Company and Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2009. The adoption of these new and revised Standards and Interpretations has resulted in some disclosure changes being made.

At the date of authorisation of the financial report, the following Standards and Interpretations were in issue but not yet effective.

Initial application of the following Standards will not affect any of the amounts recognised in the financial report, but will change the disclosures presently made in relation to the Group and Company's financial report:

Standard / Interpretation	Effective for annual reporting periods beginning on or after:	Expected to be initially applied in the financial year ending:
AASB 9 *Financial Instruments*, AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9*. AASB 9 introduces new requirements for classifying and measuring financial assets.	1 January 2013	30 June 2014

Initial application of the following Standards is not expected to have any material impact on the financial report of the Group and the Company:

Standard / Interpretation	Effective for annual reporting periods beginning on or after:	Expected to be initially applied in the financial year ending:
AASB 124 *Related Party Disclosures* (2009), AASB 2009-12 *Amendments to Australian Accounting Standards* Amends the requirements of the previous version of AASB 124.	1 January 2011	30 June 2011
AASB 2009-5 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process'.	1 January 2010	30 June 2011
AASB 2009-8 *Amendments to Australian Accounting Standards - Group Cash-Settled Share-based Payment Transactions* Amends AASB 2 *Share-based Payment* to clarify the accounting for group cash-settled share-based payment transactions. An entity receiving goods or services in a share-based payment arrangement must account for those goods or services no matter which entity in the group settles the transaction, and no matter whether the transaction is settled in shares or cash.	1 January 2010	30 June 2011

Standard / Interpretation	Effective for annual reporting periods beginning on or after:	Expected to be initially applied in the financial year ending:
AASB 2009-10 *Amendments to Australian Accounting Standards - Classification of Rights Issues* Amends AASB 132 *Financial Instruments: Presentation* to require a financial instrument that gives the holder the right to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency to be classified as an equity instrument if, and only if, the entity offers the financial instrument pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Prior to this amendment, rights issues (rights, options, or warrants) denominated in a currency other than the functional currency of the issuer were accounted for as derivative instruments.	1 February 2010	30 June 2011
AASB 2010-3 *Amendments to Australian Accounting Standards arising from the Annual Improvements Project* Amends a number of pronouncements as a result of the IASB's 2008-2010 cycle of annual improvements to provide clarification of certain matters.	1 July 2010	30 June 2011
AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* Amends a number of pronouncements as a result of the IASB's 2008-2010 cycle of annual improvements.	1 January 2011	30 June 2011
AASB Interpretation 19 *Extinguishing Liabilities with Equity Instruments* Requires the extinguishment of a financial liability by the issue of equity instruments to be measured at fair value (preferably using the fair value of the equity instruments issued) with the difference between the fair value of the instrument issued and the carrying value of the liability extinguished being recognised in profit or loss. The Interpretation does not apply where the conversion terms were included in the original contract (such as in the case of convertible debt) or to common control transactions.	1 July 2010	30 June 2011

3. Summary of significant accounting policies

Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and complies with other requirements of the law. The financial report includes the separate financial statements of the company and the consolidated financial statements of the Group. Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with A-IFRS ensures that the financial statements and notes of the company and the Group comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the directors on 31 August 2010.

(A) BASIS OF PREPARATION

This financial report is denominated in United States Dollars, which is the functional currency of Centamin Egypt Limited. The Company is a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, all financial information presented in United States Dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of A-IFRS management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant policies have been adopted in the preparation and presentation of the financial report:

(B) CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(C) FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY

Debt and Equity Instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(D) EMPLOYEE BENEFITS

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash flows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

Superannuation

The Company contributes to, but does not participate in, compulsory superannuation funds on behalf of the Employees and Directors in respect of salaries and directors' fees paid. Contributions are charged against income as they are made.

(E) EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

Exploration and evaluation expenditures in relation to each separate area of interest, are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

i) the rights to tenure of the area of interest are current; and

ii) at least one of the following conditions is also met:

  a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

  b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploration drilling, trenching and sampling and associated activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances (as defined in AASB 6 "Exploration for and Evaluation of Mineral Resources") suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The recoverable amount of the exploration and evaluation assets (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment, reclassified to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Development expenditure is recognised at cost less accumulated amortisation and any impairment losses. When commercial production in an area of interest has commenced, the associated costs are amortised over the estimated economic life of the mine on a units of production basis.

Changes in factors such as estimates of proved and probable reserves that affect unit-of-production calculations are dealt with on a prospective basis.

(F) FINANCIAL ASSETS

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through the profit or loss which are initially measured at fair value.

Subsequent to initial recognition, investments in subsidiaries are measured at cost in the company financial statements. Other financial assets are as 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest rate method less impairment.

Interest is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each Statement of Financial Position date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

(G) FOREIGN CURRENCY

The individual financial statements of each group entity are presented in its functional currency being the currency of the primary economic environment in which the entity operates. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in United States dollars, which is the functional currency of Centamin Egypt Limited and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

(H) GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i. Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
ii. For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operation cash flows.

(I) IMPAIRMENT OF ASSETS (OTHER THAN EXPLORATION AND EVALUATION AND FINANCIAL ASSETS)

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Each cash generated unit is determined on an area of interest basis.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years.

(J) INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Costs including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method appropriate to each particular class of inventory, with the majority being valued on a weighted average cost basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

Ore stockpiles, gold in circuit and bullion are valued applying absorption costing.

(K) JOINT VENTURE ARRANGEMENTS

Jointly controlled operations

Where the Group is a venturer (and so has joint control) in a jointly controlled operation, the Group recognises the assets that it controls and the liabilities that it incurs, along with the expenses that it incurs and the Group's share of the income that it earns from the sale of goods or services by the joint venture.

(L) LEASED ASSETS

Leased assets are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where other systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(M) PLANT AND EQUIPMENT

Plant and equipment is stated at cost less accumulated depreciation and impairment. Plant and equipment will include capitalised development expenditure. Cost includes expenditure that is directly attributable to the acquisition of the item as well as the estimated cost of abandonment. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on plant and equipment. Fixed assets are calculated on a straight line basis so as to write off the net cost or other re-valued amount of each asset over its expected useful life to its estimated residual value.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the affect of any changes recognised on a prospective basis.

The following estimated useful lives are used in the calculation of depreciation:

Plant & Equipment & Office Equipment	-	4 - 10 years
Motor Vehicles	-	2 - 8 years
Land & Buildings	-	4 - 20 years

(N) MINE DEVELOPMENT PROPERTIES

Where mining of a mineral resource has commenced, the accumulated costs are transferred to mine properties.

Amortisation is first charged to new mine development ventures from the date of first commercial production. Amortisation of mine properties is on a unit of production basis resulting in an amortisation charge proportional to the depletion of the proved and probable ore reserves. The unit of production can be on a tonnes or an ounce depleted basis.

(O) REVENUE

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from the sale of mineral production is recognised when the Consolidated Entity has passed the risks and rewards of the mineral production to the buyer.

Pre-production revenues

Income derived by the entity prior to the date of commercial production (being 1 April 2010) has been offset against the expenditure capitalised and carried in the Statement of Financial Position. All revenues recognised post 1 April 2010 have been recognised in accordance with the revenue policy stated above. 1 April 2010 was selected as the commencement date of commercial production due to the fact that sufficient, stable and sustained production capacity had been achieved as at that date.

Production royalty

The Arab Republic of Egypt ("ARE") is entitled to a royalty of 3% of net sales revenue from the sale of gold and associated minerals from the Sukari Project. This royalty is calculated and recognised on receipt of the final certificate of analysis document received from the refinery. Due to its nature, the royalty is independent of, and not classified as, a cost of sales.

Interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(P) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being the company (the parent entity) and its subsidiaries as defined in Accounting Standard AASB 127 "Consolidated and Separate Financial Statements". Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements include the information and results of each subsidiary from the date on which the company obtains control and until such time as the company ceases to control such entity. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

(Q) SHARE-BASED PAYMENTS

Equity-settled share-based payments with employees and others providing similar services are measured at the fair value of the equity instrument at grant date. Fair value is measured by the use of the Black and Scholes model. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the consolidated entity's estimate of shares that will eventually vest.

Equity-settled share based transactions with other parties are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counter party renders the service.

The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. Further details on how the fair value of equity-settled share-based transactions has been determined can be found in Notes 28 and 29. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with corresponding adjustment to the equity-settled employee benefits reserve.

(R) TAXATION

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the company/consolidated entity intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the Statement of Comprehensive Income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

Tax Consolidation

The Company and all its wholly-owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. Centamin Egypt Limited is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the "separate taxpayer within group" approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the company (as the head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by the company and each member of the group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement. Further information about the tax funding arrangement is detailed in Note 7 to the financial statements. Where the tax contribution amount recognised by each member of the tax-consolidated group for a particular period is different to the aggregate of the current tax liability or asset and any deferred tax asset arising from unused tax losses and tax credits in respect of that period, the difference is recognised as a contribution to (or distribution to) equity participants.

(S) RESTORATION AND REHABILITATION

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of exploration, development and production activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of dismantling and removal of facilities, restoration and monitoring of the affected areas. The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.

The initial estimate of the restoration and rehabilitation provision relating to exploration, development and mining production activities is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of the inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision of restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

4. Critical accounting judgements and key sources of estimation uncertainty

Critical Judgments in Applying the Entity's Accounting Policies

The following are the critical judgments that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

(a) Provision for restoration and rehabilitation costs

The Group is required to decommission, rehabilitate and restore mines and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities. The provision has been calculated taking into account the estimated future obligations including the costs of dismantling and removal of facilities, restoration and monitoring of the affected areas. The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date.

(b) Ore reserve estimates

Estimates of recoverable quantities of reserves include assumptions on commodity prices, exchange rates, discount rates and production costs for future cashflows. It also involves assessment and judgement of difficult geological models. The economic, geological and technical factors used to estimate ore reserves may change from period to period. Changes in ore reserves affect the carrying values of mine properties, property, plant and equipment, provision for rehabilitation assets and deferred taxes. Ore reserves are integral to the amount of depreciation and amortisation charged to the Statement of Comprehensive Income and the calculation of inventory.

Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(a) Impairment of Inter Company Loans

The Company made loans and advances to its subsidiaries as detailed in Note 9 to the financial statements. These loans and advances were established for the purpose of routing funds out of Australia to fund exploration and resource development in Egypt. The recovery of these loans and advances is entirely dependent upon returns from the successful development of mining operations in Egypt or from surpluses from the sale of either the subsidiary companies or their projects.

(b) Recovery of Capitalised Exploration Evaluation and Development Expenditure

The Group capitalises exploration, evaluation and development expenditure incurred on ongoing projects. The recoverability of this capitalised exploration expenditure is entirely dependent upon returns from the successful development of mining operations or from surpluses from the sale of the projects or the subsidiary companies that control the projects. At the point that it is determined that any capitalised exploration expenditure is not recoverable, it is written off.

5. Revenue

An analysis of the consolidated entity's and Company's revenue for the year, from continuing operations, is as follows:

	Consolidated		Company	
	2010 $US'000	2009 $US'000	2010 $US'000	2009 $US'000
Revenue:				
Gold sales	37,005	-	-	-
Silver sales	122	-	-	-
Interest revenue	583	2,893	544	2,591
	37,710	2,893	544	2,591
Other revenue:				
Sale of plant and equipment	888	-	-	-
VAT refund	-	12	-	8
	888	12	-	8
	38,598	2,905	544	2,599

6. Profit/(Loss) for the year

Profit/(loss) for the year has been arrived at after crediting/(charging) the following gains/(losses) and expenses:

Gains and Losses				
Net foreign exchange gain / (loss)	3,614	(19,284)	4,523	(18,722)
	3,614	(19,284)	4,523	(18,722)
Expenses				
Cost of Sales				
Mine production costs	(10,987)	-	-	-
Movement in production inventory	7,440	-	-	-
	(3,547)	-	-	-
Production royalty				
Attributable to Egyptian Government	(2,205)	-	-	-
	(2,205)	-	-	-
Administrative expenses				
Corporate compliance	(2,400)	(222)	(2,250)	(220)
Corporate consultants	(775)	(544)	(772)	(410)
Employee entitlements	(659)	(104)	(22)	(10)
Salary and wages	(1,046)	(240)	(369)	(207)
Travel and accommodation	(643)	(356)	(400)	(353)
Other administration expenses	(290)	(676)	(922)	(657)
	(5,813)	(2,142)	(4,735)	(1,857)
Depreciation and amortisation:				
Amortisation of mine properties	(8,189)	-	-	-
Provision for rehabilitation	(51)	-	-	-
Depreciation of non-current assets	(3,657)	(544)	(11)	(22)
	(11,897)	(544)	(11)	(22)
Share based payments:				
Employee equity settled share based payments	(393)	(790)	(393)	(790)
Non-employee settled share based payments	(1,329)	(2,416)	(1,329)	(2,416)
	(1,722)	(3,206)	(1,722)	(3,206)

7. Income taxes

Income tax expense recognised in the profit or loss:

	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
(a) Income tax expense				
Current income tax				
Current tax expense/(income) in respect of the current year	-	4,501	-	4,452
Benefit arising from previously unrecognised tax losses, tax credits or temporary differences of a prior period that is used to reduce current tax expense	-	(4,501)	-	(4,452)
	-	-	-	-
Deferred income tax				
Deferred tax expense/(income) relating to the origination and reversal of temporary differences	1,420	(9,607)	1,221	(9,475)
Benefit/(liability) arising from previously unrecognised tax losses, tax credits or temporary differences of a prior period	-	9,438	-	9,457
Deferred tax expense relating to the reversal of temporary differences	2,738	-	2,738	-
Total tax expense/(income)	4,158	(169)	3,959	(18)
Income tax expense/(credit) reported in Statement of Comprehensive Income	**4,158**	**(169)**	**3,959**	**(18)**

The prima facie income tax expense/(benefit) on the profit/loss before income tax reconciles to the income tax in the financial statements as follows:

	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
Profit /(Loss) before income tax	17,028	(22,271)	(1,401)	(21,208)
Tax expense / (income) calculated at 30% of Profit before income tax (2009: 30%)	5,108	(6,681)	(420)	(6,362)
Tax effect of amounts which are not deductible/ taxable in calculating taxable income:				
Non-deductible expenses	516	1,575	516	1,340
Previously unrecognised tax losses, tax offsets and temporary differences now recognised as deferred tax (asset)/liability	-	9,438	-	9,438
Exempt foreign profits	(4,679)	-	850	-
Under provision from prior years	475	-	275	-
Tax benefit of previously unrecognised tax losses and tax credits of prior periods	2,738	(4,501)	2,738	(4,434)
Tax expense/(income) attributable to profit/(loss) before tax	**4,158**	**(169)**	**3,959**	**(18)**

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under the Australian tax law. There has been no change in the corporate tax rate when compared to the previous reporting period.

	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
(b) Income tax recognised directly in equity				
The following current and deferred amounts were charged/(credited) directly to equity during the period:				
- Share issue expenses	(55)	(3,935)	(55)	(3,935)
(c) Current tax liabilities				
Current tax payable	444	444	489	489
	444	**444**	**489**	**489**
(d) Deferred tax balances				
Deferred tax assets comprise:				
Business related costs	-	3,852	-	3,852
Losses	-	-	-	-
Unrealised foreign exchange gains and losses	-	31	-	31
Provisions	-	221	-	21
	-	**4,104**	**-**	**3,904**
Unrecognised deferred tax assets				
The following have not been brought to account as assets:				
Tax Losses - revenue	4,950	-	4,950	-
Tax Losses - capital	514	493	514	493
Temporary Differences	17	-	17	-
	5,481	493	5,481	493
Tax Effect at 30%	1,644	148	1,644	148

TAX CONSOLIDATION

Relevance of tax consolidation to the consolidated entity

The company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 01 July 2003. The head entity within the tax-consolidated group is Centamin Egypt Limited. The members of the tax-consolidated group are identified at Note 22.

Nature of tax funding arrangements and tax sharing agreements

Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax-sharing agreement with the head entity. Under the terms of the tax funding agreement, Centamin Egypt Limited and each of the entities in the tax-consolidated group has agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity. Such amounts are reflected in amounts receivable from or payable to other entities in the tax-consolidated group.

The tax sharing agreement entered into between members of the tax-consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

8. Segment reporting

The Consolidated Entity has adopted AASB 8 "Operating Segments" and AASB 2007-3 "Amendments to Australian Accounting Standards arising from AASB 8" with effect from 1 January 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. In contrast, the predecessor standard (AASB 114 "Segment Reporting") required an entity to identify two sets of segments (business and geographical) using a risks and rewards approach, with the entity's 'system of internal financial reporting to key management personnel' serving as the only starting point for the identification of such segments.

In the case of the Centamin Group, the adoption of AASB 8 has changed the methodology used to identify segments however the reporting segments that are disclosed in the financial report remain unchanged.

The Consolidated Entity is engaged in the business of exploration and mining of precious and base metals only, which is characterised as one operating segment only. As the consolidated Entity has only one operating segment, all the necessary reporting disclosures are disclosed elsewhere in the notes to the financial statements.

9. Trade and other receivables

	Consolidated		Company	
	2010 $US'000	2009 $US'000	2010 $US'000	2009 $US'000
Current				
Gold sales debtor	3,304	-	-	-
GST receivable	12	30	5	14
	3,316	**30**	**5**	**14**
Non-current				
Loans and advances to subsidiaries	-	-	426,296	340,141
Less: Allowance for doubtful debts	-	-	(2,537)	(2,537)
	-	**-**	**423,759**	**337,604**

The intercompany loans receivable are interest free and have no set terms of repayment. The recoverability of the loans from the controlled entities is dependent on the successful development and economic exploitation of the controlled entities' exploration interests. The repayments of the loans are not expected to occur within the next 12 months.

10. Inventories

Current				
Mining stockpiles and ore in circuit	7,440	-	-	-
Stores inventories at cost	14,421	3,780	-	-
	21,861	**3,780**	**-**	**-**

11. Other Assets

Current				
Prepayments	268	75	-	-
Performance Bonds	-	870	-	-
	268	**945**	**-**	**-**

12. Property, plant and equipment

Consolidated	Office Equipment $US'000	Land and Buildings $US'000	Plant and Equipment $US'000	Motor Vehicles $US'000	Total $US'000
Gross Carrying Amount					
Balance at 30 June 2009	1,572	14	20,824	42,990	**65,400**
Additions*	573	-	220,304	13,336	**234,213**
Disposals	-	-	(3,936)	(6)	**(3,942)**
Balance at 30 June 2010	2,145	14	237,192	56,320	**295,671**
Accumulated Depreciation					
Balance at 30 June 2009	(631)	(7)	(1,055)	(3,828)	**(5,521)**
Depreciation expense	(511)	-	(2,344)	(5,152)	**(8,007)**
Disposals	-	-	923	6	**929**
Balance at 30 June 2010	(1,142)	(7)	(2,476)	(8,974)	**(12,599)**
Net Book Value					
As at 30 June 2009	941	7	19,769	39,162	**59,879**
As at 30 June 2010	**1,003**	**7**	**234,716**	**47,346**	**283,072**

** Figure includes non-cash transfers of $234,213,000 from development expenditure upon completion of Sukari construction activities.*

Company	Office Equipment $US'000	Land and Buildings $US'000	Plant and Equipment $US'000	Motor Vehicles $US'000	Total $US'000
Gross Carrying Amount					
Balance at 30 June 2009	138	5	290	6	**439**
Additions	4	-	-	-	**4**
Disposals	-	-	-	(6)	**(6)**
Balance at 30 June 2010	142	5	290	-	**437**
Accumulated Depreciation					
Balance at 30 June 2009	(122)	(3)	(290)	(6)	**(421)**
Depreciation expense	(11)	-	-	-	**(11)**
Disposals	-	-	-	6	**6**
Balance at 30 June 2010	(133)	(3)	(290)	-	**(426)**
Net Book Value					
As at 30 June 2009	16	2	-	-	**18**
As at 30 June 2010	**9**	**2**	**-**	**-**	**11**

The following useful lives are used in the calculation of depreciation:

Plant & Equipment	-	4 – 10 years
Office Equipment	-	4 – 10 years
Land and Buildings	-	4 – 20 years
Motor Vehicles	-	2 – 8 years

Aggregate depreciation allocated, whether recognised as an expense or capitalised as part of the carrying amount of other assets during the year:

	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
Plant & Equipment	2,061	487	-	1
Office Equipment	511	290	11	19
Land and Buildings	-	1	-	-
Motor Vehicles	5,152	2,352	-	1
	7,724	3,130	11	21

13. Other financial assets

	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
Non-current				
Investments in subsidiaries	-	-	4,868	4,868
Recoverable amount write down	-	-	(366)	(366)
	-	-	4,502	4,502

14. Exploration, evaluation and development expenditure

	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
Exploration and evaluation phase (at cost) (a)				
Balance at the beginning of the year	26,699	16,236	302	293
Expenditure for the year	12,015	10,463	-	9
Balance at the end of the year	38,714	26,699	302	302
Development phase (at cost) (b)				
Balance at the beginning of the year	242,376	120,930	-	-
Expenditure for the year	136,306	121,446	-	-
Accumulated amortisation	(8,189)	-	-	-
Capitalised pre-production revenue	(36,469)	-	-	-
Transfers to Property, Plant & Equipment	(234,213)	-	-	-
Balance at the end of the year	99,811	242,376	-	-
Net book value of exploration, evaluation and development phase expenditure	138,525	269,075	302	302

(a) Included within the cost amount of exploration evaluation and development assets is $5.3M being the excess of consideration over the net tangible assets acquired on the acquisition of Pharaoh Gold Mines NL in January 1999. This amount has been treated as part of the cost of exploration, evaluation and development. Management believe that the recovery of these amounts will satisfactorily be made through the exploitation of the project in due course.

(b) The Sukari Gold Project has several planned phases of development. Open pit waste removal, underground capital development and process plant expansion activities are being separately accounted for as development phase expenditure.

15. Trade and other payables

	Note	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
Current					
Trade payables	(i)	21,318	7,290	202	-
Other creditors and accruals	(ii)	886	164	110	145
		22,204	**7,454**	**312**	**145**

(i) Trade payables are interest free for periods ranging from 30 to 180 days. Thereafter interest is charged at commercial rates. The consolidated entity has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

(ii) The 2009 amount includes an unsecured loan of US$150,000 payable 14 days after commencement of commercial production at the Sukari project. There is no interest payable. Prior to 30 June 2010, the loan was settled in full.

16. Provisions

	Note	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
Current					
Employee benefits	(i)	556	606	144	70
		556	**606**	**144**	**70**
Non-current					
Employee Benefits		171	130	-	-
Restoration and rehabilitation	(ii)	2,451	1,606	-	-
		2,622	**1,736**	**-**	**-**

	Consolidated 2010 $US'000	Consolidated 2009 $US'000
Movement in restoration and rehabilitation provision		
Balance at beginning of financial year	1,606	522
Additional provision recognised	685	710
Unwinding of discount	160	374
Balance at end of financial year	**2,451**	**1,606**

(i) Employee benefits relate to annual, sick and long service leave entitlements outstanding as at 30 June 2010. The current provision for employee benefits includes $340,000 (Company $32,000) of annual leave entitlements accrued but not expected to be taken within 12 months (2009: $280,000 and $28,000 for the Group and Company respectively).

(ii) The provision for restoration and rehabilitation represents the present value of the directors' best estimate of the future sacrifice of the economic benefits that will be required to remove the facilities and restore the affected areas at the Company's sites. This estimate has been made on the basis of benchmark assessments of restoration works required following mine closure and after taking into account the projected area to be disturbed over the life of the mine. Cash outflows are expected to commence toward the end of current mine life.

17. Issued capital

	Consolidated 2010 $US'000	Consolidated 2009 $US'000	Company 2010 $US'000	Company 2009 $US'000
Fully paid ordinary shares				
Balance at beginning of financial year	416,886	352,948	416,886	352,948
Issue of shares upon exercise of options and warrants	16,262	1,278	16,262	1,278
Transfer from share options reserve	6,442	1,817	6,442	1,817
Other placements	27,023	60,127	27,023	60,127
Share issue costs	(1,572)	(3,219)	(1,572)	(3,219)
Tax effect on share issue costs	55	3,935	55	3,935
Balance at end of financial year	**465,096**	**416,886**	**465,096**	**416,886**

Change to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 01 July 1998. Therefore, the Company does not have a limited amount of authorised capital and issued shares do not have a par value.

Fully Paid Ordinary Shares	2010 Number	2010 $'000	2009 Number	2009 $'000
Balance at beginning of financial year	991,940,623	416,886	877,419,163	352,948
Issue of shares upon exercise of options and warrants	17,877,710	22,704	2,240,000	3,095
Other placements (net of share issue costs)	19,000,000	25,506	112,281,460	60,843
Balance at end of financial year	**1,028,818,333**	**465,096**	**991,940,623**	**416,886**

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Share options granted under the employee share option plan

In accordance with the provisions of the employee share option plans, as at 30 June 2010, executives and employees have options over 2,720,000 ordinary shares (of which 175,000 are unvested). The expiry dates of the granted options are detailed in Note 28. Share options granted under the employee share option plan carry no rights to dividends and no voting rights. Further details of the employee share option plan are contained in Note 28 to the financial statements.

Share warrants on issue

As part of capital raisings undertaken in Canada during the previous and current financial years, the Company was required to issue broker warrants as part of the fees. Broker warrants are identical in nature to share options however they are differentiated as such because the latter in Canada typically relates to options issued to employees under employee share plans. As at 30 June 2010, there were no broker warrants (2009: 9,407,710) on issue over an equivalent number of ordinary shares. Further details of the share warrants are contained in Note 29 to the financial statements.

18. Reserves

	Consolidated		Company	
	2010 $US'000	2009 $US'000	2010 $US'000	2009 $US'000
Option reserve	1,857	1,857	1,857	1,857
Asset realisation reserve	438	438	438	438
Capital reserve	-	-	490	490
Share option reserve	1,942	6,662	1,942	6,662
	4,237	**8,957**	**4,727**	**9,447**
Option reserve				
Balance at beginning of financial year	1,857	1,857	1,857	1,857
Movements during the period	-	-	-	-
Balance at the end of financial year	**1,857**	**1,857**	**1,857**	**1,857**

The option reserve has been created from the issuing of options for a consideration greater than their then nominal or par value.

Asset realisation reserve				
Balance at beginning of financial year	438	438	438	438
Movements during the period	-	-	-	-
Balance at the end of financial year	**438**	**438**	**438**	**438**

The asset realisation reserve has been created from the realisation of particular assets.

Capital reserve				
Balance at beginning of financial year	-	-	490	490
Movements during the period	-	-	-	-
Balance at the end of financial year	**-**	**-**	**490**	**490**

The capital reserve has been created from the cancellation of shares in the Company held by Pharaoh Gold mines NL.

Share option reserve				
Balance at beginning of financial year	6,662	5,273	6,662	5,273
Cost of share based payments	1,722	3,206	1,722	3,206
Transfer to issued capital	(6,442)	(1,817)	(6,442)	(1,817)
Balance at the end of financial year	**1,942**	**6,662**	**1,942**	**6,662**

The share option reserve arises on the grant of share options to employees under the employee share option plan and on grant of broker warrants. Amounts are transferred out of the reserve and into issued capital when the options are exercised.

19. Commitments for expenditure

	Consolidated		Company	
	2010 $US'000	2009 $US'000	2010 $US'000	2009 $US'000
(a) Capital expenditure commitments				
Plant and equipment				
Not longer than 1 year	13,800	21,341	-	-
Longer than 1 year and not longer than 5 years	-	-	-	-
Longer than 5 years	-	-	-	-
	13,800	**21,341**	**-**	**-**
(b) Operating Lease commitments				
Office premises				
Not longer than 1 year	62	62	45	45
Longer than 1 year and not longer than 5 years	-	-	-	-
Longer than 5 years	-	-	-	-
	62	**62**	**45**	**45**

Operating lease commitments are limited to office accommodation in Alexandria, Egypt and Perth, Australia.

20. Contingent liabilities and contingent assets

There are no contingent liabilities and contingent assets to report as at 30 June 2010.

21. Net assets of the consolidated entity

In the prior year, the net asset position of the consolidated entity was less than that of the Company. This position was a result of fees being charged to the subsidiary in prior periods through the inter-company account which were expensed within the subsidiary. Management were of the opinion that it would have been misleading to impair the inter-company receivable and were of the belief that the recovery of these amounts would satisfactorily be made through the exploitation of the project.

22. Particulars in relation to subsidiaries

	Country of Incorporation	Ownership Interest 2010 %	2009 %
Parent entity			
Centamin Egypt Limited	Australia		
Subsidiaries			
Viking Resources Limited	Australia	100	100
North African Resources NL	Australia	100	100
Pharaoh Gold Mines NL	Australia	100	100
Centamin Limited	Bermuda	100	100

The parent entity is the head of the group for tax consolidation purposes and the subsidiaries, with the exception of Centamin Limited, are all members of this same tax consolidation group. Pursuant to ASIC Class Order 98/1418 (as amended) dated 13 August 1998, the wholly owned Australian subsidiaries listed above are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports and directors' report. It is a condition of the Class Order that the Company and each of the subsidiaries enter into a Deed of Cross Guarantee. The effect of the Deed is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the subsidiaries under certain provisions of the Corporations Act 2001. If a winding up occurs under the provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event the Company is wound up.

A Statement of Comprehensive Income and Statement of Financial Position, comprising the Company and controlled entities which are party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, at 30 June 2010 is set out as follows:

	2010 $US'000	2009 $US'000
(a) Summarised Statement of Comprehensive Income		
Profit/(Loss) Before tax	17,020	(22,164)
Income Tax Expense	(4,158)	169
Net Profit/(Loss) after tax	12,862	(21,995)
(b) Summarised Statement of Financial Position		
ASSETS		
Cash and cash equivalents	31,325	68,601
Trade and other receivables	3,316	30
Inventories	21,861	3,780
Other Assets	268	945
Total current assets	**56,770**	**73,356**
Plant and equipment	283,072	59,879
Deferred tax assets	-	4,104
Exploration, evaluation and development	138,596	269,053
Total non-current assets	**421,668**	**333,036**
Total assets	**478,438**	**406,392**
LIABILITIES		
Trade and other payables	22,204	7,454
Current tax liabilities	444	444
Provisions	556	606
Total current liabilities	**23,204**	**8,504**
Provisions	2,622	1,736
Total non-current liabilities	**2,622**	**1,736**
Total liabilities	**25,826**	**10,240**
Net assets	**452,612**	**396,152**
EQUITY		
Issued capital	465,083	416,781
Reserves	4,237	8,957
Accumulated losses	(16,708)	(29,586)
Total equity	**452,612**	**396,152**

23. Auditors' remuneration

	Consolidated		Company	
	2010 $US'000	2009 $US'000	2010 $US'000	2009 $US'000
Auditor of the parent entity				
Auditing or review of the financial report	177,783	226,655	177,783	226,655
Preparation of the tax return	67,686	31,885	67,686	31,885
Other non-audit services	544,642	-	544,642	-
	790,111	**258,540**	**790,111**	**258,540**

The auditor of Centamin Egypt Limited is Deloitte Touche Tohmatsu. Other non-audit services included the provision of advice and due diligence activities in relation to the Company's main board listing on the London Stock Exchange. These services were provided by both Australian and United Kingdom offices of Deloitte Touche Tohmatsu.

24. Jointly controlled operations

The consolidated entity has material interests in the following ventures:-

Name of joint venture	Principal Activities	Percentage Interest 2010 %	Percentage Interest 2009 %
Egyptian Pharaoh Investments	Exploration	50	50
Sukari Gold Mines	Exploration & Production	50	50

The consolidated entity's interest as a joint venture partner, in assets employed in the above jointly controlled operations and assets is detailed below. The amounts are included in the consolidated financial statements under their respective asset categories.

	Consolidated & Company	
	2010 $US'000	2009 $US'000
Current assets		
Cash and cash equivalents	18,230	5
Trade and other receivables	3,305	-
Inventories	11,739	-
Prepayments and deposits	181	-
	33,455	**5**
Non-current assets		
Exploration, evaluation and development	46,253	210
	46,253	**210**

Contingent liabilities and capital commitments arising from the Group's interests in joint ventures are disclosed in Notes 19 and 20.

25. Earnings per share

	Consolidated	
	2010 Cents Per Share	2009 Cents Per Share
Basic earnings/(loss) per share	1.26	(2.40)
Diluted earnings/(loss) per share	1.26	(2.40)

Basic Earnings/(Loss) per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic loss and earnings per share are as follows:

	2010 $'000	2009 $'000
Earnings/(Loss) used in the calculation of basic EPS	12,870	(22,102)

	2010 No.	2009 No.
Weighted average number of ordinary shares for the purposes of basic EPS	1,018,425,873	920,993,978

Diluted Earnings/(Loss) per Share

The earnings/(loss)and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

	2010 $'000	2009 $'000
Earnings/(Loss) used in the calculation of diluted EPS	12,870	(22,102)

	2010 No.	2009 No.
Weighted average number of ordinary shares for the purposes of diluted EPS	1,018,425,873	920,993,978
Weighted average number of ordinary shares for the purposes of basic EPS	1,018,425,873	920,993,978
Shares deemed to be issued for no consideration in respect of employee options	1,396,627	-
Shares deemed to be issued for no consideration in respect of broker warrants	-	-
Weighted average number of ordinary shares used in the calculation of diluted EPS	1,019,822,500	920,993,978

No potential ordinary shares were excluded from the calculation of weighted average number of ordinary shares for the purposes of diluted earnings/(loss) per share.

26. Notes to the statements of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank and deposits. Cash and cash equivalents as at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related item in the Statement of Financial Position as follows:

	Consolidated		Company	
	2010 $US'000	2009 $US'000	2010 $US'000	2009 $US'000
Cash and cash equivalents	31,326	68,609	14,883	58,747

(b) Reconciliation of profit/(loss) for the year to net cash flows from operating activities

Profit/(Loss) for the year	12,870	(22,102)	(5,360)	(21,190)
Add/(less) non-cash items:				
Depreciation of non-current assets	3,657	544	11	21
Amortisation of mine properties	8,189	-	-	-
Foreign exchange rate (gain)/loss	(3,614)	19,284	(4,523)	18,722
Equity settled share based payments	1,722	3,206	1,722	3,206
Income tax (income)/expense	4,158	(169)	3,959	(18)
Changes in assets and liabilities during the year:				
Decrease/(increase) in receivables	(3,286)	(5)	9	(2)
Decrease/(increase) in inventories	(18,081)	(1,196)	-	-
Decrease/(increase) in prepayments	677	(354)	-	-
Increase/(decrease) in trade creditors and accruals	14,750	1,617	167	136
Increase/(decrease) in provisions	836	1,083	74	19
Net cash generated by/(used in) operating activities	21,878	1,908	(3,941)	894

(c) Non-cash financing and investing activities

During the year, 788,437 broker warrants with an exercise price of C$1.56 each and an expiry date of 16 July 2011, and 161,563 broker warrants with an exercise price of C$1.52 each and an expiry date of 26 August 2011, were issued as partial compensation in relation to the capital raising which closed 16 July 2010.

In addition to the above, in connection with the Company's move to the London Stock Exchange's Main Market for listed securities, the Company issued Ambrian Partners Limited and Investec Bank Plc 500,000 unquoted options each with an exercise price of A$1.50 and an expiry date of 28 November 2010, being part payment for the provision of professional services with regards to the migration.

27. Financial instruments

a) Group risk management

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the cash and equity balance. The Group's overall strategy remains unchanged from 2009.

The capital structure consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital and reserves as disclosed in Notes 17 and 18. The Group operates in Australia and Egypt. None of the Group's entities are subject to externally imposed capital requirements.

The Group utilises inflows of funds toward the ongoing exploration and development of the Sukari Gold Project in Egypt.

b) Financial risk management and objectives

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential risk adverse effects and ensure that net cash flows are sufficient to support the delivery of the Group's financial targets whilst protecting future financial security. The Group continually monitors and tests its forecast financial position against these objectives.

The Group's activities expose it to a variety of financial risks: market, commodity, credit, liquidity, foreign exchange and interest rate. These risks are managed under Board approved directives through the Audit Committee. The Group's principal financial instruments comprise interest bearing cash and short term deposits. Other financial instruments include trade receivables and trade payables, which arise directly from operations.

	Consolidated		Company	
	2010 $US'000	2009 $US'000	2010 $US'000	2009 $US'000
Financial assets				
Cash and cash equivalents	31,326	68,609	14,883	58,747
Loans and receivables	3,316	30	5	337,618
	34,642	68,639	14,888	396,365
Financial liabilities				
Amortised cost	22,204	7,454	212	145
	22,204	7,454	212	145

It is, and has been throughout the period under review, Group policy that no speculative trading in financial instruments be undertaken.

c) Market risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Australian and Canadian dollars. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured by regularly monitoring, forecasting and performing sensitivity analysis on the Group's financial position.

The financial instruments denominated in Australian and Canadian dollars are as follows:

	Australian Dollar		Canadian Dollar	
	2010 A$'000	2009 A$'000	2010 C$'000	2009 C$'000
Financial assets				
Cash	10,515	48,675	1,904	1,982
Trade and other receivables	13	23	-	-
	10,528	48,698	1,904	1,982
Financial liabilities				
Trade and other payables	3,504	520	-	-
	3,504	520	-	-
Net exposure	**7,024**	**48,178**	**1,904**	**1,982**

The following table summarises the sensitivity of financial instruments held at the balance date to movements in the exchange rate of the Australian and Canadian dollar to the United States dollar, with all other variables held constant. The 10% sensitivity is based on reasonably possible changes, over a financial year, using the observed range of actual historical rates for the preceeding five year period.

	Impact on profit		Impact on equity	
	2010 US$'000	2009 US$'000	2010 US$'000	2009 US$'000
Post-tax gain / (loss)				
AUD / USD +10%	702	4,818	-	-
AUD / USD -10%	(638)	(4,379)	-	-
CAD / USD +10%	190	198	-	-
CAD / USD -10%	(173)	(180)	-	-

The Group's sensitivity to foreign currency has decreased at the end of the current period mainly due to the decreased foreign currency cash holdings in Canadian dollars and Australian dollars.

The Group has not entered into forward foreign exchange contracts. Natural hedges are utilised wherever possible to offset foreign currency liabilities.

The Company maintains a policy of not hedging its currency positions and maintains currency holdings in line with underlying requirements and commitments.

d) Commodity price risk

The Group's future revenue forecasts are exposed to commodity price fluctuations, in particular gold prices.

The Group has not entered into forward gold hedging contracts.

e) Interest rate risk

The Group's main interest rate risk arises from cash and short term deposits and is not considered to be a material risk due to the short term nature of these financial instruments. Cash deposits are placed on term period of no more than 30 days at a time.

The financial instruments exposed to interest rate risk and the consolidated entity's exposure to interest rate risk as at balance date were as follows:

	Weighted Average Effective Interest Rate %	Less than 1 month $US'000	1-12 months $US'000	>12 months $US'000	Total $US'000
Consolidated					
2010					
Financial assets					
Variable interest rate instruments	2.18	-	27,103	-	27,103
Non-interest bearing	-	4,223	-	-	4,223
		4,223	27,103	-	31,326
Financial liabilities					
Variable interest rate instruments	-	-	-	-	-
Non-interest bearing	-	22,204	1,000	171	23,375
		22,204	1,000	171	23,375
2009					
Financial assets					
Variable interest rate instruments	2.53	-	67,633	-	67,633
Non-interest bearing	-	1,006	-	-	1,006
		1,006	67,633	-	68,639
Financial liabilities					
Variable interest rate instruments	-	-	-	-	-
Non-interest bearing	-	7,454	1,050	130	8,634
		7,454	1,050	130	8,634

	Weighted Average Effective Interest Rate %	Less than 1 month $US'000	1-12 months $US'000	>12 months $US'000	Total $US'000
Company					
2010					
Financial assets					
Variable interest rate instruments	2.75	-	11,338	-	11,338
Non- interest bearing	-	3,550	-	423,759	427,309
		3,550	11,338	423,759	438,647
Financial liabilities					
Variable interest rate instruments	-	-	-	-	-
Non-interest bearing	-	312	633	-	945
		312	633	-	945
2009					
Financial assets					
Variable interest rate instruments	2.50	-	57,771	-	57,771
Non- interest bearing	-	990	-	337,555	338,545
		990	57,771	337,555	396,316
Financial liabilities					
Variable interest rate instruments	-	-	-	-	-
Non-interest bearing	-	145	559	-	704
		145	559	-	704

f) Liquidity risk

The Group's liquidity position is managed to ensure that sufficient funds are available to meet its financial commitments in a timely and cost effective manner.

Ultimate responsibility or liquidity risk management rests with the Board of Directors, who have built an appropriate management framework for the management of the Group's funding requirements. The Group manages liquidity risk by maintaining adequate cash reserves and management monitors rolling forecasts of the Group's liquidity on the basis of expected cash flow. The tables above reflect a balanced view of cash inflows and outflows and shows the implied risk based on those values. Trade payables and other financial liabilities originate from the financing of assets used in the Group's ongoing operations. These assets are considered in the Group's overall liquidity risk. Management continually reviews the Group liquidity position including cash flow forecast to determine the forecast liquidity position and maintain appropriate liquidity levels.

g) Credit Risk

Credit risk refers to the risk that counter-party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with credit-worthy counter-parties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group measures credit risk on a fair value basis. The Group does not have any significant credit risk exposure to any single counter-party or any Group counter-parties having similar characteristics, except for the cash balances held in Canadian and Australian dollars which are held with a financial institution with a high credit rating.

The gross carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk without taking account of the value of collateral or other security obtained.

h) Fair Value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, determined in accordance with the accounting policies disclosed in Note 3 to the financial statements.

28. Share based payments

The consolidated entity has an Employee Option Plan in place for executives and employees. Options are issued to key management personnel under the Employee Option Plan 2006 (previously the Employee Option Plan 2002) as part of their remuneration. Options are offered to key management personnel at the discretion of the Directors, having regard, among other things, to the length of service with the consolidated entity, the past and potential contribution of the person to the consolidated entity and in some cases, individual performance.

Each employee share option converts into one ordinary share of the Company on exercise. The options carry neither rights to dividends nor voting rights. Options vest over a period of 12 months, with 50% vesting and exercisable after six months and the other 50% vesting and exercisable after 12 months of issue. All options are issued with a term of three years. At the discretion of the Directors part or all of the options issued to an executive or employee may be subject to performance based hurdles. No performance based hurdles have been applied for options granted to date.

In addition 4,250,000 options (Series 5) were issued to three employees outside of the Employee Share Option Plan on 31 October 2005. Details of those options were:

- 2,500,000 of those options were subject to performance based hurdles. Due to the cessation of employment by the employee to whom the options were issued they lapsed in May 2007.
- 1,000,000 of those options vest and are exercisable over a period of two years, with 50% vesting and exercisable after 12 months and the other 50% vesting and exercisable after 24 months of issue. These options have a term of 5 years. As at 30 June 2010, 100,000 of these options remained unexercised.
- 750,000 of those options vest and are exercisable immediately. These have a term of 5 years. As at 30 June 2010, none of these options remained unexercised.

In addition 2,000,000 options (Series 8) were issued to the Company's share broker in Canada as part compensation for professional services provided during the listing process on the Toronto Stock Exchange in January 2007, and subsequent capital raising in November 2007. Those options were exercisable any time within 2 years of grant date.

In addition, 1,630,150 options (Series 18) were issued pursuant with the agreement with Macquarie Bank Limited to provide a corporate loan facility of up to US$25 million (as announced on 2 April 2009). Those options were exercisable any time on or before 31 December 2012.

In addition, 1,000,000 options (Series 20) were issued pursuant with the agreement with Ambrian Partners Limited and Investec Bank Plc to provide advisory services associated with the main board of the London Stock Exchange. Those options are exercisable any time on or before 28 November 2010. As at 30 June 2010, 500,000 Series 20 options had been exercised.

The following share based payment arrangements were in existence during the current and comparative reporting periods:

Options Series	Number Originally Issued	Number Outstanding at 30 June 2010	Grant Date	Expiry / Exercise Date	Exercise Price A$	Fair Value at Grant Date A$
Series 5	4,250,000	100,000	31 Oct 2005	31 Oct 2010	0.3500	0.1753
Series 6	1,500,000	-	08 Dec 2005	08 Dec 2008	0.4355	0.1495
Series 7	250,000	-	30 Aug 2006	30 Aug 2009	0.6566	0.2785
Series 8	2,000,000	-	09 Jan 2007	09 Jan 2010	0.8000	0.2393
Series 9	3,615,000	-	31 Jan 2007	31 Jan 2010	0.7106	0.3706
Series 10	2,330,000	-	24 May 2007	24 May 2010	1.0500	0.4661
Series 11	1,500,000	-	25 Jun 2007	25 Jun 2010	1.1636	0.3210
Series 12	250,000	-	15 Oct 2007	15 Oct 2010	1.4034	0.4002
Series 13	3,500,000	1,120,000	16 Apr 2008	15 Apr 2011	1.7022	0.4015
Series 14	250,000	250,000	25 Aug 2008	25 Aug 2011	1.1999	0.3070
Series 15	750,000	-	28 Oct 2008	25 Oct 2011	0.7033	0.1964
Series 16	250,000	-	28 Nov 2008	28 Nov 2011	0.6750	0.3676

Options Series	Number Originally Issued	Number Outstanding at 30 June 2010	Grant Date	Expiry / Exercise Date	Exercise Price A$	Fair Value at Grant Date A$
Series 17	1,000,000	1,000,000	19 Dec 2008	19 Dec 2011	1.0000	0.3568
Series 18	1,630,150	1,630,150	15 Apr 2009	31 Dec 2012	1.2000	0.4326
Series 19	350,000	350,000	06 Aug 2009	06 Aug 2012	1.8658	0.8113
Series 20	1,000,000	500,000	28 Nov 2009	28 Nov 2010	1.5000	0.9862
	24,425,150					

The weighted average fair value of the share options granted during the financial year was A$1.5948 (2009: A$0.3551). The share options granted to executive and employees have been valued internally by the Company using the Black and Scholes option pricing method. Options are offered to executives and employees at the discretion of the Directors, having regard, among other things, to the length of service with the consolidated entity, and to the past and potential contribution of the person to the consolidated entity and in some cases, individual performance. The number of options granted is at the Directors' discretion. The weighted average closing price of the shares in Centamin Egypt Limited for the financial year was C$2.03 (2009: A$1.06). The volatility input into the model was 75.00% based on the historical share price volatility over the past 3 years (2009: 70.00%) and the government rate similar to the term of the option used was 5.75% (2009: 4.805%).

	Options Series							
	Series 3	Series 4	Series 5	Series 6	Series 7	Series 8	Series 9	Series 10
Grant date share price	A$0.33	A$0.34	A$0.38	A$0.43	A$0.72	A$0.85	A$0.87	A$1.12
Exercise price	A$0.28	A$0.28	A$0.35	A$0.436	A$0.657	A$0.80	A$0.711	A$1.05
Expected volatility	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%	60.00%
Option life	3 years	3 years	5 years	3 years	3 years	2 years	3 years	3 years
Dividend yield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Risk-free interest rate	5.50%	5.50%	5.25%	5.25%	5.50%	5.50%	5.50%	5.50%

	Options Series							
	Series 11	Series 12	Series 13	Series 14	Series 15	Series 16	Series 17	Series 18
Grant date share price	A$1.071	A$1.400	A$1.490	A$1.09	A$0.58	A$0.81	A$0.95	A$1.14
Exercise price	A$1.164	A$1.403	A$1.702	A$1.20	A$0.703	A$0.675	A$1.00	A$1.20
Expected volatility	60.00%	52.00%	52.00%	52.00%	70%	70%	70%	70%
Option life	3 years	3 years	3 years	3 years	3 years	3 years	3 years	45 months
Dividend yield	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Risk-free interest rate	5.50%	5.84%	5.84%	5.65%	5.29%	4.58%	4.02%	4.02%

	Options Series	
	Series 19	Series 20
Grant date share price	A$1.89	A$2.35
Exercise price	A$1.8658	A$1.500
Expected volatility	75.00%	75.00%
Option life	3 years	1 year
Dividend yield	0.00	0.00
Risk-free interest rate	5.75%	5.25%

The following reconciles the outstanding share options granted under the Employee Option Plan, and other share based payment arrangements, at the beginning and end of the financial year:

	2010		2009	
	Number of options	A$ Weighted average exercise price	Number of options	A$ Weighted average exercise price
Balance at beginning of financial year	11,305,150	1.1674	11,785,000	0.3790
Granted during the financial year (a)	1,350,000	1.5948	3,880,150	1.0186
Forfeited/Expired/Lapsed during the financial year (b)	(185,000)	1.0081	(1,500,000)	0.7699
Exercised during the financial year (c)	(7,520,000)	1.1387	(2,860,000)	0.5424
Balance at the end of the financial year (d)	**4,950,150**	**1.3334**	**11,305,150**	**1.1674**
Exercisable at the end of the financial year	4,775,150	1.3139	10,180,150	1.1990

a) Granted during the financial year

Options Series	Number	Grant Date	Expiry / Exercise Date	Exercise Price A$	Fair Value at Grant Date A$
Series 19	350,000	06 Aug 2009	06 Aug 2012	1.8658	0.7960
Series 20	1,000,000	28 Nov 2009	28 Nov 2010	1.5000	0.9258
	1,350,000				

b) Forfeited/Expired/Lapsed during the financial year

Options Series	Number	Grant Date	Expiry / Exercise Date	Exercise Price A$	Fair Value at Grant Date A$
Series 13	60,000	16 Apr 2008	16 Apr 2011	1.7022	0.4015
Series 16	125,000	28 Nov 2008	28 Nov 2011	0.6750	0.3676
	185,000				

c) Exercised during the financial year

2010 - Options Series	Number Exercised	Exercise Date	Share Price at Exercise Date C$
Series 5	200,000	4 Aug 2009	1.7500
	250,000	19 May 2010	2.2700
	500,000	09 Jun 2010	2.3200
Series 9	25,000	01 Jul 2009	1.6600
	190,000	02 Jul 2009	1.6600
	100,000	06 Jul 2009	1.5900
	40,000	07 Jul 2009	1.5900
	50,000	08 Jul 2009	1.5000
	100,000	13 Jul 2009	1.5700
	45,000	20 Jul 2009	1.6900
	50,000	22 Jul 2009	1.6000
	40,000	14 Jan 2010	2.1600
	50,000	18 Jan 2010	2.1700
Series 10	10,000	02 Jul 2009	1.6600
	30,000	07 Jul 2009	1.5900
	130,000	08 Jul 2009	1.5000
	200,000	20 Jul 2009	1.6900
	300,000	11 Aug 2009	1.5800
	500,000	17 Sep 2009	1.6900
	790,000	15 Oct 2009	1.9100
	100,000	16 Nov 2009	2.4000

2010 - Options Series	Number Exercised	Exercise Date	Share Price at Exercise Date C$
Series 12	100,000	03 Jun 2010	2.2800
	150,000	18 Jun 2010	2.5500
Series 13	70,000	13 Nov 2009	2.3400
	30,000	02 Dec 2009	2.3700
	40,000	10 Mar 2010	1.9900
	60,000	11 Mar 2010	2.0000
	45,000	26 Mar 2010	1.8500
	50,000	30 Mar 2010	1.9700
	100,000	08 Apr 2010	2.1400
	165,000	20 Apr 2010	2.0400
	40,000	23 Apr 2010	2.0300
	50,000	03 May 2010	2.1300
	155,000	04 May 2010	2.0800
	50,000	06 May 2010	2.3400
	155,000	19 May 2010	2.2700
	50,000	21 May 2010	2.0400
	450,000	26 May 2010	2.3000
	460,000	02 Jun 2010	2.3000
	195,000	09 Jun 2010	2.3200
	20,000	11 Jun 2010	2.4300
	135,000	16 Jun 2010	2.5700
Series 15	200,000	19 Apr 2010	2.0000
	300,000	16 Jun 2010	2.5700
	250,000	30 Jun 2010	2.5900
Series 20	500,000	18 Jun 2010	2.5500
	7,520,000		

2009 - Options Series	Number Exercised	Exercise Date	Share Price at Exercise Date A$
Series 5	600,000	04 Aug 2008	1.1700
	20,000	24 Mar 2009	1.0950
Series 6	500,000	1 Oct 2008	0.8100
	500,000	25 Nov 2008	0.7200
Series 7	250,000	06 Aug 2008	0.9900
	250,000	06 Aug 2008	0.9900
	75,000	22 May 2009	1.6450
	50,000	25 May 2009	1.6200
	50,000	28 May 2009	1.6250
	100,000	02 Jun 2009	1.7250
	100,000	04 Jun 2009	1.6700
Series 9	100,000	12 Jun 2009	1.6000
	35,000	29 Jun 2009	1.8300
	100,000	29 Jun 2009	1.8300
Series 10	5,000	30 Jun 2009	1.7900
Series 16	125,000	03 Jun 2009	1.7000
	2,860,000		

d) Balance at the end of the financial year

Options Series	Number	Grant Date	Expiry / Exercise Date	Exercise Price A$	Fair Value at Grant Date A$
Series 5	100,000	31 Oct 2005	31 Oct 2010	0.3500	0.1753
Series 13	1,120,000	16 Apr 2008	16 Apr 2011	1.7022	0.4015
Series 14	250,000	25 Aug 2008	25 Aug 2011	1.1999	0.3070
Series 17	1,000,000	19 Dec 2008	19 Dec 2011	1.0000	0.3568
Series 18	1,630,150	15 Apr 2009	31 Dec 2012	1.2000	0.4326
Series 19	350,000	06 Aug 2009	06 Aug 2012	1.8658	0.8113
Series 20	500,000	28 Nov 2009	28 Nov 2010	1.5000	0.9862
	4,950,150				

The weighted average remaining contractual life of options outstanding is 569 days (2009: 679 days).

29. Share warrants

The following share warrants were in existence during the current and comparative reporting periods:-

Warrants Series	Number	Grant Date	Expiry Date	Exercise Price C$	Fair Value at Grant Date A$
Series 4	4,770,720	10 Jan 2008	23 Nov 2009	1.2000	0.3782
Series 5	4,636,990	10 Feb 2009	10 Feb 2011	0.6500	0.4288
Series 6	788,437	16 Jul 2009	16 Jul 2011	1.5600	0.6601
Series 7	161,563	26 Aug 2009	26 Aug 2011	1.5200	0.5895
	10,357,710				

Share warrants are identical in nature to share options however they are differentiated as such because the latter in Canada typically relates to options issued to employees under employee option plans.

The weighted average fair value of the share warrants granted during the financial year was A$0.6481 (2009: A$0.4288). The share warrants granted have been valued internally by the Company using the Black and Scholes option pricing method. Warrants were offered to the Company's share broker in Canada as part of the equity raising process during the current and prior years. The weighted average closing price of the shares in Centamin Egypt Limited for the financial year was C$2.03 (2009: A$1.06). The volatility input into the model was 75.00% based on the historical share price volatility over the past 3 years (2009: 70.00%) and the government rate similar to the term of the option used was 5.75% (2009: 4.02%).

	Broker Warrant Series				
	Series 1	Series 2	Series 3	Series 4	Series 5
Grant date share price	A$1.0100	A$0.9700	A$0.9900	A$1.4900	A$1.0700
Exercise price	A$0.9133	A$0.9097	A$0.9137	A$1.3532	A$0.7888
Expected volatility	60.00%	60.00%	60.00%	52.00%	70%
Option life	2 year term	2 year term	2 year term	2 year term	2 year term
Dividend yield	0.00	0.00	0.00	0.00	0.00
Risk-free interest rate	5.50%	5.50%	5.50%	5.84%	4.02%

	Broker Warrant Series	
	Series 6	Series 7
Grant date share price	A$1.7900	A$1.6850
Exercise price	C$1.5600	C$1.5200
Expected volatility	75.00%	75.00%
Option life	2 years	2 years
Dividend yield	0.00	0.00
Risk-free interest rate	5.75%	5.75%

The following reconciles the outstanding share warrants at the beginning and end of the financial year:

	2010		2009	
	Number of warrants	Weighted average exercise price C$	Number of warrants	Weighted average exercise price C$
Balance at beginning of financial year	9,407,710	0.9425	9,607,260	1.0582
Granted during the financial year (a)	950,000	1.5532	5,307,710	0.6500
Forfeited during the financial year	-	-	-	-
Exercised during the financial year (b)	(10,357,710)	0.9862	(5,507,260)	1.1463
Expired during the financial year	-	-	-	-
Balance at the end of the financial year (c)	**-**	**-**	**9,407,710**	**0.9425**
Exercisable at the end of the financial year	-	-	9,407,710	0.9425

a) Granted during the financial year

Broker Warrants Series	Number	Grant date	Expiry Date	Exercise Price C$	Fair Value at Grant Date A$
Series 6	788,437	16 Jul 2009	16 Jul 2011	1.5600	0.6601
Series 7	161,563	26 Aug 2009	26 Aug 2011	1.5200	0.5895
	950,000				

b) Exercised during the financial year

2010 Broker Warrants - Series	Number Exercised	Exercise Date	Share Price at Exercise Date C$
Series 4	329,280	06 Jul 2009	1.5900
	500,000	28 Jul 2009	1.5700
	500,000	04 Sep 2009	1.7700
	500,000	15 Sep 2009	1.7800
	500,000	23 Sep 2009	1.7300
	500,000	07 Oct 2009	1.7900
	500,000	23 Oct 2009	2.3000
	453,040	26 Oct 2009	2.1400
	988,400	23 Nov 2009	2.3600
Series 5	665,000	07 May 2010	2.3200
	1,330,000	12 May 2010	2.4600
	658,855	14 May 2010	2.4200
	1,983,135	28 Oct 2009	2.1100
Series 6	788,437	18 Jun 2010	2.5500
Series 7	161,563	23 Jun 2010	2.5000
	10,357,710		

2009 Broker Warrants - Series	Number Exercised	Exercise Date	Share Price at Exercise Date A$
Series 2	1,000,000	20 Mar 2009	1.1350
	500,000	23 Mar 2009	1.1250
	500,000	25 Mar 2009	1.0750
	305,000	27 Mar 2009	1.2600
	61,300	31 Mar 2009	1.3000
	893,678	03 Apr 2009	1.1900
	133,700	06 Apr 2009	1.1500
Series 3	613,582	14 Apr 2009	1.1850
Series 4	329,280	26 May 2009	1.6400
	500,000	25 Jun 2009	1.8500
Series 5	670,720	26 May 2009	1.6400
	5,507,260		

c) Balance at the end of the financial year

There were no broker warrants on issue at 30 June 2010.

30. Key management personnel compensation

The aggregate compensation made to key management personnel of the consolidated entity and the Company is set out below:-

	Consolidated		Company	
	2010 A$	2009 A$	2010 A$	2009 A$
Short-term employee benefits	2,390,358	2,295,071	614,179	415,162
Long-term employee benefits	37,927	51,345	-	-
Post-employment benefits	87,889	25,408	87,889	25,408
Share-based payments	356,054	426,039	-	61,888
Total	2,872,228	2,797,863	702,068	502,458

Note: disclosure made in whole dollars

31. Related party transactions

a) Equity interests in related parties

Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in Note 22 to the financial statements.

Equity interests in associates and joint ventures

Details of interests in joint ventures are disclosed in Note 24 to the financial statements.

b) Key management personnel compensation

Details of key management personnel compensation are disclosed in Note 30 to the financial statements.

c) Key management personnel equity holdings

The details of the movement in key management personnel equity holdings of fully paid ordinary shares in Centamin Egypt Limited during the financial year are as follows:-

2010	Balance at 01 July 09	Granted as Remuneration	Received on Exercise of Options	Net Other Change [2]	Balance at 30 June 10	Balance Held Nominally
C Cowden	1,203,626	-	-	-	1,203,626	-
J El-Raghy [1]	79,185,754	-	-	(9,990,668)	69,195,086	-
H S Bottomley	2,900,000	-	-	(250,000)	2,650,000	-
T Elder	250,000	-	-	-	250,000	-
H Michael	-	-	-	75,000	75,000	-
M Di Silvio	-	-	-	-	-	-
H Brown	200,000	-	-	(200,000)	-	-

2009	Balance at 01 July 08	Granted as Remuneration	Received on Exercise of Options	Net Other Change [2]	Balance at 30 June 09	Balance Held Nominally
S El-Raghy [1][3]	78,235,754	-	-	-	78,235,754	-
C Cowden	603,626	-	500,000	100,000	1,203,626	-
J El-Raghy [1]	79,185,754	-	-	-	79,185,754	-
H S Bottomley	2,800,000	-	500,000	(400,000)	2,900,000	-
T Elder	250,000	-	-	-	250,000	-
G Speechly [3]	250,000	-	-	-	250,000	-
H Brown	400,000	-	-	(200,000)	200,000	-

(1) The total shares held by Mr S El-Raghy and Mr J El-Raghy arise due to them both having a controlling interest in the securities of the following entities: Nordana Pty Ltd 4,990,668 shares, Nordana Pty Ltd <Super Fund A/C> 17,595,714 shares, El-Raghy Kriewaldt Pty Ltd 55,299,372 shares, S & M El-Raghy <The El-Raghy Family Account> 350,000 shares. The balance of 950,000 shares are held by Mr J El-Raghy in the name of Montana Superannuation Pty Ltd <Josef El-Raghy Super Fund A/C>.

(2) 'Net other change' relates to the on market acquisition or disposal of fully paid ordinary share.

(3) Mr S El-Raghy and Mr G Speechly retired from the Board on 31 December 2009.

d) Key management personnel share option holdings

The details of the movement in key management personnel options to acquire ordinary shares in Centamin Egypt Limited are as follows:-

2010	Balance at 01 July 09	Granted as Remuneration	Exercised	Other Changes	Balance at 30 June 10	Balance Vested During the Year	Balance Vested and Exerciseable at 30 June 10
S El-Raghy	-	-	-	-	-	-	-
C Cowden	-	-	-	-	-	-	-
G Speechly	-	-	-	-	-	-	-
T Elder	-	-	-	-	-	-	-
T Schultz	1,000,000	-	-	-	1,000,000	500,000	1,000,000
J El-Raghy	-	-	-	-	-	-	-
H Bottomley	-	-	-	-	-	-	-
H Michael	-	-	-	-	-	-	-
M Di Silvio	250,000	350,000	-	-	600,000	300,000	425,000
H Brown	250,000	-	-	-	250,000	-	250,000

2009	Balance at 01 July 08	Granted as Remuneration	Exercised	Other Changes	Balance at 30 June 09	Balance Vested During the Year	Balance Vested and Exerciseable at 30 June 09
S El-Raghy	-	-	-	-	-	-	-
C Cowden	500,000	-	(500,000)	-	-	-	-
G Speechly	-	-	-	-	-	-	-
T Elder (1)	500,000	-	-	*(500,000)	-	-	-
T Schultz	-	1,000,000	-	-	1,000,000	500,000	500,000
J El-Raghy	-	-	-	-	-	-	-
H Bottomley	500,000	-	(500,000)	-	-	-	-
H Brown	250,000	-	-	-	250,000	250,000	250,000
M Smith (2)	1,000,000	-	(500,000)	*(500,000)	-	-	-
M Di Silvio	-	250,000	-	-	250,000	125,000	125,000

(1) T Elder's options expired on 08 December 2008.

(2) Mark Smith resigned on 07 August 2008. Other change of (500,000) represents options lapsed due to Mr Smith ceasing employment with the Company prior to the vesting date of these options.

Apart from the details disclosed in this note, no key management personnel has entered into a material contract with the Company or the economic entity since the end of the previous financial year and there were no material contracts involving key management personnel interests at year-end.

e) Other transactions with key management personnel

The related party transactions for financial year ended 30 June 2010 are summarised below:

Mr J El-Raghy and Mr S El-Raghy are directors and shareholders of El-Raghy Kriewaldt Pty Ltd ("El-Raghy Kriewaldt"). El-Raghy Kriewaldt provides office premises to the Company. All dealings with El-Raghy Kriewaldt are in the ordinary course of business and on normal terms and conditions. Rent and office outgoings paid to El-Raghy Kriewaldt during the year were A$66,274 (2009: A$64,475). Mr S El-Raghy retired as a director of Centamin Egypt Limited on 31 December 2009.

Mr S El-Raghy provides office premises to the Company in Alexandria, Egypt. All dealings are in the ordinary course of business and on normal terms and conditions. Mr S El-Raghy retired as a director of Centamin Egypt Limited on 31 December 2009. Rent paid for the six months to 31 December 2009 amounted to GBP 3,900 (Full year ended 30 June 2009: GBP 7,800).

A director of the Company, Mr C Cowden has an interest as a director and shareholder of Cowden Limited Insurance Brokers. This company provides insurance broking services to the Company. All dealings with this company are in the ordinary course of business and on normal terms and conditions. Cowden Limited was paid A$73,481 during the year (2009: A$51,977) for these services. In addition, amounts of A$443,529 (2009: A$320,428) were paid to Cowden Limited to be passed on to underwriters for premiums during the year.

f) Transactions with other related parties

Other related parties include the parent entity, subsidiaries, and other related parties.

During the prior financial year, the Company recognised tax payable in respect of the tax liabilities of its wholly owned subsidiaries. Payments to/from the Company are made in accordance with terms of the tax funding arrangement.

During the year the Company provided funds to and received funding from subsidiaries. Current loans totalling $426,293,000 (2009: $340,092,000) are repayable to the Company by subsidiaries.

All amounts advanced to related parties are unsecured. No expense has been recognised in the period for bad or doubtful debts in respect of amounts owed by related parties.

Transactions and balances between the Company and its subsidiaries were eliminated in the preparation of consolidated financial statements of the Group.

32. Subsequent events

There were no events subsequent to balance date requiring disclosure.

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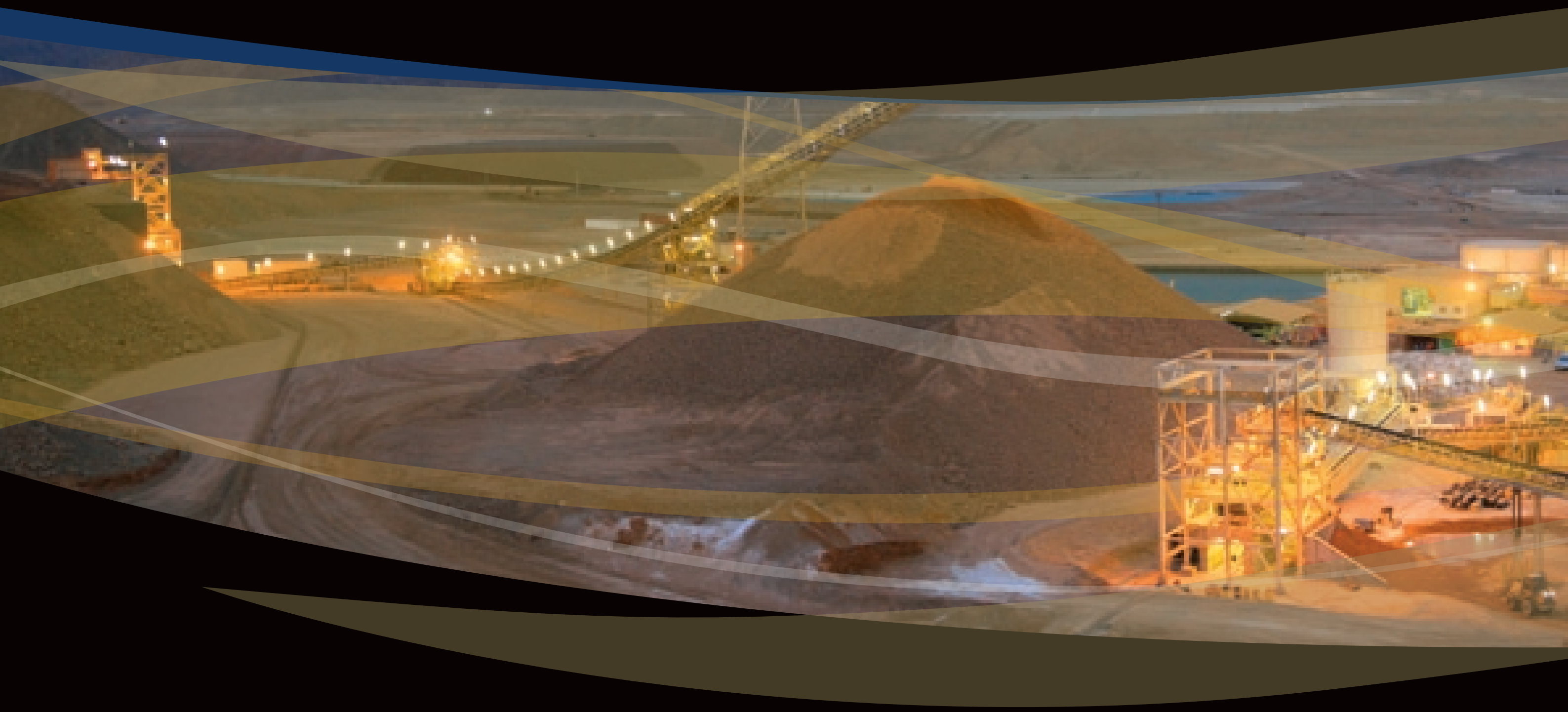
CENTAMIN EGYPT LIMITED

ABN 86 007 700 352



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