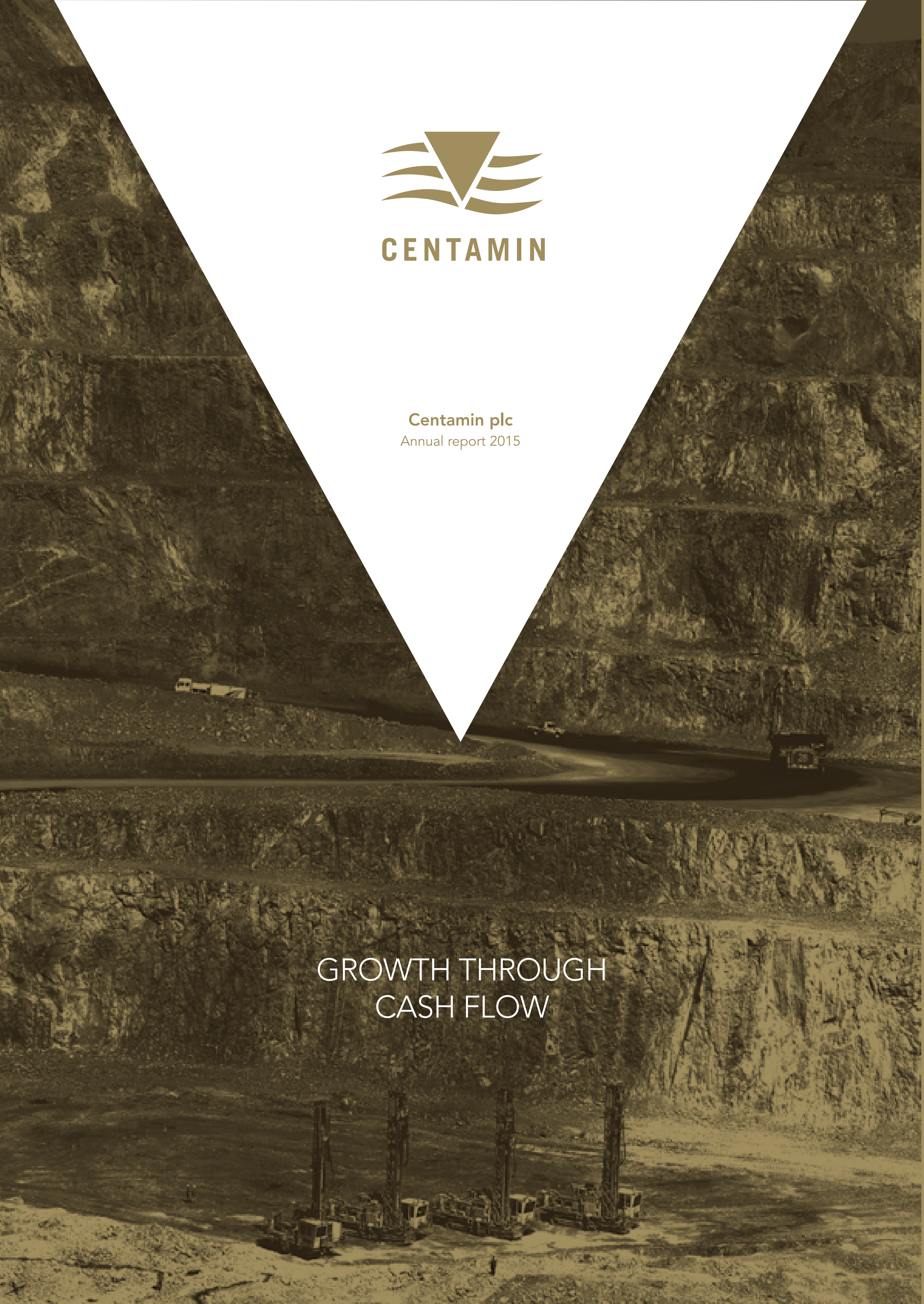


CENTAMIN

Centamin plc
Annual report 2015

GROWTH THROUGH CASH FLOW

User guide

Welcome to the Centamin plc Annual report 2015. In this interactive pdf you can do many things to help you easily access the information that you want, whether that's printing, searching for a specific item or going directly to another page, section or website.

These are explained below.

DOCUMENT CONTROLS
Use the document controls located at the top of the page to help you navigate through this report.

NAVIGATING WITH TABS
Use the tabs to quickly go to the start of a different section.

LINKS WITHIN THIS DOCUMENT
Throughout this report there are links to pages, other sections and web addresses for additional information.

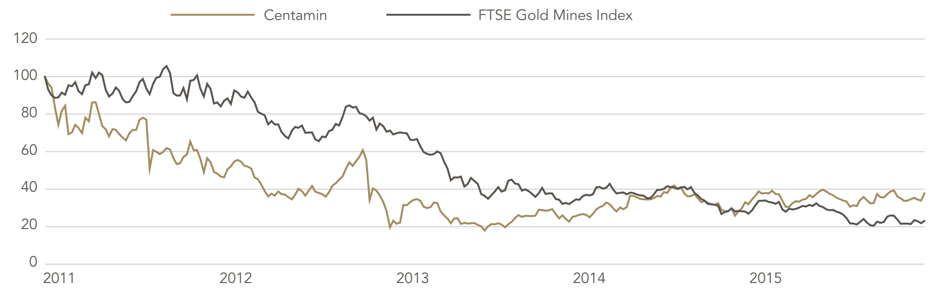
INVESTMENT SUMMARY

Centamin plc ("Centamin" or the "Company") is a mineral exploration, development and mining company dual listed on the London and Toronto Stock Exchanges.

Centamin's principal asset, the Sukari Gold Mine, began production in 2009 and is the first large-scale modern gold mine in Egypt, with an estimated 20 year mine life and production which is rapidly increasing to an annualised rate of 450,000-500,000 ounces.

The major capital investment phase at Sukari is now complete allowing the generation of free cash flow and the opportunity for future growth and shareholder returns.

PERFORMANCE



This graph compares the Company's cumulative total shareholder return on its ordinary shares with the cumulative total return of the FTSE Gold Mines Index over the past five years assuming $100 was invested on 31 December 2010.

Visit us online
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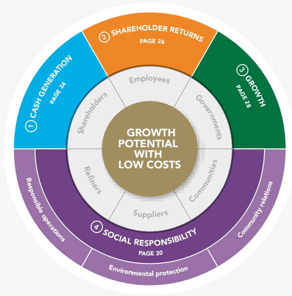
INSIDE THIS REPORT

STRATEGIC REPORT

A detailed look at the Company's strategic objectives for 2015, its progress on strategy and operational and performance highlights in 2015.



DIRECTORS' REPORT

A detailed report which provides information on board and management composition, governance and remuneration structure as well as the Company's control environment.

FINANCIAL STATEMENTS

The financial statements and comprehensive notes covering the year ended 31 December 2015.

SHAREHOLDER INFORMATION

Summary information for the shareholders and stakeholders of the Company.

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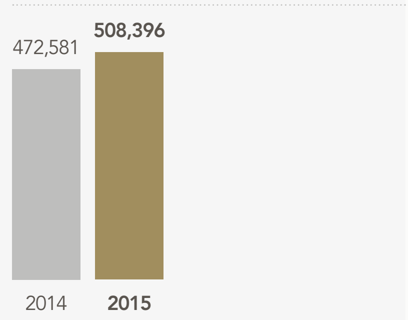
FINANCIAL HIGHLIGHTS

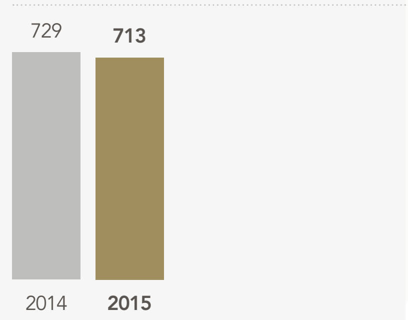
Our financial highlights demonstrate how we have delivered on our strategic priorities: to generate substantial free cash flow from operations and to provide returns to shareholders which stand out against our peer group.

REVENUE
(US$'000)



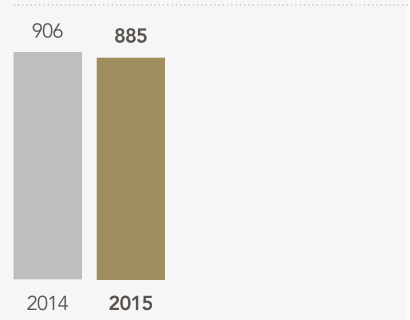
2015 TOTAL
508,396
2014: 472,581

CASH OPERATING COST
(US$ per ounce)[1,2]



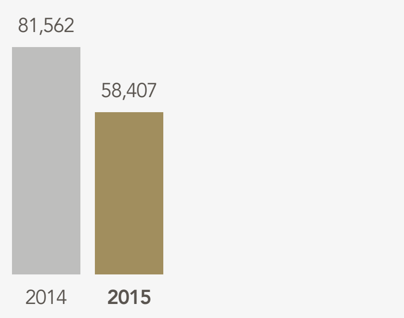
2015 TOTAL
713
2014: 729

ALL-IN SUSTAINING COST
(US$ per ounce)[1,2]



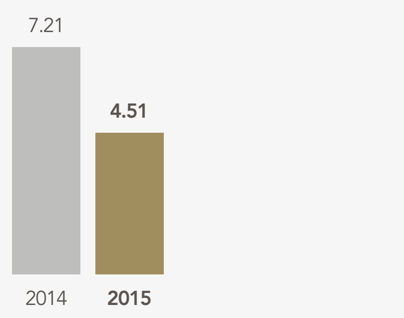
2015 TOTAL
885
2014: 906

PROFIT BEFORE TAX
(US$'000)[1]



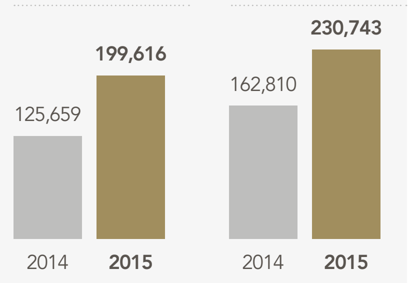
2015 TOTAL
58,407
2014: 81,562

EARNINGS PER SHARE
(pence)[1]



2015 TOTAL
4.51
2014: 7.21

CASH BALANCES
Cash and cash equivalents at the year end (US$'000)
Cash and liquid assets at the year end (US$'000)[3]



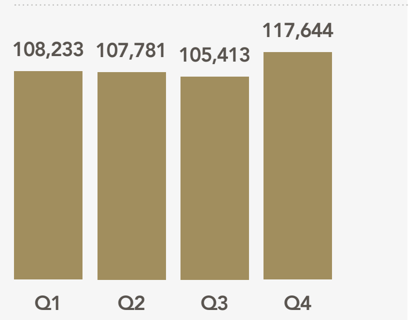
2015 TOTAL
199,616
2014: 125,659

(1) Excludes fuel subsidy (i.e. based on the full international fuel price), please refer to note 6 to the financial statements for further details.
(2) Cash operating costs and all-in sustaining costs are non-GAAP financial performance measures with no standard meaning under International Financial Reporting Standards ("IFRS") as adopted by the European Union and Article 4 of the IAS Regulation IFRS.
(3) Includes cash and cash equivalents, bullion on hand, gold sales receivables and available-for-sale financial assets.

OPERATIONAL HIGHLIGHTS

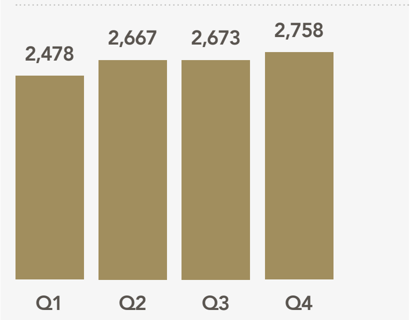
Our operational highlights illustrate how we have delivered on our strategic priority to use cash reserves to fund our next stage of growth.

2015 QUARTERLY PRODUCTION
(ounces)



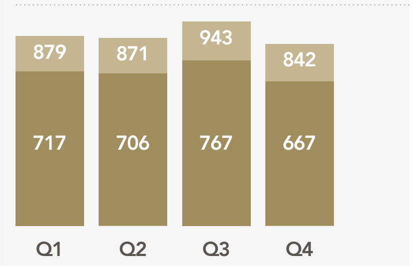
2015 TOTAL
439,072
2014: 377,261

2015 QUARTERLY ORE PROCESSED
('000t)



2015 TOTAL
10,576
2014: 8,428

2015 QUARTERLY ALL-IN SUSTAINING COST AND QUARTERLY CASH OPERATING COST
(US$ per ounce)[1,2]

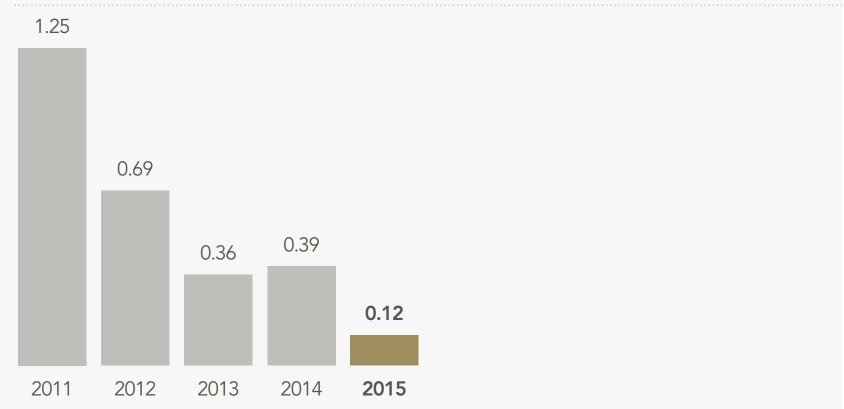


2015 TOTAL
885 Quarterly all-in sustaining cost
713 Quarterly cash operating cost

SUKARI RESOURCES AND RESERVES[3]
(million ounces)

Proven and probable[4]	Measured and indicated[4,5]	Inferred
8.8	**12.9**	**1.1**
2013: 8.2	2013: 13.4	2013: 1.4

LOST TIME INJURY FREQUENCY RATE ("LTIFR") 2015: 0.12 (2014: 0.39)
(per 200,000 working hours)



(1) Excludes fuel subsidy (i.e. based on the full international fuel price), please refer to note 6 of the financial statements for further details.
(2) Cash operating costs and all-in sustaining costs are non-GAAP financial performance measures with no standard meaning under International Financial Reporting Standards ("IFRS") as adopted by the European Union and Article 4 of the IAS Regulation IFRS.
(3) Resource and reserve statement announced on 10 September 2015 and summarised on pages 50 and 51 of the operational review.
(4) Includes production since 30 June 2015.
(5) Mineral resources are reported inclusive of those resources converted to proven and probable mineral reserves.

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CENTAMIN AT A GLANCE

Production

Centamin's principal asset, the Sukari Gold Mine, began production in 2009 and is the first large scale modern gold mine in Egypt, with production ramping up towards c.500,000 ounces per annum by 2017.

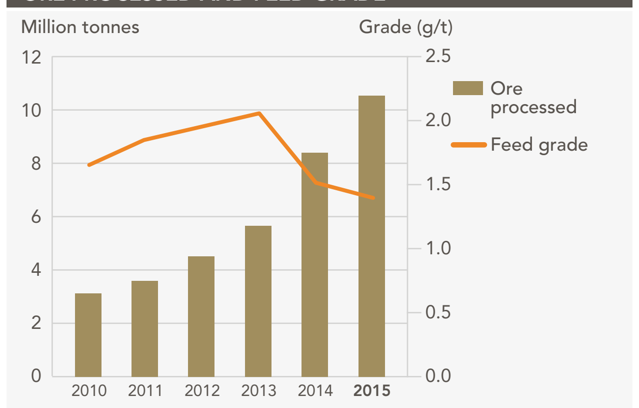
SUKARI GOLD MINE

Process plant

The Sukari plant processed 10.6Mt of ore in 2015, a 26% increase on 2014 (8.4Mt), reflecting the steady ramp up in ore throughput following completion of the Stage 4 expansion during 2014. The total annual processed tonnes were 6% above nameplate capacity of 10 million tonnes per annum (Mtpa). Productivity continued to increase throughout the year, with 2.76Mt processed during the fourth quarter, achieving the plant's minimum expected long-term rate of 11Mtpa.

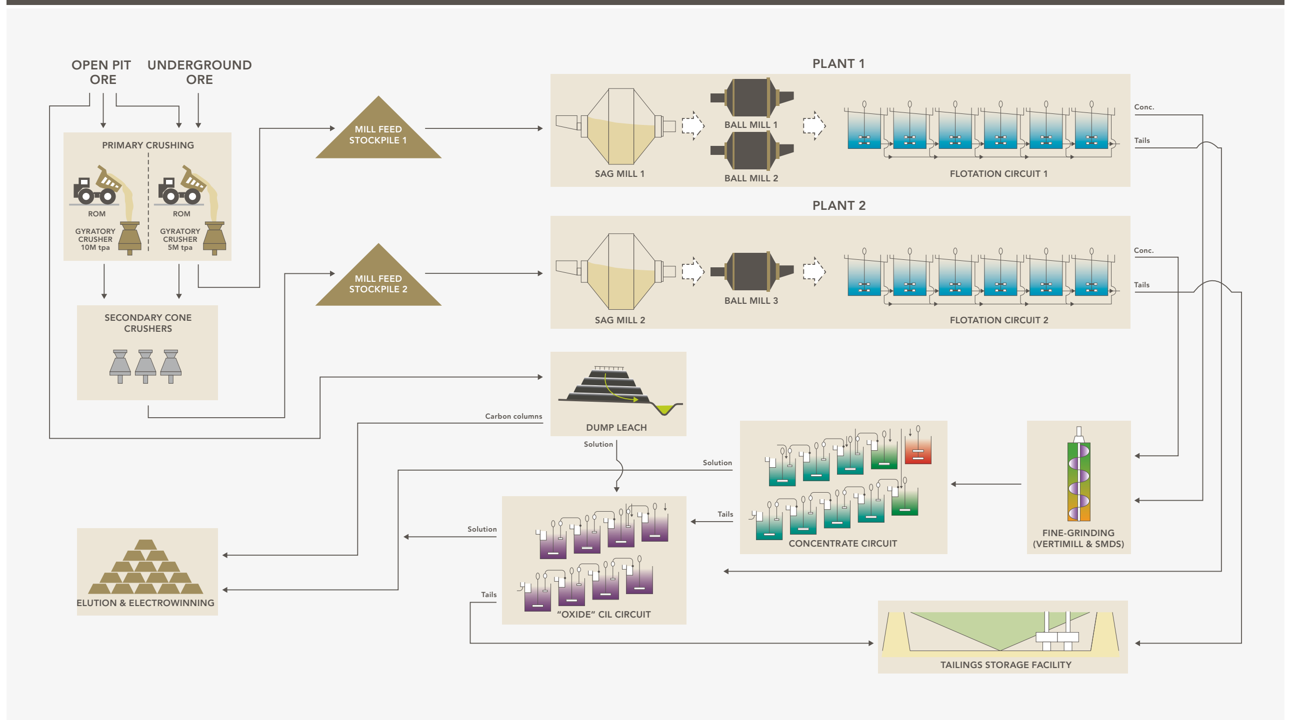
THE LOCATION OF THE SUKARI GOLD MINE

ORE PROCESSED AND FEED GRADE



Production guidance for 2016 is 470,000 ounces of gold at a cash operating cost of US$680 per ounce and an all-in sustaining cost of US$900 per ounce of gold.

SUKARI PROCESS



Open pit

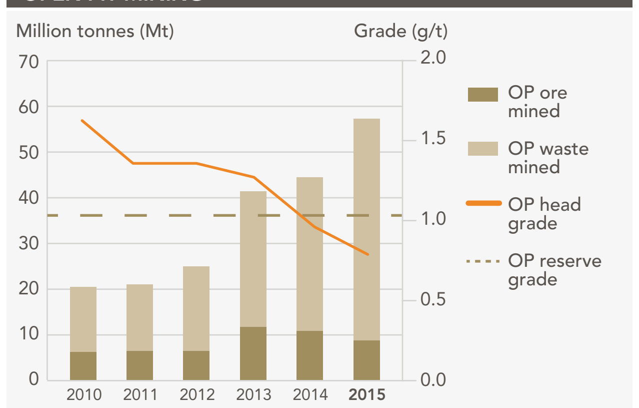
The open pit delivered total material movement of 57,766kt for the year, an increase of 28% on the prior year. This increase was related to improved fleet utilisation and productivity, together with incremental blasting rates following the increased daily usage of ammonium nitrate ("AN") from October 2014.

Underground

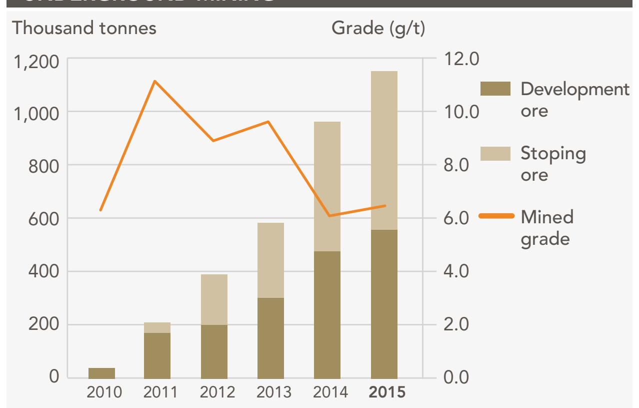
Ore production from the underground mine was a record 1,158kt, a 20% increase on 2014. The average head grade was 6.5g/t.

A total of 8,501m of development was completed, of which 6,864m was mineralised (5,389m in Amun, and 1,466m in Ptah) and associated with stoping blocks to be mined over the coming years.

OPEN PIT MINING



UNDERGROUND MINING



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CENTAMIN AT A GLANCE continued

Sukari – production upside potential

With continued optimisation of the following areas at Sukari there is potential for further production growth beyond our base case forecasts.

PRODUCTION UPSIDE THROUGH OPTIMISATION

Processing

Plant throughput: base case throughput of 11Mtpa with potential upside through ongoing process optimisation.

Plant recovery: base case of 88% metallurgical recovery versus the potential to sustain 90%.

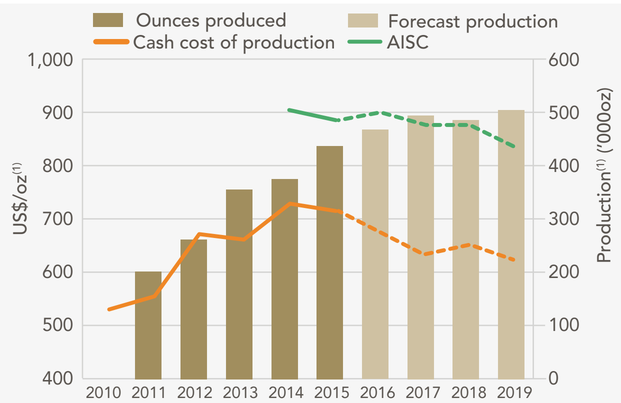
Open pit

Fleet capacity: base case of 66Mtpa is below mining fleet capacity and therefore offers scope for improved scheduling of open pit ore with higher mining rates.

Underground

Infrastructure capacity: base case of 1.0Mtpa ore with potential to further increase mining rates to c.1.5Mtpa of ore as underground mine development progresses.

PRODUCTION AND COSTS



(1) The potential quantity and grade of the forecast underground production is conceptual in nature. There has been insufficient exploration to fully define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Sukari – continued reserve expansion

The underground operation is an important value driver for our business and we expect further substantial growth of the reserve over the coming years as development and exploration continues.

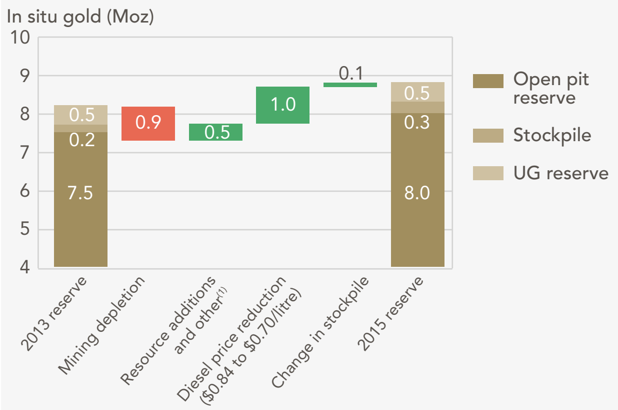
DEVELOPMENT DRIVE IN THE UNDERGROUND MINE AT SUKARI

- Total reserve increased by 7% to 8.8Moz.
- Lower costs associated with reduced fuel prices.
- Underground component of reserve increased with resource expansion from underground drilling.

	Tonnes ('000t)	Grade (g/t Au)	Gold (Moz)
Sukari mineral reserve			
Proven and probable			
– open pit	250,000	1.03	8.3
– underground	2,720	6.00	0.5
Total mineral reserve	**252,720**	**1.09**	**8.8**
Previous reserve	230,000	1.11	8.2
Sukari total mineral resource			
Measured and indicated	386,000	1.03	12.9
Inferred	33,000	1.00	1.1

1. Reserves and resources calculated as at 30 June 2015 in accordance with NI43-101, using a gold price of US$1,300 per ounce. Previous reserves were as announced in December 2013.

KEY FACTORS ON RESERVE ESTIMATE CHANGES



(1) Includes resource growth, changes to reserve parameters (e.g. gold price, cost inputs ex-fuel, pit design) and adjustments for underground mined stopes/development.

CENTAMIN AT A GLANCE continued

Exploration focused growth

There are a number of regional prospects within the Sukari exploitation lease which offer potential for satellite deposits to feed the existing processing plant.

Reconnaissance field work, including multiple geophysical and geochemical surveys, was successful in identifying numerous prospect areas.

SUKARI HILL

BURKINA FASO

CÔTE D'IVOIRE

LOCATION

Sukari Hill exploration

Drilling from underground remains a focus of the Sukari exploration programme as ongoing development improves access to test the potential high-grade extensions of the deposit. The Sukari Hill ore body has not yet been closed off at depth and further underground drilling will take place during 2016, predominantly from the Amun and Ptah declines.

In addition, there are a number of regional prospects within the Sukari exploitation lease which offer potential for satellite deposits to feed the existing processing plant. Exploration of these prospects continues.

Burkina Faso

The strategy for 2015 was to continue to systematically explore and drill-test the numerous targets along the 160km strike length of greenstone belt contained within our extensive 2,200km^2 licence holding. This will lead to further drilling and resource development during 2016. The main focus of the exploration programme is to discover and define areas of near-surface and high-grade mineralisation.

A signed ministerial decree approving the Tiopolo mining licence, which hosts the existing indicated resource of 1.92 million ounces and inferred resource of 1.33 million ounces, was issued on 5 March 2015. A deferral was granted by the Ministry of Mines and Energy in November 2015 in order to continue exploration, as provisioned in the Burkina Faso Mining Code.

Circa 2,200km^2 licence area in Burkina Faso

METRES DRILLED BY CENTAMIN (POST-ACQUISITION) IN BURKINA FASO	
Diamond	11,660
Reverse circulation	169,078
Air core	86,513
Auger	87,592

Côte d'Ivoire

Centamin has four permits covering 1,517km^2, with a further six permits under application and expected to be granted during 2016. Reconnaissance field work, including multiple geophysical and geochemical surveys, was successful in identifying numerous prospect areas. First pass drilling of priority targets commenced during the fourth quarter. During 2016, the exploration programme will aim to further develop these target areas and identify additional prospects.

Circa 1,520km^2 licence area in Côte d'Ivoire and circa 1,800km^2 under application

METRES DRILLED BY CENTAMIN (POST-ACQUISITION) IN CÔTE D'IVOIRE	
Reverse circulation	4,588
Air core	40,446
Auger	72,891

Ethiopia

Following a review of results received to date, the decision was taken to cease exploration activities in Ethiopia.

CHAIRMAN'S STATEMENT

Josef El-Raghy Chairman

Our growth strategy seeks to create shareholder value by taking projects through the mining value chain: exploration, development and operations.

Blast hole drill rigs in place in the open pit

During 2015 Centamin has maintained its strategic focus on generating shareholder returns and value-accretive growth, despite the continued gold price weakness and widespread challenges across the industry. Our flagship Sukari Gold Mine has continued to deliver substantial free cash flows, driven by a sixth successive year of production growth and industry competitive costs.

The strong performance of our core asset, together with the Company's robust financial position, allowed the board of directors to approve an interim 2015 payment of 0.97 US cents per share (versus a 2014 interim payment of 0.87 US cents per share). I am now pleased to announce the approval of a final dividend for 2015 of 1.97 US cents per share. This represents a full year payout of approximately US$33.7 million, which sits at the top end of our dividend policy to pay out 15-30% of our net free cash flow.

As noted at the beginning of the year, the open pit operation at Sukari progressed through the next stage of pit development in line with the long-term mine plan, resulting in below reserve-average grades during much of 2015. The underground and processing operations offset these lower grades from the open pit in the first half of the year, with above-forecast levels of productivity driving gold production in excess of our initial guidance. Sukari continued to perform well during the second half, and full-year production of 439,072 ounces was within the revised guidance range of 430,000 to 440,000 ounces (originally 420,000 ounces). There was a strong end to the year as the fourth quarter saw plant throughput reach our minimum expected long-term rate of 11 million tonnes per annum, being 10% above nameplate capacity.

Full-year cash operating costs improved to US$713 per ounce from US$729 per ounce in 2014, mainly driven by the decrease in fuel price, although marginally above guidance of US$700 per ounce despite the higher production than originally forecast. It is pleasing to note the fourth quarter cash operating cost of US$667 per ounce, which points towards the potential for Sukari to deliver highly-competitive cash margins, as productivity and cost efficiencies are the focus over the coming years. All-in sustaining costs ("AISC") of US$885 per ounce were below our original forecast of US$950 per ounce, mainly due to the rescheduling of certain sustaining capital cost items, as highlighted in the third quarter results statement, as well as the higher production.

In May 2015, Centamin detailed its five-year production and cost guidance following completion of construction and commissioning of the Stage 4 plant expansion in the prior year. A seventh year of growth is forecast for 2016, with production of 470,000 ounces at a cash operating cost of US$680 per ounce and AISC of US$900 per ounce. Further growth is expected in 2017 with an annual production rate of approximately 500,000 ounces per annum, with AISC continuing to trend downwards below US$900 per ounce. Continued optimisation and increases in productivity over the medium term, in particular within the processing and underground mining operations, offer good potential for further production growth and reductions in cash costs and AISC.

2015 revenues of US$508 million were up 8% year-on-year as an 8% fall in realised gold prices were offset by a 17% increase in gold sales. EBITDA decreased by 9% to US$152 million, mainly due to a reduction of gross operating margin as a result of the drop in gold price, and also an increased cost associated with changes in production inventories.

Profit before tax of US$58.4 million was down 28% on 2014 and earnings per share for 2015 was 4.51 US cents, compared with 7.21 US cents in 2014. The reduction in profit was mainly due to the decreased operating margin and also a US$6.3 million write-off following our decision towards the end of the year to cease exploration in Ethiopia. During the year the Company incurred an income tax charge of US$6.8 million in relation to foreign exchange gains on its cash holdings within Australia.

Centamin remains committed to its policy of being 100% exposed to the gold price through its unhedged position, and its balance sheet remains strong with zero debt. We ended the year with US$230.7 million in cash, bullion on hand, gold sales receivables and available-for-sale financial assets. This is a material increase over the US$162.8 million at the end of 2014 and highlights the potential of the business to continue self-funding its next stages of growth from cash flows whilst maintaining a commitment to dividend payments.

Centamin made continued progress during 2015 in developing its longer-term growth objectives. At Sukari, the total combined open pit and underground mineral reserve estimate increased, net of mining depletion, by 7% to 8.8Moz, continuing to support our expectation for a mine life in excess of 20 years. Whilst the increase was partly due to lower operating costs associated with reduced fuel prices, it is pleasing to note that drilling from underground continues to improve the resource categories of our gold asset base and thereby increases the underground component of the reserve. The underground operation is an important value-driver for our business and we expect further substantial growth of the reserve over the coming years as development and exploration continues.

CHAIRMAN'S STATEMENT continued

Centamin is in a strong position to continue investing in its long-term growth throughout the cycle.

Open pit at Sukari

With the downturn in gold prices having resulted in a significant curtailment of industry spending on exploration, Centamin is in a strong position to continue investing in its long-term growth throughout the cycle. Beyond Sukari we are focused on our extensive licence holdings within Burkina Faso and Côte d'Ivoire. Whilst these districts hold potential for several deposit types, our immediate objective is to discover and define areas of near-surface and high-grade economic mineralisation. In this respect, positive results during 2015 have seen a number of priority areas emerge which will remain the focus for resource growth during 2016. I look forward to updating you further in due course with our progress in unlocking the Company's next stage of growth from these highly prospective regions.

Whilst disciplined and sustainable growth on our existing projects remains a key focus, we continue to evaluate opportunities to grow through the acquisition of projects which offer the potential for the Company to deliver on its strategic objectives.

Developments in the two litigation actions, Diesel Fuel Oil and Concession Agreement, are described in further detail in note 20 to the financial statements. In respect of the latter, the Company continues to believe that it has a strong legal position and, in addition, that it will ultimately benefit from Law no. 32 of 2014, which came into force in April 2014 and which restricts the capacity for third parties to challenge any contractual agreement between the Egyptian government and an investor. This law, whilst in force and ratified by the new parliament, is currently under review by the Supreme Constitutional Court of Egypt.

After a series of delays and adjournments, the Concession Agreement appeal has now been set down for judgment on 24 May 2016. If the judgment is a final judgment, the Company expects it will be in its favour. However, it has been advised that the Egyptian legal system allows for the possibility of an interim judgment staying the appeal until the Supreme Constitutional Court has ruled on the validity of Law no. 32.

The group continues to benefit from the full support of the Ministry of Petroleum and the Egyptian Mineral and Resources Authority ("EMRA"), both in the Concession Agreement appeal and at the operational level. As part of our long-term strategy, we look forward to continuing to share the benefits of the Company's substantial investment in Egypt as the Sukari operation sets the stage for a new era of gold mining in the country.

At the start of the year, Andrew Pardey was appointed as chief executive officer ("CEO") and joined the board as an executive director from 1 February 2015. Andrew has been a driving force behind Sukari's growth into one of the world's leading gold mines and Centamin's development from a junior exploration company into one of the largest gold producers in North Africa. I am pleased to report that during Andrew's first year as CEO, the Company has continued to develop and has realised its next stages of growth, whilst maintaining its strategic focus on cash flows, shareholder returns and social responsibility.

I would also like to take this opportunity to welcome Ross Jerrard as our new chief financial officer ("CFO"), effective 18 April 2016. Ross joins Centamin from Deloitte Australia, where he was a partner with over twenty-two years' audit and advisory experience, specialising in the resources industry. He has worked in southern Africa and the Middle East, including a three-and-a-half-year period based in Egypt, servicing a range of multinational and natural resources companies. This appointment follows the resignation of Pierre Louw, who will hand over responsibilities in April 2016. We thank Pierre for his service and wish him all the best in his future endeavours.

I would like to close by thanking all those at Sukari, in Alexandria, Burkina Faso, Côte d'Ivoire, Jersey and Perth for their efforts in 2015 as Centamin continued on its journey to becoming an established, cash-generative and growing gold producer.

Your Company remains well positioned to deliver outstanding shareholder returns in the coming years. I look forward to updating you further over the course of 2016, and would welcome you to join us at our AGM, which this year will be held in Jersey on 11 May 2016.

This strategic review, progress on strategy, key performance indicators and business model together form the strategic report, which has been approved by the board of directors.

By order of the board for and on behalf of Centamin plc.

Josef El-Raghy
Chairman

21 March 2016

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CHIEF EXECUTIVE OFFICER'S REPORT

Andrew Pardey Chief executive officer

Centamin is entering a sustainable period of cash generation, which it will use to reward shareholders through dividends and ongoing growth.

I am pleased to report that, during 2015, Centamin has continued to prosper under adverse market conditions. The Company continues to achieve positive results through its core strategic focus on creating value for all stakeholders. Value in the mining industry is achieved through a continual drive for productivity and efficiency at operating mines, whilst undertaking a growth strategy that is focused on enhancing returns over the long term.

In this context, Sukari delivered production in line with guidance and with AISC significantly below initial forecasts. At the same time, Centamin continues to invest in long-term growth, with continued resource and reserve increases at Sukari and positive indications of multiple high-grade prospects from within its West African exploration projects. This stands against an industry forced towards short-term initiatives to preserve cash in response to the various external challenges.

Safety is a critical area of Centamin's performance and our aim is to ensure that every person returns safe at the end of each shift. Continued development of the onsite health and safety culture at Sukari has resulted in a low LTIFR for 2015 of 0.12 per 200,000 man-hours. Against this positive result, however, a very unfortunate incident occurred within the open pit operation during the fourth quarter, when a contractor's employee was involved in a rock collapse while relocating a grade control drill rig. The operator, and sole occupant of the drill rig, was fatally injured in the incident. The loss was deeply saddening and overshadowed the strong operational performance during the quarter.

Earlier in 2015, and as previously reported, an unfortunate incident occurred in Burkina Faso on a public road near the Konkera village which resulted in one of our local employees being fatally wounded and another sustaining injuries. A thorough investigation into this bandit attack on two of our vehicles has been carried out. Further additional security measures have been implemented following the incident. There was no impact on operational activity as a result of the incident.

Centamin remains committed to further improving health and safety during 2016 towards our zero-harm target.

Sukari's performance during 2015 continues to bode well for the potential of the operation to generate significant free cash flow over the coming years. Fourth quarter production of 117,644 ounces was within the operation's target annualised rate of 450,000 to 500,000 ounces, driven by the continued ramp-up of the expanded process plant to its throughput rate of 11 million tonnes per annum. The plant is now operating at 10% above nameplate capacity, which represents the achievement of our base case forecast rate.

The average metallurgical recovery was 88.8%, a 1.7% increase on 2014. Work is continuing to optimise the operational controls and improve circuit stability to ensure recoveries are maintained above 88% at the increased rate of throughput.

New processing plant completed following Stage 4 expansion

2015 was another successive record for both open pit and underground mining rates and productivity in both of these areas remains strong. The open pit delivered total material movement of 57.8Mt, an increase of 28% on the prior year. This was related to improved fleet utilisation and productivity, together with incremental blasting rates following the increased daily usage of ammonium nitrate ("AN") from October 2014. The open pit remains on a secure footing to deliver the scheduled material movements as required for the expanded operation. Open pit mined grades are expected to increase towards the reserve average from 2016, in line with the mine plan and our production forecasts as detailed in May 2015.

The underground mine produced a record 1.16Mt of ore, a 20% increase on 2014. The average mined head grade was 6.5g/t, in line with our forecast, and represents a successful reduction in grade volatility when compared with 2014, a period when the operation underwent a significant ramp-up in productivity. The focus for the operation remains to consistently deliver ore at an average grade of at least 6g/t.

There was a material year-on-year decrease in operating costs per tonne in both the mining and processing areas, principally driven by the decrease in the international fuel price. The trend towards lower unit costs is expected to continue in the coming quarters, as the expanded operation continues to be optimised and further efficiency gains are realised.

In September 2015, an updated resource and reserve estimate for Sukari provided further support for our production forecasts and our expectation of a long life and low cost operation that will continue to generate significant cash flow even under the current weak gold price environment. Open pit reserves of 8.3 million ounces increased from the previous estimate by approximately 0.5 million ounces, net of mining depletion. This increase was due to lower mining and processing costs associated with the recent reduction in international fuel prices and continued underground resource expansion from drilling. The estimate was based on assumptions conservatively above current operating costs.

Reserves were based on a US$1,300 per ounce gold price, consistent with previous estimates and allowing for comparisons exclusive of short-term volatility in the gold market over the expected 19-year-plus life of the operation.

Continued growth of the underground resource and reserve demonstrates the potential for further material increases over the coming years. The ongoing drilling programme continues to return high grade assay results and we expect this to continue as the development and drilling extends along the strike and at depth.

Our exploration programmes in West Africa continue to build momentum. In Burkina Faso, at the Wadaradoo, Napelapera and Torkera prospects, drilling has indicated the presence of structurally controlled high-grade mineralised zones in addition to extensive lower-grade mineralisation. In Côte d'Ivoire, first-pass drilling over targets defined by geochemical and geophysical surveys has outlined mineralised zones over a number of prospects. We continue to test the potential for lateral and depth extensions at these more advanced prospects, whilst also progressing the numerous other prospects within our significant land packages.

CHIEF EXECUTIVE OFFICER'S REPORT continued

We take every action to ensure Sukari has the minimum impact on the social environment, as well as to deliver positive benefits to Egypt and the community as a result of our investment.

The greenhouse gas emissions reporting required by Schedule 7 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 only applies to UK incorporated quoted companies. Centamin has, however, provided information relating to this legislation in the CSR report as part of its commitment to environmental issues.

Maintaining good community relations is a core part of our operational strategy and corporate governance standards. As the first mining company in Egypt in modern times, we strive to set an example of a socially responsible industry through adopting a good neighbour policy. We take every action to ensure Sukari has the minimum impact on the social environment, as well as to deliver positive benefits to Egypt and the community as a result of our investment, and further details of our various initiatives can be found in the CSR report.

Our work force is remunerated well above the average for Egypt and our career development programmes are highly valued. In general we enjoy a very positive and constructive relationship with our employees.

Outlook

Our longer-term production and cost forecasts remain unchanged and there remains scope for significant additional production increases as productivity in the various areas of the expanded Sukari operation is further optimised.

Safety remains a priority and our target is a lost time injury rate of zero during 2016.

Guidance for 2016 is for 470,000 ounces at US$680/ounce cash operating cost and US$900/ounce all-in sustaining cost. Whilst this guidance implies further material production growth at Sukari, the key focus for the operation during the year is on realising the potential for additional productivity and cost efficiencies.

The productivity levels achieved during 2013 in the pre-expansion process plant, together with the various design improvements implemented during the Stage 4 project, provide us with confidence that the expanded plant will achieve, in time, production levels materially above current levels. At the underground mine, we see potential for further incremental productivity increases whilst the priority remains stable grade delivery. The additional shareholder value that can be gained from this continued drive for efficiency has the potential to be significant and requires no material capital expenditure.

The objective, as always, is to generate substantial free cash flow even under challenging gold price assumptions. We intend to return 15-30% of this cash flow to our shareholders, in line with our dividend policy, and to allocate the remainder towards our medium- and long-term objective of organic growth aimed at realising incremental shareholder value and returns.

Exploration drill rig in Côte d'Ivoire

No capital expenditure for expansion or project development is planned for 2016.

Exploration at Sukari continues to prioritise extensions of the high-grade underground resource and reserve and we expect to continue to deliver positive news in line with our strong results to date. A resource and reserve update is planned during 2016.

In West Africa, we expect a total exploration expenditure of circa US$25 million in 2016, with the largest proportion on the advanced exploration programme in Burkina Faso. In line with our overall exploration strategy, the actual expenditure on these projects is results driven and the current estimated expenditures are therefore subject to ongoing revisions.

We will continue to evaluate potential opportunities to grow the business through the acquisition of projects offering the potential for the Company to deliver on its strategic objectives.

Finally, I would like to thank all my colleagues for their hard work over the years including the employees onsite at Sukari, those on the exploration sites in Burkina Faso, Côte d'Ivoire and Ethiopia as well as those in the corporate and administration offices in Jersey and Australia. I would also like to thank your board of directors for their continued support and I am very much looking forward to another prosperous year for Centamin and its stakeholders in 2016.

Andrew Pardey
Chief executive officer

21 March 2016

BUSINESS MODEL

Our vision is to expand on our position as Egypt's first large scale gold producer to deliver increased shareholder returns.

OUR BUSINESS MODEL

Strategic focus areas

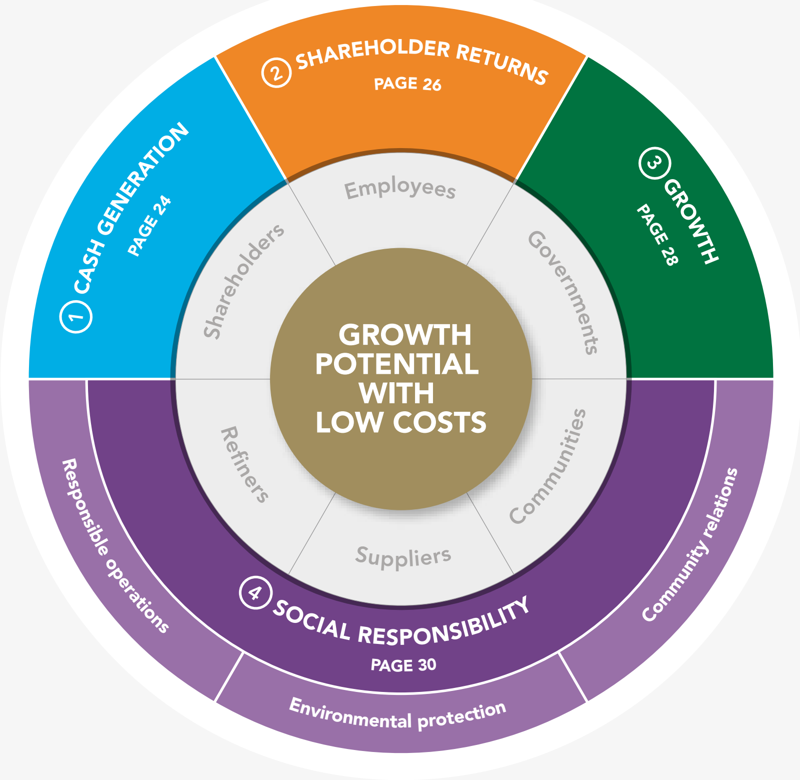
We have established four areas of strategic focus, as follows:

1. Cash generation
A rising production profile and focus on reducing costs.

2. Shareholder returns
Dividend returns and a strong balance sheet.

3. Growth
Developing a well-balanced project pipeline with potential to add increasing production and incremental shareholder value.

4. Social responsibility
Ensuring the safety of our workforce and developing skills; conducting our business in a responsible manner and contributing positively to the local economy and environment.



Strategic enablers – key relationships

Along this journey, relationships with employees, governments, suppliers, local communities and other stakeholders are key to the success of the Company.

EMPLOYEES
Safety, welfare, training, professional development, wages, benefits, sustainable operations.

CONTRACTORS
HSE policies, induction training, monitoring.

GOVERNMENTS
Profit sharing, GDP, new industries, job creation, engagement, profit sharing & royalty, resource allocation.

COMMUNITIES
Infrastructure, conservation, healthcare, engagement, concessions.

SUPPLIERS
Local economy, local suppliers, government suppliers, contracts, imports.

REFINERS
Exports, commodities.

SHAREHOLDERS
Governance, strategy, engagement, dividend.

Our value chain continues from early stage explorer through to gold production and is driven by our investments, employees and business culture.

OUR VALUE CHAIN

GREENFIELDS EXPLORATION
Early stage of exploration involving regional surveys leading to prospect generation and first-pass drilling programmes.

ADVANCED EXPLORATION
Targeted drilling programmes leading to resource and reserve estimates and feasibility studies.

GOLD PRODUCTION
Development of economically viable projects leading to profitable production of gold.

2015 PRODUCTION
(ounces)
2015 TOTAL
439,072
2014: 377,261

2015 ORE PROCESSED
('000 tonnes)
2015 TOTAL
10,576
2014: 8,482

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BUSINESS MODEL continued

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Our KPIs and targets for 2016 are set out below:

In 2015, Centamin's strategy was to maximise free cash flow, through the value of our current assets and to increase our reserve and resource base.

Strategic focus areas	Cash generation (1)	Shareholder returns (2)	Growth (3)	Social responsibility (4)
Objectives	• Competitive costs. • Rising production.	• Share price performance relative to peers. • Dividend returns, with free cash flow to fund the next stage of growth.	• Developing a well-balanced project pipeline, with potential to add incremental shareholder value by increasing production across the group. • M&A activity for greenfield or early exploration.	• Maintaining a safe environment to work, with opportunities for our employees to train and develop skills.
KPIs reported in 2015	• Cash operating cost of US$713 per ounce (a reduction on US$729 in 2014 and marginally above guidance of US$700 per ounce). • All-in sustaining cost of US$885 per ounce (below guidance of US$950 per ounce). • 439,072 ounces produced (re-guided upwards during the year), a 16% increase on 2014.	• Total dividend in 2015 of 2.94 US cents per share.	• Nameplate capacity of 11Mtpa achieved in Q4 2015. • Replacement and expansion of the Sukari underground reserve. • Exploration programme over licence areas in Burkina Faso. • Exploration programme over licence areas in Côte d'Ivoire.	• A reduction of our yearly LTIFR (0.12 per 200,000 man-hours) against our zero-harm target. However, two fatalities were reported during the year (details in the CSR report).
KPIs set for 2016	• Targeted US$680 cash operating cost per ounce. • Targeted US$900 per ounce all-in sustaining cost. • Targeted production of 470,000 ounces of gold.	• Annual dividend of between 15-30% net cash flow after sustaining capital and profit share and before exploration expenditure outside of Sukari.	• Resource/reserve replacement and expansion at Sukari, with a focus on the high-grade underground. • Drilling on priority targets in Burkina Faso and Côte d'Ivoire, providing the foundation for further resource development.	• Zero-harm safety record throughout the group's operations.

Key risks	Cash generation	Shareholder returns	Growth	Social responsibility
Single project dependency	●	●	●	
Joint venture	●	●		
Gold price and currency exposure	●	●	●	
Jurisdictional tax exposure	●	●		
Political risk – Egypt	●	●	●	●
Political risk – West Africa			●	●
Reserve and resource estimates	●	●	●	
Production estimates	●	●		
Litigation	●	●	●	●

BUSINESS MODEL continued

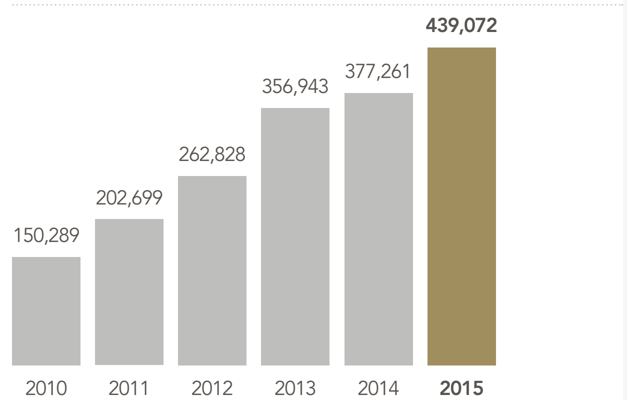
EXPLORER, DEVELOPER AND OPERATOR

"Our growth strategy seeks to create shareholder value by taking projects through the mining value chain: exploration, development and operations."

Josef El-Raghy, Chairman

Having successfully built a substantial gold mining operation through a staged expansion programme and with a total of circa US$1.1 billion capital investment in Egypt, the Company is placed in a strong competitive position, with low cost production, solid growth potential and a stable balance sheet. The business is well placed to continue self funding its next stages of growth from cash flows whilst maintaining a commitment to dividend payments.

PRODUCTION HISTORY
(ounces of gold)



Greenfields exploration in Côte d'Ivoire

Advanced exploration in Burkina Faso

Crushed ore stock pile at Sukari

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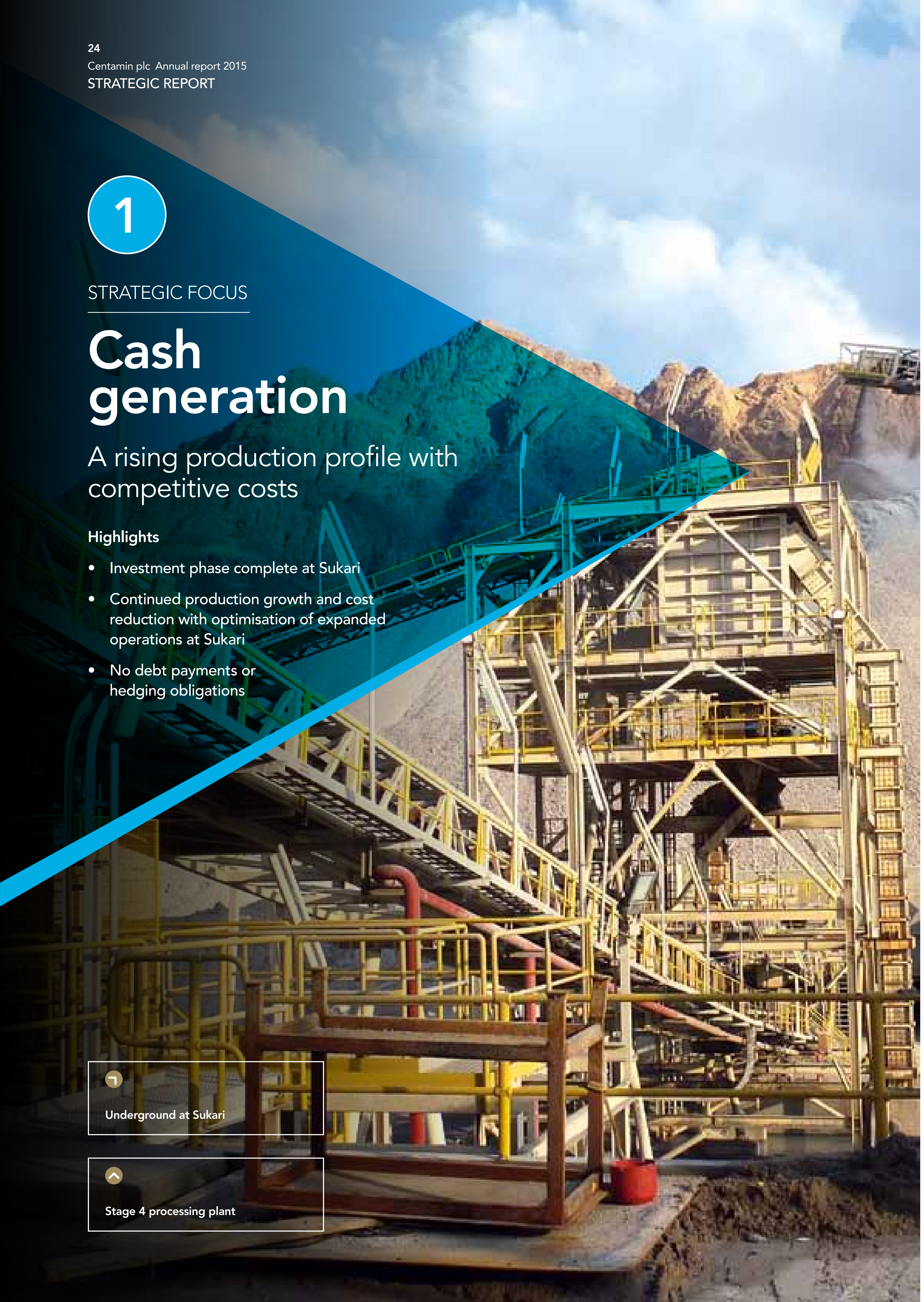

1

STRATEGIC FOCUS

Cash generation

A rising production profile with competitive costs

Highlights

- Investment phase complete at Sukari
- Continued production growth and cost reduction with optimisation of expanded operations at Sukari
- No debt payments or hedging obligations

Underground at Sukari

Stage 4 processing plant

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Our flagship Sukari Gold Mine has continued to deliver substantial free cash flows.

With the completion of the Stage 4 expansion project in 2014, the Sukari operation has transitioned out of its investment phase, where cash flows were used to fund the staged construction, and into a sustainable period of free cash flow generation over the remaining life of mine. As production continues to rise towards our base-case target of 450,000 to 500,000 ounces per annum, cash operating costs are expected to be US$680 per ounce and all-in sustaining costs are expected to be US$900 per ounce in 2016, with potential to reduce further in the coming years. Centamin has no debt or hedging and is therefore financially robust, is well positioned to benefit from a recovery in the gold price, and has the financial flexibility to grow both organically and through strategic acquisitions.

KPIs reported during the year:

- cash operating cost of US$713 per ounce;
- all-in sustaining cost of US$885 per ounce; and
- revenue was driven by increased production offset by the lower average gold price of US$1,159 per ounce.

KPIs set for 2016:

- targeted US$680 cash operating cost per ounce;
- targeted US$900 all-in sustaining cost per ounce; and
- revenue increase proportional to production growth.

Our KPIs reported for 2015 are set out below:

Cash		**Q4 2015**	Q4 2014	**2015**	2014
Cash operating cost of production	US$ per ounce	**667**	655	**713**	729
All-in sustaining cost of sales	US$ per ounce	**842**	815	**885**	906
Revenue	US$'000	**130,196**	151,117	**508,396**	472,581

HOW WE GENERATE FREE CASH FLOW AND DELIVER SHAREHOLDER RETURNS

- **Track record of project delivery:** investment and construction phase at Sukari complete.
- **Production:** 2016 guidance of 470,000oz, rising to circa 500,000oz in 2017.

FOCUS ON COST CONTROL

- **Capex:** Sukari staged construction delivered on budget.
- **Low cash operating cost of production:** target of US$680/oz in 2016.
- **Low all-in sustaining cost:** target of US$900/oz in 2016.

OPTIMISING PRODUCTION

- **Upside:** further potential for production growth and cost reduction compared with our base-case forecasts.
- **Long life:** Sukari has an estimated 20 year mine life.
- **Reserve growth:** further exploration potential to extend the mine life and/or increase production.

STABLE FINANCES AND SHAREHOLDER RETURNS

- **Capex:** no further significant capital expansion at Sukari.
- **Cash:** in excess of US$200 million cash and cash equivalents.
- **Dividend:** competitive dividend policy.
- **Debt free:** no interest payments or hedging obligations.

NEXT STAGE OF GROWTH

- **Cash flow:** post-dividend cash flows are used to fund growth.
- **Advanced exploration projects:** Burkina Faso.
- **Early-stage exploration projects:** Côte d'Ivoire.
- **Acquisitions:** financial flexibility to acquire value-accretive projects.

2

STRATEGIC FOCUS

Shareholder returns

Balance sheet strength: dividend returns a priority

Highlights

- Annual dividend between 15-30% of free cash flow(1)
- 2015 interim dividend 0.97 US cents per share (0.87 US cents for 2014)
- 2015 final dividend declared of 1.97 US cents per share (1.99 US cents for 2014)

View of the process plant

Face shovel in open pit

(1) Foreign direct investment data from the Central Bank of Egypt.

Interim dividend of
0.97 US cents
per share

Final dividend of
1.97 US cents
per share

The 2015 dividend of approximately US$33.7m sits at the top end of our policy to pay out 15-30% of our net free cashflow.

Having successfully built a substantial gold mining operation through a staged expansion programme and with a total of circa US$1.1 billion capital investment in Egypt, the Company is placed in a strong competitive position, with low cost production, solid growth potential and a stable balance sheet. In recognition of this, the board of directors declared a maiden dividend in August 2014 and a final dividend for the year, which totalled 2.86 US cents per share for 2014 (totalling approximately US$33 million). In 2015, an interim dividend of 0.97 US cents per share was paid and a final dividend of 1.97 US cents per share will be paid to shareholders following the AGM on 11 May 2016. The ex-dividend date is 21 April 2016 for LSE listed shareholders and 20 April 2016 for TSX listed shareholders. The record date for both exchanges is 22 April 2016.

What we do for Egypt – stakeholder returns:

- direct payments to the government of US$84 million to date (royalty + advance payments against future profit share);
- approximately US$1.1 billion of total expenditure to date with Egyptian suppliers; and
- over 1,100 Egyptian companies have supplied Sukari to date (270 regular suppliers).

KPIs reported during the year:

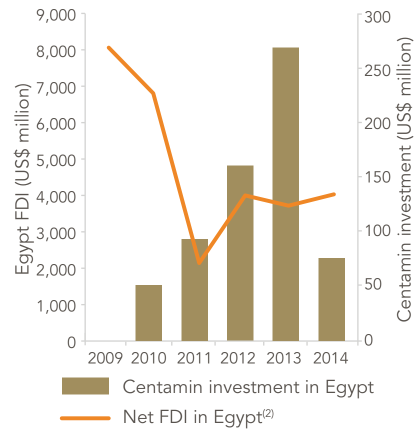
- annual dividend within the range of 15-30% of the Company's free cash flow(1); and
- total dividend 2.94 US cents per share for 2015 (totalling approximately US$33.7 million).

Dividend policy and KPIs set for 2016:

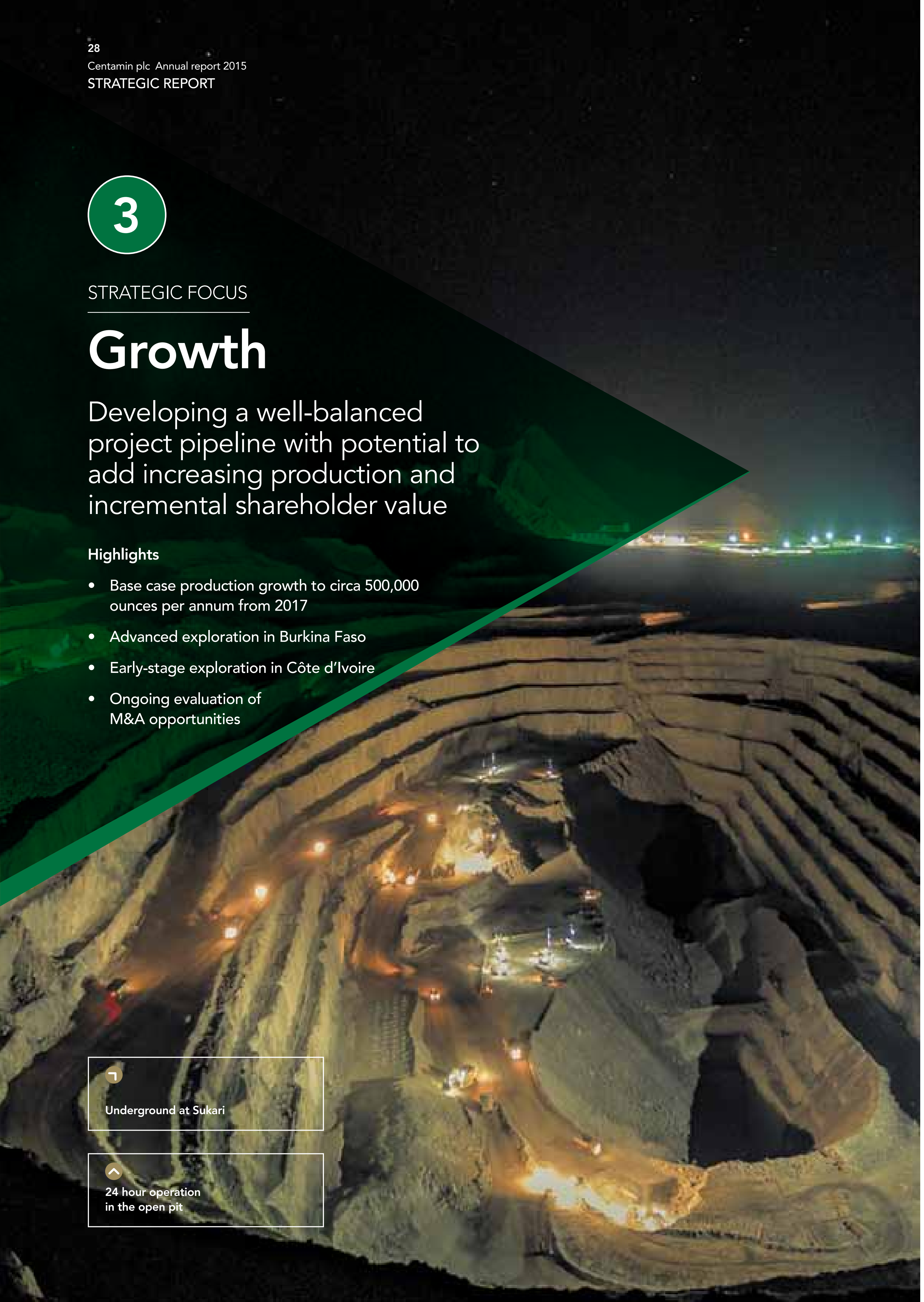
- annual dividend within the range of 15-30% of the Company's free cash flow(1).

(1) After sustaining capital and profit share to EMRA and before exploration expenditure outside of Sukari.

CENTAMIN CONTINUED TO INVEST IN EXPANSION DURING A PERIOD WHEN EGYPTIAN FOREIGN DIRECT INVESTMENT ("FDI") FELL SIGNIFICANTLY:



(2) Source: Central Bank of Egypt.



3

STRATEGIC FOCUS

Growth

Developing a well-balanced project pipeline with potential to add increasing production and incremental shareholder value

Highlights

- Base case production growth to circa 500,000 ounces per annum from 2017
- Advanced exploration in Burkina Faso
- Early-stage exploration in Côte d'Ivoire
- Ongoing evaluation of M&A opportunities

Underground at Sukari

24 hour operation in the open pit

2016 guidance of **470,000** ounces at cash cost of US$680 per ounce and all-in sustaining cost of US$900 per ounce.

We expect to continue self-funding our next stages of growth from cash flows.

Our strategy with regard to growth is summarised in the table below.

NEAR TERM (1-2 YEARS)

- Continuing the production ramp up at Sukari towards circa 500,000 ounces per annum in 2017.
- Resource/reserve replacement and expansion at Sukari, with a focus on underground high grade.
- Resource expansion and project evaluation in Burkina Faso.
- Target generation and maiden resource in Côte d'Ivoire.
- Continue to evaluate selective M&A opportunities with the potential to develop low cost projects.

MEDIUM TERM (3-5 YEARS)

- Exceed 500,000 ounces per annum at Sukari through optimising productivity and continued expansion of the underground operation.
- Resource/reserve expansion at Sukari, with a focus on underground high grade.
- Development and first production in Burkina Faso.
- Results driven progression of Côte d'Ivoire.
- Continue to evaluate selective M&A opportunities with the potential to develop low-cost projects.

LONG TERM (5+ YEARS)

- Continue to expand group reserves and production through exploration.
- Become a multi-asset gold producer maintaining lowest quartile cost profile.
- Continue to evaluate selective M&A opportunities with the potential to develop low-cost projects.

KPIs set for 2016:

- annualised production rate of 450,000 to 500,000 ounces;
- resource/reserve replacement and expansion at Sukari, with a focus on underground high grade;
- resource expansion through systematic drilling programmes;
- first pass drilling on priority targets, providing the foundation for resource development in 2016; and
- reduction in LTIFRs.

Our KPIs for 2015 are set out below:

Productivity		Q4 2015	Q4 2014	2015	2014
Open pit ore mined	'000t	**2,229**	4,123	**8,746**	10,936
Underground ore mined	'000t	**300**	284	**1,158**	968
Ore processed	'000t	**2,785**	2,597	**10,576**	8,428
Gold recovery	%	**88.6**	87.0	**88.7**	87.8
Gold produced	Ounces	**117,645**	128,115	**439,072**	377,261
Revenue	US$'000	**130,196**	151,117	**508,396**	472,581

No changes have been made to the source of data or calculation methods used in the year.

1. Results reflect an exceptional provision against prepayments to reflect the removal of fuel subsidies. Subsidies were removed in January 2012 (refer to note 6 to the financial statements for further details).
2. Excluding fuel subsidy (refer to note 6 to the financial statements for further details).
3. Including fuel subsidy (refer to note 6 to the financial statements for further details).

4

STRATEGIC FOCUS

Social responsibility

The environment, workplace health and focus on employee safety

Highlights

- Improvements in LTIFR
- Striving for a zero-harm workplace
- Progressive training for employees

Exploration in Côte d'Ivoire

Exploration in Burkina Faso

Key themes in the CSR report are as follows:

- integration of Company policies;
- health services;
- environment;
- community and society; and
- community development initiatives.

Centamin is committed to working with the highest level of respect for our employees and the communities and environments in which we operate.

Our employees

Our people are our most valuable resource. We are committed to attracting, energising, developing and retaining a highly skilled and experienced workforce. We value individuals with outstanding technical, professional and managerial skills who can contribute to a positive working environment and demonstrate willingness to lead, take responsibility and display initiative. We aim to foster a relation of trust and open dialogue between employees and management.

Health and safety

Centamin is committed to minimising health and safety risks to a reasonably practical level, while striving for a zero-harm, healthy and productive work place.

Sukari

- Improvements in LTIFR during 2015 which remained at low levels over the course of the year.
- Hygiene standards improved progressively during the year.
- Regular and progressive training programmes at Sukari.
- Management of the scrap area at Sukari.

Safety performance

	2015 frequency rate[1]	2014 frequency rate[1]	2013 frequency rate[1]	2012 frequency rate[1]
Fatality injury ("FIFR")	**0.04**	—	—	—
Lost time injury ("LTIFR")	**0.12**	0.39	0.36	0.69
Medical treatment injury ("MTIFR")	**0.6**	0.39	1.28	1.37

(1) Based on 200,000 working hours.

One fatality occurred in November 2015, when a contractor's employee was involved in a rock collapse whilst relocating a grade control drill rig. The incident resulted in the death of the contractor's employee. The incident was investigated and duly reported to the authorities at the time of its occurrence.

Burkina Faso

The project lies in Batie, Noymbeil, in the south-west region of Burkina Faso. Batie is a city with a population of about 30,000 and has several cities and villages affiliated to it. The city is considered the least developed in Burkina Faso.

Safety performance

	2015 frequency rate[1]
FIFR	**0.2**
LTIFR	**0.62**
MTIFR	**0.21**

(1) Based on 200,000 working hours.

In February 2015, an incident occurred on a public road near the Konkera village which resulted in one of our local employees being fatally wounded and another sustaining injuries.

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RISK MANAGEMENT

The process for identifying and assessing risk is an integral and inseparable part of the group's performance culture and processes and is therefore at the core of our business.

Understanding the risks the group faces and managing them appropriately allows the group to improve its decision making process, deliver on its objectives and therefore improve its performance as a mining company.

The exploration for and development of metals and mineral resources, together with the construction and development of mining operations is an activity that involves a high degree of risk.

This group can only manage, rather than eliminate risk and the following summarises how the group identifies, assesses and manages risks.

The board retains overall responsibility for assessing the effectiveness of the Company's systems for management of material business risks. The board discharges the responsibility of implementing risk management systems to the executive management and the monitoring of risk and internal controls is delegated to the audit and risk committee.

The teams in Egypt, Burkina Faso and Côte d'Ivoire are responsible for managing the operational risks in their respective areas and report on these to management.

Centamin conducts a variety of risk assessments throughout the year, including assessing risks daily at an operational level, risk assessment as part of the monthly reporting process, annual business continuity planning, preparations for five year forecasts, as well as planning over the longer term, such as the preparation of impairment and life of mine models.

The audit and risk committee and the board are pleased to confirm that the Company remains in compliance with best practice guidelines and with the UK Corporate Governance Code and relevant Canadian requirements. The latest edition of the Code (September 2014) contained a number of changes including an increased focus on how risk is governed and managed, with new provisions on the robust assessment of solvency and liquidity, continuous monitoring of systems of internal control and a statement on business viability. Details of our viability statement can be found on page 37 and our going concern statement can be found on page 103.

This risk assessment carried out by the group covers the following key areas:

- operational risks within the business;
- corporate risks (identified as either strategic or operational in nature); and
- principal risks based on the corporate risk register.

The assessment identifies the risks facing the business and we consider the annual assessment to be suitably robust, covering strategic and operational risks at a corporate level and risks identified at our operations in Egypt, Burkina Faso and Côte d'Ivoire.

The assessment carried out during the year, which also took note of the work carried out by the internal auditor, concluded that there were adequate procedures, polices and controls in place at an operational level and that the risks at a corporate level, taking into account the Company's strategic objectives, had been adequately identified. The areas for improvement following the review were as follows:

- improvements in documenting the process for identifying risks at a corporate level and linking the risks to the organisation's objectives;
- at present, risks do not have assigned owners, making it difficult to hold management to account for the mitigation of these risks;
- risk management procedures are needed to more clearly define the risks and the responsible persons to help define the roles and responsibilities; and
- more training needed in identifying and responding to risk.

As part of the review process, it was decided to update the existing corporate policy on risk and the board adopted a revised and updated risk management framework agreement. The risk management framework includes additional detail about the scope and structure of an executive risk management working group.

It was noted that the areas of improvement identified following the review were not seen as significant failings or weaknesses, but reflect the breadth and scope of the review.

Having considered the risks in detail, the key principal risks have been identified and are set out on page 34. The risks reflected in the matrix and the mitigating actions reflect the key principal risks to the Company and its stakeholders.

The board has overall responsibility for establishing risk across Centamin through a robust risk management system that allows for the assessment and management of material strategic and operational risks. In addition, the board is responsible for articulating the group's risk appetite against the principal risks.

The audit and risk committee monitors the risk management and internal control structure implemented by management. It advises on significant changes to that structure so as to obtain reasonable assurance that the Company's assets are safeguarded and that reliable financial records are maintained. The committee assists in developing the risk environment, making suggestions on ways in which the business can improve its internal reporting. The committee receives comprehensive monthly reporting information from the group's operations and enhanced reporting in the event of an incident.

The other committees of the board ensure that their areas of responsibility take account of the group's risk strategy and any matters relating to risk identification are raised directly to the board on a quarterly basis.

The CEO, aided by the senior management team, is responsible for developing short-, medium- and long-term corporate strategies for the group, preparing business plans and reports with senior management and reporting to the board on current and future initiatives. In developing the corporate strategy, the CEO ensures that the group has the appropriate risk management practices and policies in place and assesses business opportunities which are of potential benefit to the group taking into account its strategic objectives and risk appetite.

The executive management team is responsible for defining, debating and challenging the nature of the principal and corporate risks, and for ensuring that risk management is consistently applied within the group. The executive and key personnel within management meet regularly to discuss new and emerging risks for the group.

At an operational level, the heads of department are responsible for implementing the requirements of the risk management framework and providing assurance to the executive management that the work has been carried out.

The internal auditor reports primarily to the audit and risk committee and provides an independent viewpoint and assurance over certain strategic risks and the controls that are in place to mitigate the risks. The internal auditor also assists the business in monitoring the effectiveness of the risk management and internal control environment. See page 100 for further details on the role and scope of the internal auditor.

The external auditor designs procedures to assess the risks of material misstatement in the financial statements, looking particularly at subjective judgments that involved making assumptions and considering future events that are inherently uncertain. The responsibilities of the group and those of the external auditor in forming their opinion are set out in the independent auditor's report on page 105.

Activity during 2015 relating to risk management

During the year, the audit and risk committee and the board evaluated their risk management processes and reporting. In evaluating the current processes and taking advice and guidance from both the external and internal auditors, they have prepared a revised and updated risk management framework. During 2016, the updated framework will assist the Company to enhance reporting and information flows to the board and assist the board, aided by the audit and risk committee, in assessing the effectiveness of the Company's systems for management of material strategic and operational risks. In addition, the following reports were prepared for the audit and risk committee's review:

- comprehensive control environment memorandum and recommendations for further improvement prepared by the management team;
- monthly and quarterly reporting on the operational activity, including enhanced reporting on any significant operational and corporate issues;
- internal audit work on the risk management structure and recommendations on developing the reporting and information flows between the operational areas and the board;
- external audit work culminating in the annual and half-yearly audit report; and
- significant incident reports.

Targets in 2016

The board and the audit and risk committee will use the risk framework agreement to influence the type and form of risk information that is currently reported to management and the board. The board will also consider the approach taken to, and effectiveness in, influencing the Company's risk appetite and risk culture throughout the organisation. Activities that will be taking place during 2016 include:

- embedding the risk management framework within the organisation;
- enhancing the reporting to the board at a strategic and operational level;
- considering further our risk appetite towards strategic risks and strategic objectives; and
- continuing with its work to improve the control environment and updating the control environment memorandum.

The results of these initiatives will be published in the 2016 annual report and accounts.

RISK MANAGEMENT continued

Principal risks

Centamin takes a number of measures to mitigate risks associated with its underlying operational and exploration activity which are monitored and evaluated regularly. Due to the nature of these inherent risks, it is not possible to give absolute assurance that mitigating actions will be wholly effective.

The descriptions below describe the current status of the principal risks affecting Centamin and its operational and exploration activities together with the measures to mitigate risk.

RISK CATEGORY	TREND	NATURE OF RISK	MITIGATION	COMMENTARY
STRATEGIC RISK Single project dependency	Neutral	The Sukari Project currently constitutes Centamin's main mineral resource and sole mineral reserve and near-term production and revenue. The resource at the advanced stage of exploration in Burkina Faso is not currently of a sufficient size to convert into a reserve. The regional exploration of the licence portfolio in Burkina Faso and Côte d'Ivoire continues on the existing 1.92Moz indicated and 1.33Moz inferred resource.	The project at Sukari has two distinct ore sources (open pit and underground) and the processing plant has two separate flotation circuits and two separate power stations. Whilst one project, the nature of the design of the plant provides adequate mitigation and reduces the relative likelihood of dependence compared to a single layer plant design. The second circuit of the processing plant has been fully operational for over twelve months which shows the resilience of the project. In addition, the plant is fed by both the open pit and underground operation, providing high and lower-grade ore to the processing plant. Operational activity and production is expected to continue at above nameplate capacity. Other mitigating factors include the continued focus on longer term growth and expansion through exploration and acquisition targets both inside and outside of Egypt.	Until further production growth beyond Sukari is identified, the potential impact remains high and safeguarding the project is paramount to the Company.
INTERNAL STRATEGIC RISK Sukari project joint venture risk and relationship with EMRA	Neutral	Whilst Centamin retains control over the project, the joint venture holding company, Sukari Gold Mines ("SGM"), is jointly owned with EMRA with equal board representation from both parties. The board of SGM operates by way of simple majority. As such, should the board of SGM be unable to reach consensus on a matter requiring board level approval or in the event of any dispute that may arise which can't otherwise be amicably resolved, arbitration or other proceedings may need to be employed to resolve any disputes.	These include ensuring co-operative and timely correspondence, maintaining good relations with EMRA and making sure that the terms and conditions of the Concession Agreement governing the mine are fully complied with. Current discussions with EMRA are focused on the cost recovery process and determining the exact timing and quantum of the first payment of profit share for Sukari, as well as the interpretation of certain provisions of the Concession Agreement. Centamin has shown its willingness to assist EMRA through prepayments in relation to future profit share.	The successful management of the Sukari Gold Mine is in part dependent on maintaining a good working relationship with EMRA. The group has regular meetings with officials from EMRA and invests time in liaising with relevant ministry and other governmental representatives.
EXTERNAL STRATEGIC RISK Gold price and currency exposure	Neutral	The Company does not currently hedge against the price of gold or exposure to currencies.	Centamin manages its exposure to gold price by keeping operating costs as low as possible. Revenues from gold sales are in US dollars and Centamin has exposure to costs in other currencies including Egyptian pounds, Australian dollars and sterling. Natural hedges against currency fluctuations are utilised wherever possible to offset foreign currency liabilities.	The group is 100% exposed to the gold price, however, the cash costs of the Sukari Gold Mine remain low compared with the industry norm.
INTERNAL STRATEGIC RISK Jurisdictional taxation exposure	Neutral	The group's corporate structure includes operational activity in Egypt and West Africa held through holding companies in Australia and the United Kingdom.	Exposure to changing cross jurisdictional tax legislation could have an adverse effect of the Company's ability to repatriate revenues. The group engages tax advisers to provide local advice at an operational level as well as corporate and structuring advice at a corporate level.	See note 7 in the financial statements for details of the tax liability through the Australian holding group of companies.
EXTERNAL STRATEGIC RISK Political risk – Sukari	Improved	The Company's operational activities are primarily in Egypt, a country which has been subject to civil and military disturbance. Future political and economic conditions in Egypt could change with future governments adopting different policies that may impact the development and ownership of mineral resources. Policy changes and licensing may also impact the use of explosives, tenure of mineral concessions, taxation, royalties, exchange rates, environmental protection, labour relations and repatriation of income and capital. Changes may also impact the ability to import key supplies and export gold.	The Concession Agreement with EMRA and the Egyptian government, was declared into Egyptian Law no. 222 of 1994 which further protects the Company's licence rights and sets the applicable tax regime for a number of years. The law received full parliamentary approval as required by Egyptian law.	In respect to the Company's operations in Egypt, the potential for serious impact should be balanced against the Egyptian government's support of Centamin's investment and contribution to both revenue and development of the mining industry. New laws have been introduced to protect and therefore encourage foreign investment which is a positive step for the country. This new law was recently confirmed by the newly installed Parliament, although Law no. 32 remains subject to a challenge in the Supreme Court.
EXTERNAL STRATEGIC RISK Political risk – West Africa	Neutral	The Company operates in Burkina Faso and Côte d'Ivoire. There are no assurances that future political and economic conditions in these countries will not result in the governments adopting different policies in respect to foreign development and ownership of exploration and exploitation licences.	Centamin actively monitors legal and political developments, engaging in dialogue with relevant government and legal policy makers to discuss all key legal and regulatory developments.	Policies have developed over many years to encourage foreign investment and the development of mining operations, which continues to be the focus of governments in these regions.
INTERNAL OPERATIONAL RISK Reserve and resource estimate	Neutral	Mineral resource and reserve figures are prepared by Centamin personnel and reviewed by externally appointed independent geologists. By their nature, mineral resources and reserves are estimates based on a range of assumptions, including geological, metallurgical, technical and economic factors. Other variables include expected costs, inflation rates, gold price and production outputs. There can be no guarantee that the anticipated tonnages or grades expected by Centamin will be achieved both from the underground operation or open pit.	Management has implemented processes to continuously monitor and evaluate the current life of the Sukari Gold Mine, mine plans and production targets.	The most recent technical update was completed in Form 43-101 dated 23 October 2015 and is available at www.sedar.com. Details of the reserve and resource can be found on pages 50 and 51.
INTERNAL OPERATIONAL RISK Failure to achieve production estimates	Improved	Centamin prepares annual estimates for future gold production from the Sukari Gold Mine. There can be no assurance that Centamin will achieve its production estimates and such failure could have a material and adverse effect on Centamin's future cash flows, profitability, results of operations and financial condition. It should be specifically noted that the potential quantity and grade from the Sukari underground mine is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the target being delineated as a mineral resource.	The realisation of production estimates are dependent on, amongst other things: the accuracy of mineral reserve and resource estimates; the accuracy of assumptions regarding ore grades and recovery rates; the ore tonnes and grade mined from the underground operation which are outside the current reserve base; ground conditions, a skilled and motivated labour force: processing capacity and maintenance policies and logistics for consumables and parts.	Whilst there can be no certainties, production to date has provided confidence in management's estimation and mine planning methods and with the fully operational expanded processing plant, the prospect of improvements in reliable forecasting is increased.
EXTERNAL OPERATIONAL RISK Litigation	Improved	Centamin's finances, and its ability to operate in Egypt, may be severely adversely affected by current and any future litigation proceedings and it is possible that further litigation could be initiated against Centamin at any time. Centamin is currently involved in litigation that relates both to (a) the validity of its exploitation lease at Sukari and (b) the price at which it can purchase Diesel Fuel Oil. Full details of the current litigation can be found on page 133.	In order to mitigate this risk Centamin has (a) engaged appropriate legal advice and continues to actively pursue its legal rights with respect to the existing litigation and its legal advisers believe that Centamin will ultimately be successful in both of these cases; and (b) actively monitors both activity in court and local media for signs of any legislative developments that may threaten its operations, finances or prospects.	The potential for serious impact should be balanced against Centamin's adherence to local laws and agreements, as well as the Egyptian government's support of Centamin's investment and Law no. 32 of 2014 that should protect Centamin against litigation of this nature as well the fact that Egypt and Australia have in place a bilateral investment treaty.

RISK MANAGEMENT continued

One of our main objectives is to achieve a target of zero injuries and for every employee to be safe every day. The control environment and operating practices in place at our mining and exploration operations help reduce the likelihood of harm to our employees. We are also committed to attracting, energising, developing and training our workforce to ensure they are highly skilled and motivated. In the fourth quarter, the Sukari Gold Mine operation encountered its first fatality, when a contractor's employee was involved in a rock collapse whilst relocating a grade control drill rig. The incident was thoroughly investigated and more details on the incident can be found in the CSR report on page 38 and operational report on page 48. Earlier in 2015, an incident occurred in Burkina Faso on a public road near the Konkera village which resulted in a local employee being fatally wounded and another sustaining injuries. A thorough investigation into this bandit attack on two of our vehicles has been carried out. Further additional security measures were implemented following the incident.

We recognise the value of being a socially responsible employer and the importance of engaging with the wider community in the areas in which we operate. By investing in the community and engaging in projects that directly and positively impact local people, we can foster a co-operative working environment. Full details of our community projects and local initiatives are set out in our CSR report on page 46.

The trend column on page 34 indicates the relative movement (either adverse, neutral or improving) for each principal risk, over the last twelve months. This trend represents the views of the Company based on their experience operating and working in the relevant jurisdictions.

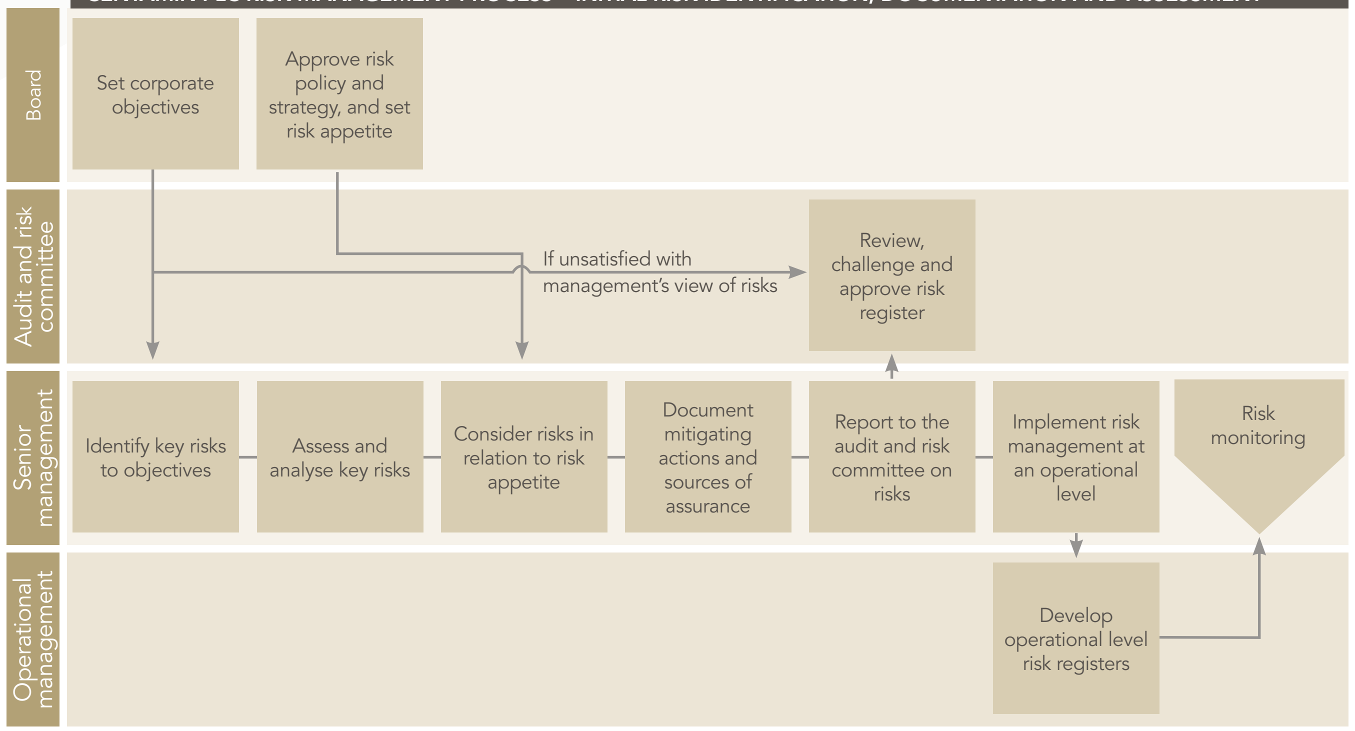
Risk appetite

Risk appetite forms an integral part of corporate governance and in defining risk appetite the board has given consideration to the following:

a) the Company's strategy, objectives and specific goals;
b) acceptable risk tolerances, the parameters for acceptable risk and attitudes towards risk;
c) existing policies, processes and practices within the group to ensure risks are managed within the acceptable and agreed limits;
d) the competitive environment with consideration of shareholders' views and the need to reassess or more fully communicate risk appetite; and
e) short-term risk which needs to be specifically managed.

The group's employees are paramount to the success of the organisation and therefore the group's policies and procedures demand the lowest levels of risk appetite and risk tolerance for employee and contractor health, safety and wellbeing. The group has a higher risk appetite towards its strategic objectives, such that risks are reduced to reasonably practicable levels, in the pursuit of mineral exploration, development and gold production. Meeting environmental, regulatory and legal obligations takes priority over other business objectives.

CENTAMIN PLC RISK MANAGEMENT PROCESS – INITIAL RISK IDENTIFICATION, DOCUMENTATION AND ASSESSMENT



The group's risks may change over time, as will the group's risk appetite statement, as the external environment changes and as operations are expanded into new geographical areas. The risk management and review process requires regular monitoring of the Company's existing risks and the identification of any new and emerging risks facing the Company, including financial and non-financial matters. It also requires the ongoing management of the appropriateness of the risk mitigation in place.

Viability statement

In accordance with provision C.2.2 of the Code, the directors have assessed the Company's prospects over the longer term, addressing a period of five years. A key part of the directors' assessment was a review carried out in May 2015 for business reasons which also assisted the process of formalising a review of the longer term viability of the Company. The assessment took into account the Company's position and progress against its four strategic focus areas including generating free cash flow, shareholder return, growth and social responsibility. The strategic focus areas are set out on page 18. In addition, the Company considered the potential impact on its principal risks, and also considered how its appetite for risk might affect the assessment. The May 2015 review allowed management to share the Company's strategic objectives with key stakeholders and to explain the Company's business model and its prospects over the coming five years.

The review received board approval and formed the basis of an investor presentation. The financial forecasts used in the review included key assumptions about gold price, future production levels, operating and capital costs, cash flows and the group's balance sheet and shareholder returns. The operational forecasts included mining and process plant throughput levels, grades and metallurgical recovery rates. The operation at Sukari has a low cost-per-ounce of production compared with other operating mines, which contributes to the Company's longer term viability.

Although the business does prepare plans over a longer time horizon, notably in the Sukari life of mine models, the Company chose five years for its viability statement due to the level of rigour and detail involved in the May 2015 review process.

As part of the May 2015 review process the potential impact on the group's principal risks was considered, at both a strategic and operational level. Of the principal risks identified on pages 34 and 35 those with the most potential to impact negatively upon the Company's ongoing viability, include the gold price, the relationship with its joint venture partner, political risk and the ongoing litigation in Egypt. A sensitivity analysis was carried out on the key inputs to the financial and operational forecasts, including sensitivity analysis on the average gold price.

Fire safety

The May 2015 investor presentation, together with the latest presentations can be viewed on the Company's website which contain the latest up-to-date operational and financial forecasts.

As well as the May 2015 review, the directors' overall assessment took into account the Company's resource and reserve statement, which was completed in September 2015 and underpins longer-term strategic and operational projections. The relevant 43-101 Technical Report can be viewed at www.sedar.com and on the Company's website.

The management team also considers strategic, operational and compliance risks throughout the year and produces the following reports and documents for board and audit and risk committee review to support it in making the formal viability statement:

- operational risk assessment register and corporate risk matrix;
- annual impairment review;
- going concern review;
- life of mine model;
- business continuity planning; and
- monthly and annual budgets.

On the basis of all the procedures outlined above, the directors confirmed on the date of this report that they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five-year period of their assessment.

CORPORATE SOCIAL RESPONSIBILITY

Trevor Schultz
Chairman of the HSES committee

The HSES committee is focused on maintaining a safe environment to work, with opportunities for our employees to train and develop their skills.

Dear shareholders

I am presenting this report in my capacity as chairman of the health, safety, environmental and sustainability committee ("HSES"), a committee of the board of Centamin plc.

The committee is responsible for making recommendations to the board on all matters in connection with issues of the environment, workplace health and safety, and the development of sustainable engagement with communities and stakeholders.

During the year the HSES committee worked closely with management on the following matters:

- review monthly and quarterly reporting on corporate sustainable development issues and initiatives;
- develop and implement HSES policies in Burkina Faso and Côte d'Ivoire;
- complete existing community initiatives at Sukari and the neighbouring town, Marsa Alam;
- steer community initiatives in Burkina Faso and Côte d'Ivoire;
- review of environmental, health, safety and contingency planning issues; and
- review of incident reports relating to the two fatalities occurring in 2015 (one incident in Burkina Faso and one incident occurring at Sukari).

Key issues were raised by the committee during the year and in particular the committee assisted in progressing the segregation of material in the scrap yard at Sukari.

The committee was also encouraged by the level of training undertaken at Sukari, with many employees achieving certification following tailored training programmes in the following areas:

- fire safety training;
- emergency response training; and
- hygiene standards.

One of our main priorities is for each employee to return home safely at the end of each day having worked in a zero-harm environment. Our safety and LTIFR has improved further this year; however, it is regrettable that Sukari experienced its first fatality during 2015. An unfortunate incident occurred within the open pit operation, when a contractor's employee was involved in a rock collapse whilst relocating a grade control drill rig. The operator, and sole occupant of the drill rig, was fatally injured in the incident.

The committee was consulted and informed by management as the incident, the response and the follow-up investigation unfolded. The committee praised the work of the response team and also the leadership onsite in the aftermath of the incident, ensuring personnel received regular and reliable information. The committee is working with management regarding implementation of additional safety measures for any area of the operation where there is scope for improvement.

The committee has also been involved in the security assessment and follow up community work following the unfortunate incident in early 2015 in Burkina Faso. The incident, which occurred on a public road near the Konkera village, resulted in one of our local employees being fatally wounded and another sustaining injuries.

The wellbeing of our employees is a priority for Centamin and the committee will continue to ensure that health and workplace safety remain at the top of the agenda.

The report below covers the key HSES issues for Sukari and concludes with information relating to the exploration activity in Burkina Faso.

Trevor Schultz
Chairman of HSES committee

21 March 2016

HSES

The HSES committee members at the date of this report are Trevor Schultz (chairman), Mark Bankes and Kevin Tomlinson, all of whom are independent directors of the Company. The previous chairman of the committee, Bob Bowker, retired in January 2015.

Health and safety

Centamin is committed to minimising health and safety risks to a reasonably practical level, while striving for a zero-harm and productive work place. We have designed and implemented systems, procedures and measures to manage occupational health and safety risks. Such systems are implemented in full conformity with local legislation, licence and permit conditions, as well as international best practice standards.

In 2015, we were able to reduce the LTIFR further and we continue to strive for an injury-free environment.

Safety-conscious culture

We realise that safety is the responsibility of all employees and pursue the development of a safety culture at our sites. We do this by empowering employees, giving them responsibility for their wellbeing as well as the safety of the colleagues they work alongside. Through training, coaching and leading by example, our employees are fully aware of the safety requirements and standards expected.

Safety is a main element of discussion in pre-shift, daily planning and weekly safety meetings. Safety alerts are also periodically issued and sent to all employees.

Proactive approach and emergency response planning

The HSES team onsite prepare and train to respond quickly to emergencies. We have developed a detailed emergency plan with full response and rescue procedures for different potential risk scenarios. The plan is coupled with emergency arrangements for different areas of the operation.

Risk assessment is integral to all operational activities onsite and we continuously evaluate potential and actual hazards, their probability and likely outcomes, to determine the level of risk and appropriate risk mitigation and safeguards. A variety of different procedures and systems have been developed and implemented including job hazard analysis for new and non-recurrent activities.

We undertake emergency drills to test our performance and our equipment. In 2015, we undertook 53 emergency drills covering different risk scenarios to test our emergency response, rescue and evacuation capabilities.

An inspection and maintenance programme is implemented to ensure all emergency response equipment is fit for use at all times.

CASE STUDY – TOOL BOX TALK

The tool box talks are an effective and easy method of safety communication. Full-time trainers are available in almost all operational departments to provide in-field training and coaching for the work force. Tool box talks before shifts are used to address safety issues, to share tips and lessons learnt.

The talk provides an environment for interactive discussion and promotes a safety-conscious culture. This timely safety communication addresses numerous safety aspects and supplements formal training. Our safety professionals are continuously developing material for the talks in a simple form using brief text, photos and drawings. The tool has proved to be a very successful method of continuous safety learning.

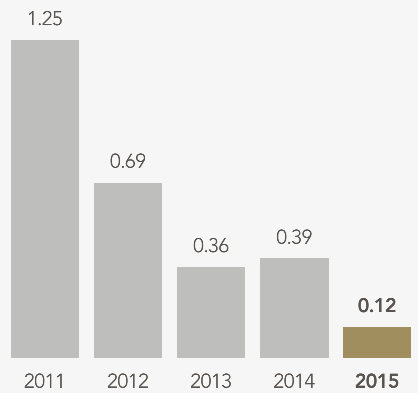
The Company is committed to continuously training the employees through a comprehensive safety training and coaching programme:

- a tailored safety induction for new employees, contractors and visitors;
- incident investigation;
- training modules addressing job hazard analysis, risk assessments, incident investigations, work permits, first aid, fire extinguishing, and hazard identification; and
- technical competence tuition, such as isolation training, lifting procedures, confined space entry, hot work and working at height.

Training is repeated regularly through refresher courses and employees are all tested to ensure a high level of understanding and application. The training is undertaken by the onsite HSE department. Mandatory training is rolled out for all departments, encompassing area-specific training, field training and coaching.

LOST TIME INJURY FREQUENCY RATE

(per 200,000 working hours)



CORPORATE SOCIAL RESPONSIBILITY continued

CASE STUDY – ESTABLISHING A CAPABLE EMERGENCY TEAM

Creating and maintaining a qualified emergency team is an essential element of emergency preparedness. At Sukari, we have structured a very competent response and rescue team to be immediately mobilised in case of emergency situations. The team has received ample training and was coached for a year by a resident emergency response expert. The capacity building programme includes theoretical and practical training as well as drills to simulate different emergency situations. The team is equipped with the required response equipment, supplies and rescue facilities. A training plan is implemented to ensure full competence of the team. As noted earlier, in the HSE chairman's summary, the committee praised the work of the response team at Sukari in the aftermath of the unfortunate incident that occurred within the open pit operation in the fourth quarter.

Contractor management

All contractors operating onsite are required to adhere to the implemented safety management system, whether they work for long periods of time or for short assignments. Currently there are around 485 permanent contractors at Sukari.

We provide and share information with our contracting teams, in support of our compliance and safety procedures. Contractors are provided with a standard health and safety induction upon their arrival at site and given full access to health services available onsite.

Tracking safety performance and safety performance indicators

A core element of our management system is to assess our safety performance and identify areas for improvement. The evaluation of our safety performance is essential to indicate the effectiveness of our systems and controls and to identify opportunities for continuous improvement. In that regard, we have monitoring systems in place for:

- workplace and occupational health parameters;
- occupational health parameters to detect health impacts due to work-related matters;
- fitness to work to detect personnel under the influence of alcohol or illegal drugs;
- implementation of safety procedures and standards to ensure they are assimilated and adhered to; and
- stability of structures to detect any potential movement, cracks or other instabilities.

Monitoring methodology includes measurements, medical surveillance, auditing and visual inspection, as well as systematic observation of the work and behaviour of staff. Measurements are performed through in-house capabilities as well as third-party entities. Reactive or responsive evaluation is also undertaken to investigate and analyse incidents and to identify root causes to help implement corrective measures. The information collated from these processes is reported to the committee on a monthly and quarterly basis.

All employees and contractors are required to report all hazards, near-misses and incidents for investigation and analysis. This embodies the principles adopted by the HSES policies and procedures that everyone shares and contributes in a responsible manner to creating a safe working environment.

Our safety performance in 2015 saw a considerable improvement in our lost time injury ("LTI") frequency rate and a slight increase in our medical treated injury ("MTI") frequency rate. We have had one fatal incident at Sukari which occurred in 2015.

This incident was investigated and duly reported to authorities and occurred within the open pit operation, when a contractor's employee was involved in a rock collapse whilst relocating a grade control drill rig. The operator, and sole occupant of the drill rig, was fatally injured in the incident.

	2015 frequency rate(1)	2014 frequency rate(1)	2013 frequency rate(1)	2012 frequency rate(1)
Fatality injury ("FIFR")	**0.04**	—	—	—
Lost time injury ("LTIFR")	**0.12**	0.39	0.36	0.69
Medical treatment injury ("MTIFR")	**0.6**	0.39	1.28	1.37

(1) Per 200,000 working hours.

Fire drill training at Sukari

Health and wellbeing

We pay the utmost attention to the wellbeing of our employees and their protection from exposure to occupational health risks. We provide protective measures and equipment for different operations ensuring the equipment is appropriate for the working conditions.

Medical tests, including blood analysis, are conducted regularly, particularly for laboratory personnel and those working with chemicals and metals. In 2015, the following tests and measurements were also carried out and the outcomes were as follows:

- internal health and hygiene audits confirmed the results were within acceptable limits;
- water quality sampling and analyses carried out by an external laboratory confirmed no major anomalies; and
- work environment monitoring and personal exposure levels recorded no anomalies and confirmed that Sukari was compliant with required standards.

CASE STUDY – HEALTH SERVICES AT SUKARI

Sukari has a well-equipped clinic providing health and emergency related services on a 24 hours a day, seven days a week basis. A doctor and qualified nurse manage the clinic and provide professional services in normal conditions. It is also equipped to respond to emergency situations. A medical evacuation scheme ("MEDIVAC") is in place supported by first aid facilities, as well as an ambulance for transportation to the nearest hospital.

Our health programme has a special focus on food safety and hygiene, given we have a large mess that provides meals to about 1,500 employees and contractors per day. We employ in-house health and hygiene officers who supervise food safety and undertake inspection and auditing on all components of the system. Periodic external audits are also undertaken for verification. In 2015, the programme yielded very satisfactory results and a higher level of hygiene was achieved and maintained.

We provide quality health service for our employees onsite and offsite through a comprehensive health insurance system.

Our employees and contractors

Our people are core to the success of our business. We are committed to attracting, energising, developing and retaining a highly skilled and experienced workforce.

The Company's activities provide direct and indirect employment, training and work experience for many Egyptian employees. Our workforce has witnessed considerable growth since we started production in 2010, both in terms of the number of employees and the range of skills and expertise of our workforce.

In Egypt, we employ 1,316 people of whom 95% are Egyptian. The remaining 5% are experienced expatriate mining professionals, which is well below the 10% maximum expatriate limit mandated by Egyptian law. Approximately 50% of our Egyptian nationals are from Upper Egypt, the area where Sukari is situated, which typically has less economic activity than the more prosperous areas around the Nile Delta.

Only 1% of our Egyptian workforce are women and they work in the group's office in Alexandria – this is mainly because social conditions in Egypt and in the Middle East in general do not encourage the work of female employees in remote sites away from their families.

The table below sets out the number of people employed by the group (excluding contractors) by country, during the years stated.

	Year ended 31 December 2015	Year ended 31 December 2014	Year ended 31 December 2013	Year ended 31 December 2012	Year ended 31 December 2011	Year ended 31 December 2010	Year ended 30 June 2010
Egypt	**1,316**	1,296	1,340	1,120	1,106	985	816
Australia	**1**	1	1	1	2	2	3
Jersey	**10**	10	9	7	2	—	—
Ethiopia	**3**	31	37	45	47	—	—
Burkina Faso	**102**	64	—	—	—	—	—
Côte d'Ivoire	**30**	11	—	—	—	—	—
Total	**1,462**	1,413	1,387	1,174	1,157	988	819

The table above excludes contractors onsite. The number of contractors onsite at Sukari, Egypt during the year averaged 485 individuals.

Strategic report
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CORPORATE SOCIAL RESPONSIBILITY continued

Human resources principles

Our recruitment procedures and standards are innovative and target those who will have not only the relevant competence, skills and qualifications, but who have potential for growth and development and could integrate within a large work team working in a remote area.
Our human resources policy provides the framework within which we operate. It delineates the rights, obligations and benefits for employees. Our policies ensure:

- all employees have the same rights and obligations and there is no discrimination based on religious grounds, nationality or political views;
- employment decisions, such as hiring and promotion are based on the ability of a person to perform the job in question, without regard to personal characteristics that are unrelated to the inherent job requirements;
- harassment of employees by anyone and in any way is not tolerated;
- any practices of forced and compulsory labour are not allowed in any work related to our activities;
- all employees are entitled to a safe healthy work environment, and each employee is accountable for HSE performance in the Company;
- child or forced labour is prohibited, whether in our permanent employment or in contractors' workforces; and
- we are committed to the highest ethical standards and behaviours as firmly rooted in our Code of Conduct. The code secures the adherence to set principles and promotes confidence in the integrity of the Company.

Contractors are required by their agreements to abide by these requirements, and follow-up checks are carried out to establish that our conditions are met.

We expect all employees to uphold our core values of honesty and integrity. All employees are encouraged to treat their fellow colleagues with respect, dignity and common courtesy. All employees are required to understand and act in accordance with the Company's requirements and to fully integrate within the work team.

Annual performance appraisals are undertaken for all employees. The appraisal covers several areas including the employee's job knowledge, skills attained during the year, quality of work, initiative and innovation. The appraisal is undertaken by the immediate supervisor and the performance is agreed with the section head. The process also identifies the need for training or coaching, modification of responsibilities or opportunities to undertake more challenging roles and responsibilities.

Capacity building and development

We actively invest in securing the full spectrum of skills and competencies needed for effective operations. We adopt a comprehensive development plan for each position to enhance skills and qualifications for the Egyptian staff to become a workforce of international repute in the mining industry.

We work with all our employees closely and encourage those who show keenness and desire to develop new personal skills and experience. External training is arranged either onsite or abroad. Special training programmes for databases, software and surveys are designed to include distant follow-up and support.

We value regular communication and feedback with employees which helps enhance the efficiency, effectiveness and safety of everyday activities and overall operational performance.

Recreational facilities onsite

In addition to creating a positive work environment, the Company believes it is important that employees enjoy their time before and after work. The majority of our staff live in the Sukari camp, and thus we have invested in a variety of leisure facilities such as playing fields, a gymnasium, a library, internet access and satellite television. Special barbecue dinners are also held at the beach or around Sukari and sports tournaments are regularly organised. Sukari has also arranged accommodation complexes outside the site in Marsa Alam city centre.

Underground core samples assessed by operator

The environment

Our HSE policy outlines our commitment to environmental responsibility. One of Centamin's core values is to minimise the environmental impact and risk of an environment incident from its operations, to a reasonably practical level. We remain committed to maintaining, and whenever possible exceeding, the high level of environmental performance that we have achieved in 2015.

An environmental and social impact assessment ("ESIA") was prepared as part of the project feasibility study at Sukari. We strive to maintain high standards of environmental performance. We meet, and where possible, exceed relevant legal requirements. The system is supported by a robust documentation system that ensures the maintenance of required registers, documents and renewal of required permits.

The environmental management scheme for the Sukari project includes a monitoring programme designed to evaluate compliance with environmental laws, regulations, Company policies and international best practice. The system covers waste management; material, water and energy management; management of hazardous substances and chemicals and biodiversity management.

Maintaining an environmentally responsible culture

Employees are made aware of their environmental responsibilities and relevant procedures through a number of means. We maintain an established programme of environmental training and awareness. The programme addresses different environmental fields including chemical management; waste management; emissions and water conservation, as well as general environmental management practices. Other forms of awareness are undertaken through meetings and tool box talks.

Resource management

Systems and procedures are in place to ensure efficient and safe handling of material used at the mine including chemicals and hazardous materials.

Risk assessments are carried out for handling and usage of all chemicals and hazardous materials. Controls include containment, automatic alarms and shut-off systems. Preventative maintenance programmes for tanks and equipment are also in place. Our emergency response system include spill prevention and response measures.

We fully acknowledge the importance of managing chemicals in a sound manner so as to minimise harm to the environment and the health of employees. Hazard communication and chemical management handling is a core component of our training programme and our continuous education system. The systems in place ensure safe transportation, storage, labelling and handling of chemicals.

Recreational area and facilities at Sukari

Water management and groundwater protection

Water is a crucial input for our processes, thus it is essential to secure and maintain a sustainable source of water for our operations. In an area with limited fresh water resources, we rely on a sea water intake and pipeline from the Red Sea to provide a sustainable water supply to the mine.
As a secondary source of water, we have beach wells where sea water infiltrates through the soil. We have desalination plants for generating fresh water for the process plant and for domestic use.

The sea water pumped to site is used, and then recycled throughout the process plant ensuring optimum usage of this resource. This is undertaken through an internal recycling system where different water streams are deployed in closed-loop systems to reduce consumption as much as possible. We strictly monitor our water use and strive to adopt measures for efficient use of water.

In 2015, we used a total of 9,743,584m^3 per year with an increase of 18% on 2014 (8,298,474m^3). About 99% of the water consumed at Sukari is sea water, which has no impact on fresh water resources.

Desalinated water used in camps and offices is tested to ensure its quality in terms of chemical and bacteriologic parameters. Bottled water (used for drinking) is also periodically tested to ensure supplier standards and storage procedures are maintained. All samples are compliant with Egyptian legal requirements.

Groundwater protection measures have been incorporated in the design of the tailing storage facility and other components where a layer of gypsum and a HPDE liner are used to prevent seepage. Workshops have concrete working areas to prevent seepage. We monitor groundwater quality through monitoring bores downstream from the tailing storage facility to detect any potential contamination. In 2015, the monitoring of these bores showed no contamination.

CORPORATE SOCIAL RESPONSIBILITY continued

Energy

Marsa Alam, the region in which the Sukari mine is located, is a remote area with no direct connection to any power grid. The city has its own power plant whose capacity is only sufficient for residential use not industrial needs.

Consequently, the project at Sukari powers the entire processing plant through its own onsite diesel power station.

In 2015, Sukari consumed a total of 130,687,478 litres of diesel, an increase of 20% from 109,422,636 litres in 2014. About 68% of this quantity is used in power generation and the rest is used in operating mobile equipment and vehicles, and in operation.

Calculation of the direct greenhouse gases ("GHG") emissions is based on the Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories. In 2015, the Sukari mine generated 367,588(1) tonnes of CO_2 equivalent against production of 439,072 ounces per annum. The emissions intensity for 2015 was 0.84 tonnes of CO_2 equivalent per ounce of gold produced.

(1) Scope 1 emissions are direct emissions occurring from sources that are controlled directly through the operating company, Sukari Gold Mines. There are no material external purchases of power. Exploration beyond Sukari and overheads occurring at the corporate offices in other locations are not considered material for the purposes of these calculations.

	Fuel consumption (litres)	CO_2 equivalent (tonnes)	CO_2 equivalent per ounce of gold
2014	109,422,636	308,146	0.82
2015	**130,687,478**	**367,588**	**0.84**

A review of alternative fuel sources to supply the processing plant is ongoing, but to date there have been no viable alternatives.

Emissions, effluents and wastes

Systems and procedures are in place for sound management of different environmental aspects including emissions, effluents, non-process waste, waste rock and tailings. The system is based on setting annual plans; development of documented procedures and standards; awareness and training of employees and monitoring of performance to achieve further improvement.

All our industrial wastewater streams are recycled within the process. Sewage is treated in a tertiary wastewater treatment plant and the treated water is used in landscaping. Periodic inspections are conducted on the treated wastewater and monitoring is undertaken for its effluent.

Our monitoring activities in 2015 confirmed that we remained within legal requirements and international best practice standards in respect of the following areas:

- ambient air quality in the camp area (in terms of dust and emissions);
- dust concentration in different work areas;
- noise and illumination;
- work environment emissions, including carbon monoxide, sulphur dioxide and ammonia;
- stack emissions due to fuel combustion;
- quality of treated wastewater; and
- quality of groundwater.

The waste management system in place at Sukari, Egypt includes procedures for the handling, storage and disposal of waste. The system is focused on:

- waste minimisation through different measures to reduce generation of waste;
- maximising onsite recycling and reuse of different types of wastes;
- recovery of valuable material from the waste;
- reuse of treated wastewater streams; and
- disposal of discarded material in an environmentally acceptable manner.

We maintain a salvage area where valuable wastes are temporarily stored until transferred offsite or recycled in different areas onsite. A key focus for the committee has been improving the rate at which waste material is transferred offsite or recycled and this is an ongoing task.

CASE STUDY – CREATING VALUE FROM WASTE

At Sukari, we believe that waste has a value that must be recovered to the most practically feasible extent. In that respect:

- waste oil is recovered from oily filters before disposal, waste oil is recycled offsite within a national system;
- food waste is transported off site to our neighbouring Bedouins to use as animal fodder;
- spent chemical solutions are recycled in the process plant after appropriate treatment;
- empty plastic containers are cleaned and used as waste baskets all over the site; and
- discarded timber is used to make benches at the site and in Marsa Alam streets.

Biodiversity

Centamin is committed to protecting the wildlife unique to the eastern desert by minimising the impact of our operations on the environment. We are conscious that the sea near Sukari is renowned for its crystal clear water, and includes a variety of coral reefs and marine biota. The desert environment is characterised by its scarce terrestrial biodiversity resources, and the area of Marsa Alam also includes the Wadi El-Gemal protectorate, one of Egypt's largest environmental protectorates, with about 100km of pure beach and desert landscapes.

Biodiversity conservation principles were integrated into the project design for Sukari from the outset and are applied to all of our activities.

There were no incidents reported of negative impact on wildlife as a result of operations at Sukari during 2015.

Land management and rehabilitation

We are committed to transferring Sukari to a stable and self-sustaining condition after closure. Due consideration will be given to environmental and social impacts to avoid long-term challenges for neighbouring parties.

The planning for the closure of the mine aims to ensure that a physically and chemically stable landform is maintained, with minimal erosion and minimal potential for dust generation and that the hazards are reduced to levels equal to or below those naturally existing within the surrounding environment.

Our restoration and rehabilitation plan is updated each year to account for all components and activities within the mine. A provision for restoration and rehabilitation is included in the annual budget. The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligations at the reporting date.

In addition to the long-term rehabilitation plan, we undertake short-term rehabilitation activities especially for construction sites and for clean-up of spills.

Community and society

Centamin recognises that it has a responsibility to support and enhance the community in which it operates, and to minimise its impact on the environment and local people at every stage of its activities. We consider good community relations as a key component of continued operational success as well as a corporate requirement. We are committed to acting in a socially responsible manner at all times.

Stakeholder engagement

We nurture dialogue and build relations with the local community in areas in which we operate. We maintain open channels of communication with all our stakeholders. A public consultation system has been in place at Sukari since the project design phase, and during the construction phase. With mining in operation we have maintained open channels of communication with all our stakeholders for the purpose of information disclosure and for them to raise grievances or concerns. In providing these opportunities we have been pleased to find that, throughout 2015, as in previous years, the Sukari mine continues to enjoy full support from the local community and government authorities.

Forest and farmland in Burkina Faso

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CORPORATE SOCIAL RESPONSIBILITY continued

Community development initiatives

In 2015, we have continued our support and contribution to community development in Marsa Alam and Red Sea area at large. Initiatives were designed and implemented to address community needs and were implemented where possible through full collaboration and coordination with local authorities, community groups and associations. Our interventions addressed projects with a variety of focuses:

- infrastructure needs;
- income generative initiatives;
- social activities;
- enhancing education;
- social welfare.

Infrastructure initiatives:

- provision of additional generators and related transformers to add 3.2MW to Marsa Alam power station;
- continuing to supply electricity to a neighbouring Bedouin settlement of 200 people;
- supporting the youth centre at Marsa Alam;
- financing the maintenance activities undertaken in Marsa Alam institutes and schools;
- maintenance and changing tiles for one of the Marsa Alam squares; and
- installing tiles in a Marsa Alam mosque.

Income generation activities:

- provision of food waste to neighbouring Bedouins for grazing purposes.

Social involvement activities:

- organising a marathon along Marsa Alam and Edfu roads;
- sponsoring local events and celebrations including the orphans' day, police day and the environment day;
- donation of equipment and furniture to local authorities in Marsa Alam;
- maintenance activities for the civil defence centre in Marsa Alam; and
- providing furniture for an infants' nursery in Marsa Alam.

Enhancing education:

- training of 66 geology and engineering students at Sukari in the summer vacation;
- organising field visits to Sukari for 660 students and officials; and
- provision of furniture to Marsa Alam nursing school.

Social welfare contributions:

- financing surgery for Bedouins in the Marsa Alam hospital;
- financing daily iftars during Ramadan for unprivileged individuals in Marsa Alam; and
- distributing food at feasts.

Advanced exploration

Burkina Faso

Integration of Company policies

The Company's health, safety and environmental policies and standards are being integrated into the Batie operations where relevant. These include:

- provision of health services at camp;
- training and induction requirements;
- incident investigation and reporting requirements;
- internal communication mechanisms;
- vehicle safety requirements; and
- contractor management.

Safety performance

The safety performance of Batie project is monitored and evaluated and is, in general, satisfactory.

	2015 frequency rate(1)
Fatality injury ("FIFR")	0.2
Lost time injury ("LTIFR")	0.62
Medical treatment injury ("MTIFR")	0.21

(1) Based on 200,000 working hours.

In February 2015, an incident occurred on a public road near the Konkera village which resulted in one of our local employees being fatally wounded and another sustaining injuries. Further additional security measures have been implemented following the incident.

Health services

The Batie camp site has a well-equipped clinic operated by ISOS and the clinic has a full-time paramedic. The camp is also equipped with an ambulance to transfer cases to the nearest medical centre in Batie or to hospital in Gauoa.

The clinic is accessible to employees at all times and provides quality health services with a particular focus on malaria. Through applying protective measures and through employee awareness programmes, the malaria frequency rate was maintained at 43 per 1,000 people in 2015 compared to the 225 country frequency rate in Burkina Faso as a whole.

Environment

An environmental impact assessment study ("EIA") has been carried out in accordance with Burkina Faso legislation. Of particular note in connection with the EIA were the specific issues relating to the social environment and these were identified, as follows:

- relocation of communities directly impacted;
- relocation of cashew tree plantations;
- identification of sacred and religious sites;
- social acceptability and job creation;
- economic impact assessment; and
- community projects.

The process of developing the EIA included a stakeholder consultation for the project and the associated relocation requirements. The proposed Batie project extends to villages and occupied areas and thus some farms, houses and public areas will need to be relocated. A relocation plan has been prepared taking account of the views expressed in the consultation including those of farmers, land owners, local chiefs. Local committees have been formed to follow up the process. With the further optimisation and design of the project, the relocation plan will be refined accordingly.

An important component of exploration activities is the rehabilitation of sites. There are procedures to ensure the safe, stable and environmentally sound closure of pits and wells immediately after completion of works. Drilling contractors are required to implement such procedures at all their drilling sites.

Community and society

Stakeholder engagement remains a key element throughout the exploration and advanced exploration phase. This will become increasingly important as the Company proves the resource and is able to develop an operating mine in the region. Centamin, through its local subsidiaries, will continue to engage with the local community in relation to its projects in Batie.

Stakeholder engagement is undertaken through individual and group meetings to discuss concerns. These include:

- access to exploration lands
- identification of sacred sites that must not be disturbed
- compensation for removing trees or disturbing land
- conflict management

Community development initiatives

Community development in 2015 had tackled several objectives including enhancing:

- education;
- health services;
- social involvement; and
- livelihood.

Enhancing education

- internship for two technical students at the mechanical department at Batie camp; and
- internship for two geology students in the exploration department.

Enhancing health services

- supporting Batie medical centre through providing antivenins, running water, power access, analysis equipment, and financing hygiene services; and
- repair of water bore for the Wadaradoo maternity clinic.

CASE STUDY: SUPPORTING BATIE MEDICAL CENTER

Our community development team has undertaken visits and discussions with the Batie medical centre to identify needs for enhancement of health services and responding to emerging needs. As a result the following have been carried out:

- provision of antivenins for snake attacks;
- construction of a water tank and related connections to provide running water in the centre;
- implementing solar energy installations to provide lighting to critical areas in the centre;
- provision of advanced haematology equipment and kits; and
- provision of cleaning kits and contracting professional cleaning services to ensure high levels of hygiene.

Social involvement:

- sponsorship of, and participation in, community events and celebrations; and
- support for vulnerable students in education.

Enhancing livelihood:

- establishing two water bores in Danhal tenement; and
- supplying 50 bicycles for students with excellence achievements.

OPERATIONAL REVIEW

In this section we feature our operational performance and exploration review for 2015.

Health and safety – Sukari

The LTIFR for 2015 was 0.12 per 200,000 man-hours (2014: 0.39 per 200,000 man-hours), with a total of 5,032,828 man-hours worked during 2015 (2014: 5,620,444). Continued development of the onsite health and safety culture has resulted in improved reporting of incidents.

Against this positive result, an incident occurred within the open pit operation during the fourth quarter, when a contractor's employee was involved in a rock collapse whilst relocating a grade control drill rig. The operator, and sole occupant of the drill rig, was fatally injured in the incident.

Centamin remains committed to further improving health and safety during 2016 towards our zero-harm target.

Open pit

The open pit delivered total material movement of 57.8Mt, an increase of 28% on the prior year. This increase was related to improved fleet utilisation and productivity, together with incremental blasting rates following the increased daily usage of ammonium nitrate ("AN") from October 2014. Mining continued to focus on the Stage 3A and 3B areas and the northern and eastern walls of the open pit, in line with the mine plan.

Ore production from the open pit was 8.75Mt at 0.75g/t, with an average head grade to the plant of 0.78g/t. The ROM ore stockpile balance decreased by 1.5Mt to 0.7Mt by the end of the year. Ore mining was primarily from the Stage 3A area, which provided access to higher-grade sulphide portions of the ore body during the second half of the year.

Underground mine

The underground mine produced a record 1.16Mt of ore, a 20% increase on 2014. Ore from stoping accounted for 52% (0.60Mt) of the total and 48% (0.56Mt) was ore from development. Ore tonnages from stopes increased by 18% on the previous year.

The average mined head grade was 6.5g/t, in line with our forecast. The average grade from stoping was 6.9g/t (an increase of 5% on 2014) and the average grade from development was 6.0g/t (an increase of 9% on 2014).

Underground development took place over 8,501 metres, including progression of the Amun and Ptah declines. Of this total, there was 6,864 metres of development in mineralised areas between the 845 and 680 levels (5,389 metres in Amun, and 1,466 metres in Ptah) associated with stoping blocks planned for mining over the coming years.

The exhaust ventilation circuit for the Ptah decline was progressed, ensuring sufficient ventilation as the decline extends deeper into the orebody. Ore drive development continued on the Ptah P810, P790, P775, P745 and P735 levels.

A total of 12,277 metres of grade control diamond drilling were completed, aimed at short-term stope definition, drive direction optimisation and underground resource development. A further 26,835 metres of HQ and NQ drilling continued to test the depth extensions below the current Amun and Ptah zones.

Processing

The Sukari plant processed 10.6Mt of ore in 2015, a 26% increase on 2014 and reflecting the ramp-up of the expanded plant circuit. The annual tonnes processed were 6% above the nameplate capacity of 10Mtpa. Productivity continued to increase throughout the year, with 2.76Mt processed during the fourth quarter, representing a 13% increase on 2014 annual productivity rates and achieving the plant's minimum expected long-term rate of 11Mtpa.

The average metallurgical recovery was 88.8%, a 1.1% increase on 2014. Work is continuing to optimise the operational controls and improve circuit stability to ensure recoveries are maintained above 88% at the increased rate of throughput.

The dump leach operation produced 15,642oz in 2015.

The open pit delivered total material movement of 57.8Mt, an increase of 28% on the prior year.

Sukari Gold Mine production summary	Year ended 31 December 2015	Q4 2015	Year ended 31 December 2014	Q4 2014
Open pit mining				
Ore mined[1] ('000t)	**8,746**	**2,229**	10,936	4,123
Ore grade mined (g/t Au)	**0.75**	**0.77**	0.80	1.00
Ore grade milled (g/t Au)	**0.78**	**0.75**	0.97	1.31
Total material mined ('000t)	**57,766**	**13,754**	44,820	13,804
Strip ratio (waste/ore)	**5.6**	**5.17**	3.1	2.4
Underground mining				
Ore mined from development ('000t)	**560**	**151**	464	115
Ore mined from stoping ('000t)	**598**	**149**	504	169
Ore grade mined (g/t Au)	**6.47**	**7.05**	6.10	5.43
Ore processed ('000t)	**10,575**	**2,758**	8,428	2,597
Head grade (g/t)	**1.40**	**1.47**	1.56	1.71
Gold recovery (%)	**88.8**	**88.5**	87.8	87.0
Gold produced – dump leach (oz)	**15,642**	**3,417**	15,564	2,564
Gold produced – total[2] (oz)	**439,072**	**117,644**	377,261	128,115
Cash cost of production[3][4] (US$/oz)	**713**	**667**	729	565
Open pit mining	**243**	**232**	241	228
Underground mining	**46**	**42**	59	48
Processing	**367**	**338**	375	334
General and administrative	**56**	**54**	54	45
Gold sold (oz)	**437,571**	**117,351**	375,300	125,416
Average realised sales price (US$/oz)	**1,159**	**1,103**	1,257	1,203

(1) Ore mined includes 54kt @ 0.54g/t delivered to the dump leach in Q4 2015 (221kt @ 0.46g/t in Q4 2014). Gold produced is gold poured and does not include gold-in-circuit at period end. Cash operating costs exclude royalties, exploration and corporate administration expenditure.
(2) Gold produced is gold poured and does not include gold-in-circuit at period end.
(3) Cash costs exclude royalties, exploration and corporate administration expenditure. Cash cost is a non-GAAP financial performance measure with no standard meaning under GAAP. For further information and a detailed reconciliation, please see glossary for definition.
(4) Cash costs of production reflect an exceptional provision against prepayments to reflect the removal of fuel subsidies which occurred in January 2012 (refer to notes 3 and 6 respectively to the financial statements for further details).

OPERATIONAL REVIEW continued

Resources and reserves – Sukari

During the year, Centamin updated its mineral resource and mineral reserve estimates for the Sukari Gold Mine as at 30 June 2015. An updated NI 43-101 resource and reserve report was completed and filed on SEDAR at www.sedar.com.

The total measured and indicated mineral resource estimate of 13 million ounces ("Moz") gold is reported as an open pit resource at a 0.3g/t cut-off grade. This total is inclusive of the 1.0Moz underground mineral resource. The open pit and surface stockpile mineral reserve estimate is 8.3Moz and the underground mineral reserve estimate is 2.7 million tonnes ("Mt") containing 0.5Moz gold.

The total combined open pit and underground mineral reserve estimate of 8.8Moz represented an increase of 7% over the previous 8.2Moz as at 30 September 2013. The increase is due to lower operating mining and processing costs associated with lower international fuel prices, and continued drilling from underground to move ounces up through the resource categories and increase the underground reserve.

Resource and reserve definition drilling continues to target higher grade areas of the Sukari Hill deposit, in parallel with expanding underground infrastructure. Positive results from the ongoing programme are discussed in the following section.

Total mineral resource for the Sukari Gold Mine

	Measured		Indicated		Total measured and indicated			Inferred		
Cut-off (g/t)	Tonnes (Mt)	Grade (g/t)	Tonnes (Mt)	Grade (g/t)	Tonnes (Mt)	Grade (g/t)	Gold (Moz)	Tonnes (Mt)	Grade (g/t)	Gold (Moz)
0.3	**198**	**1.05**	**188**	**1.02**	**386**	**1.03**	**12.9**	**33**	**1.0**	**1.1**
0.4	160	1.22	152	1.18	312	1.20	12.0	26	1.2	1.0
0.5	133	1.38	124	1.34	257	1.36	11.2	21	1.3	0.9
0.7	95	1.69	87	1.66	182	1.68	9.8	15	1.7	0.8
1.0	62	2.14	56	2.12	118	2.13	8.1	9	2.1	0.6

- Totals may not equal the sum of the components due to rounding adjustments.
- The mineral resource estimate is based on the open pit mined surface as at 30 June 2015 and adjusted for underground mine workings as at 30 June 2015.
- All available assays as at February 2015.
- Resource data set comprises 252,449 two metre down hole composites and surface rock chip samples.
- Mineral resources are reported inclusive of those resources converted to proven and probable mineral reserves.
- The resources are estimates of recoverable tonnes and grades using multiple indicator kriging with block support correction.
- Measured resources lie in areas where drilling is available at a nominal 25m x 25m spacing, indicated resources occur in areas drilled at approximately 25m x 50m 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 0mRL (a maximum depth of approximately 1,000m below wadi level).

Ore stock pile at Sukari

Underground at Sukari

Underground mineral resource for the Sukari Gold Mine (included within the total resource above)

	Tonnes ('000t)	Grade (g/t)	Gold ('000oz)
Measured	1,850	6.5	390
Indicated	2,820	7.0	630
Total measured and indicated	**4,670**	**6.8**	**1,020**
Inferred	6,970	5.6	1,240

- Totals may not equal the sum of the components due to rounding adjustments.
- The mineral resource is reported above 2g/t within interpreted mineralised domains.
- The mineral resource estimate is depleted by underground mine workings as at 30 June 2015.
- All available information has been used including mapping from underground mining and assays as at June 2015.
- Available resource data resulted in 21,369 one metre down hole composites used for grade estimation.
- The mineral resources were estimated utilising a single indicator weighted kriging method ("IK") to estimate gold for each of the mineralisation domains.
- Measured mineral resources are defined by a drill spacing of at least 20m x 20m and confined to the interpreted mineralisation defined by underground mine development. Indicated mineral resources are defined as areas outside the measured mineral resource and defined by approximately 20m x 20m drill spacing. Inferred mineral resources include all remaining estimated mineralisation defined by a drill spacing of approximately 50m x 50m.
- Mineral resources are reported inclusive of those resources converted to proven and probable mineral reserves.
- The underground resource is located within the boundaries of the open pit resource, and is included within that total.

Total combined (open pit and underground) mineral reserve for the Sukari Gold Mine

	Proven		Probable		Mineral reserve		
	Tonnes (Mt)	Grade (g/t)	Tonnes (Mt)	Grade (g/t)	Tonnes (Mt)	Grade (g/t)	Gold (Moz)
New reserve[(1-4)]	**152**	**1.05**	**101**	**1.15**	**253**	**1.09**	**8.8**
Previous reserve[(5)]	119	1.06	111	1.17	230	1.11	8.2

Totals may not equal the sum of the components due to rounding adjustments.
(1) Total includes:
Open pit mineral reserve = 229Mt @ 1.09g/t for 8.0Moz
Underground mineral reserve = 2.7Mt @ 6.0g/t for 0.5Moz
Stockpiles = 21Mt @ 0.42g/t for 0.3Moz
(2) Based on open pit mined surface as at 30 June 2015, underground mine workings as at 30 June 2015, and a gold price of US$1,300 per ounce.
(3) Ultimate open pit design has a waste to ore ratio of 5.9:1.
(4) See additional notes in tables below for the underground and open pit mineral reserves.
(5) As at 30 September 2013 at US$1,300 per ounce.

Open pit mineral reserve by classification

The component of the combined reserve, as outlined above, that relates to the open pit operation is summarised below:

Reserve classification	Tonnes (Mt)	Grade (g/t Au)	Gold (Moz)
Proven	130	1.11	4.6
Probable	99	1.07	3.4
Stockpile	21	0.42	0.3
Total	**250**	**1.03**	**8.3**

- Totals may not equal the sum of the components due to rounding adjustments.
- Based on mined surface as at 30 June 2015 and a gold price of US$1,300 per ounce.
- International diesel price reductions allowed a lower diesel price assumption, resulting in a lowering of the mining cost and the CIL processing costs.
- Diesel price used was US$0.70/litre and the previous diesel price was US$0.84/litre, current fuel price for Sukari is US$0.52/litre
- Cut-off grades (gold): CIL oxide 0.40g/t, CIL transitional 0.42g/t, CIL sulphide 0.42g/t, dump leach oxide 0.08g/t.
- Designed underground reserves detailed below do not form part of the open pit reserve.

OPERATIONAL REVIEW continued

Underground mineral reserve by classification

The component of the combined reserve, as outlined above, that relates to the underground operation is summarised below.

Reserve	Tonnes ('000t)	Grade (g/t Au)	Gold ('000oz)
Proven	1,020	6.1	200
Probable	1,700	5.9	320
Total	**2,720**	**6.0**	**520**

- Totals may not equal the sum of the components due to rounding adjustments.
- Based on underground mine workings as at 30 June 2015.
- Stopes for reserves estimation are designed using a 3g/t cut-off and mining dilution applied at 15% @ 0.8g/t as all stopes are located in mineralised porphyry and 10% mining loss is then assumed to allow for stope bridges and material left in stopes after mining.
- Mineral resources are reported inclusive of those resources converted to Proven and probable mineral reserves.

Exploration

Sukari

During 2015, drilling from underground remained the focus of the Sukari exploration programme as expanded development continued to improve access to test the potential high-grade extensions of the deposit. The ore body remains open to the north, south and at depth and further underground drilling of the Sukari deposit will take place during 2016, predominantly from both the Amun and Ptah declines.

Selected underground drilling results received during the year (including from the fourth quarter), include the following:

Amun

Hole number	Interval (m)	Au (g/t)
UGRSD0098	5.2	39.8
UGRSD0225	12.0	14.6
UGRSD0411	13.2	48.2
UGRSD0412B	10.6	16.4
UGRSD0416	1.5	207.3
UGRSD0417	21.1	46.1
UGRSD0418	1.7	258.0
UGRSD0418	1.5	85.5
UGRSD0426	1.8	289.0
UGRSD0439	1.6	149.8

Ptah

Hole number	Interval (m)	Au (g/t)
UGRSD0140	1.9	304.7
UGRSD0164	5.3	147.2
UGRSD0545	5.0	50.8
UGRSD0551	2.7	807.0
UGRSD0561	5.9	33.4
UGRSD0566_W2	18.4	17.9
UGRSD0569_W1	21.9	12.5
UGRSD0572_W1	38.0	9.0
UGRSD0573	29.6	6.3
UGRSD0574_W1	31.2	6.8

Burkina Faso

The strategy for 2015 was to continue to systematically explore and drill-test the numerous targets along the 160km length of greenstone belt contained within our extensive 2,200km^2 licence holding. Results from this programme will lead to further drilling and resource development during 2016. The main focus of the exploration is to discover and develop new zones of near surface high grade mineralisation.

Earlier in 2015, and as previously reported, an incident occurred in Burkina Faso on a public road near the Konkera village which resulted in one of our local employees being fatally wounded and another sustaining injuries. A thorough investigation into this bandit attack on two of our vehicles has been carried out. Further additional security measures have been implemented following the incident. There was no impact on operational activity as a result of the incident.

A signed ministerial decree approving the Tiopolo mining licence, which hosts the existing indicated resource of 1.92 million ounces and inferred resource of 1.33 million ounces, was issued on 5 March 2015. A deferral was granted by the Ministry of Mines and Energy in November 2015 in order to continue exploration, as provided for in the Burkina Faso Mining Code.

Burkina Faso and Côte d'Ivoire prospects

The exploration programme in Burkina Faso includes geological mapping and geochemical surveys in order to outline prospects for further work. During the year a regional geophysical interpretation was completed, with follow-up Induced Polarisation ("IP") ground surveys defining numerous anomalies for follow-up drill testing.

The drilling fleet comprises five multipurpose reverse circulation/diamond ("RC/DD") rigs, 2 aircore ("AC") rigs and three auger rigs. During 2015 there were 118,758m of RC, 8,510m of diamond, 86,514m of aircore and 52,380m of auger drilled.

A number of regional exploration targets with potential have been identified utilising the developed structural model for high-grade mineralisation in the region. Based on positive results received during 2015, two prospect areas – Wadaradoo and Napelapera – were prioritised for further work. At present, three RC/DD multipurpose rigs are drilling at Wadaradoo, with two further RC/DD rigs conducting regional reconnaissance working in conjunction with the AC rigs in both the north and south of the licence region.

Exploration at Wadaradoo has to date focused on several zones, including Wadaradoo Main and Wadaradoo East. At Wadaradoo Main high-grade south-plunging shoots have been identified on both the main 020° trending structure and 320° trending splay structures. Results have confirmed at least three shoots that are open at depth. One shoot returned intersections of 5m @ 15.7g/t (hole WDRD524), 4m @ 2.9g/t (WDRD525), 8m @ 8.0g/t and 14m @ 4.4g/t (WDRD334W2).

At Wadaradoo East, higher-grade lenses are observed within a broad halo of low-grade mineralisation. Increasing data has helped to improve our understanding of the geological controls and higher-grade mineralisation can now be traced for 400m along strike, remaining open in all directions. One of the high-grade zones was intersected on two adjacent 50m-spaced sections, returning 25m @ 3.5g/t (hole WDRC586) and 7m @ 6.4g/t (WDRC589).

Several good targets with favourable structural and lithological settings have been identified at Wadaradoo, particularly in the north and south of the prospect area. Targets continue to be identified through combining the structural model with alteration patterns, geochemical results and interpretation of the IP and magnetic surveys.

Exploration is continuing at a number of other target areas, where major cross cutting structures coincide with demagnetised and altered zones. This includes the Gongombili anticline (the southern continuity of the Wadaradoo Main structure in an area with a broad paragonite anomaly), Wadaradoo Far East (large auger anomalies where an intrusive is interpreted at depth), and Doukou (around a major NE striking mafic dyke).

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Wadaradoo significant mineralised RC and DD drill intersections, downhole

Hole number	From (m)	Interval (m)	Au (g/t)
WDRC314	3	7	12.7
WDRC377	20	9	8.4
WDRC450	39	2	34.6
WDRC492	225	13	8.2
WDRC586	97	25	3.5
WDRD302	241	12	6.3
WDRD334W2	200	8	8.0
WDRD334W2	242	14	4.4
WDRD349	127	16	6.5
WDRD350	147	23	3.4
WDRD352	179	18	5.8
WDRD395	217	14	5.3
WDRD491	270	19	3.3
WDRD524	383	5	15.7

At Napelapera, broad and consistent mineralised zones have been identified over 4km which remain open along strike. Higher grades are observed to the south where the granodiorite has been brecciated, silicified and cross cut by quartz veining. Intersections include 14m @ 6.4g/t (hole NPRC432), 18m @ 4.0g/t (NPRC447) and 10m @ 5.0g/t (NPRC437).

An application has been submitted to extend the Napelapera permit up to the border with Côte d'Ivoire. Centamin also holds the permits across the border in Côte d'Ivoire, along the strike of this mineralised zone, known as the Enoida prospect.

Napelapera significant mineralised RC and DD drill intersections, downhole

Hole number	From (m)	Interval (m)	Au (g/t)
NPRC399	16	7	12.3
NPRC404	69	13	5.0
NPRC405	103	4	12.3
NPRC406	55	14	1.7
NPRC418	70	4	6.2
NPRC432	64	14	6.4
NPRC437	70	10	5.0
NPRC446	55	10	3.1
NPRC447	112	18	4.0
NPRD452	111	8	5.8

Select higher-grade results from other prospects within the Burkina Faso licence holding are provided in the table below. Follow-up work is planned in these areas.

Significant mineralised RC and DD drill intersections, downhole, from Farmstead, Poni, Tokera and Tonior prospects

Prospect	Hole number	From (m)	Interval (m)	Au (g/t)
Farmstead	FSRC001	41	4	6.9
Poni	PNRC005	—	14	2.0
	PNRC023	15	3	9.2
	PNRC035	21	6	3.1
	PNRD012	80	8	3.0
Tokera	TKRC087	155	6	4.8
	TKRC088	3	10	5.4
	TKRD085	125	11	5.3
	TKRD090	179	5	4.3
Tonior	TORC039	4	16	1.5
	TORC085	18	7	11.3
	TORC133	128	16	3.2
	TORD129	162	8	3.5

Essential components of our health and safety management systems are being integrated into our operations at Batie West. This process includes an orientation and induction for employees and contractors to ensure adherence to our strict policies and procedures. The Batie West camp site has a well-equipped clinic which includes a full-time paramedic.

Summary details in relation to the HSES aspects of exploring in Burkina Faso are set out in the CSR report.

Côte d'Ivoire

Centamin has four permits covering circa 1,517km² area across the border from Batie West in Burkina Faso (see figure in the previous section). Six permits are under application which are expected to be granted during 2016. Once awarded, exploration will focus on regional surface geochemistry aimed at identifying anomalies for first-pass drilling.

Field work continues on the current licences with reconnaissance geochemistry and geophysics, as well as detailed follow-up leading to first-pass RC drilling.

Soil sampling has identified several coherent gold anomalies which, together with magnetic anomalies, have been targeted with follow-up Auger drilling and trenching in order to gain structural data on the controls of mineralisation.

Ground IP surveys were undertaken over identified prospects. To date, drill results have correlated well with anomalies and further IP surveys are under preparation.

AC drilling was completed at multiple prospects, with some significant intercepts being currently followed up with RC drilling.

At Enoida AC drilling confirmed the continuity of the mineralisation along strike from the Napelapera prospect in Burkina Faso, with intersections including 10m @ 4.4g/t (hole DPAC0862) and 6m @ 3.5g/t (DPAC0838). At Chegue, AC drilling indicated mineralisation over approximately 2km between two doleritic dykes. Select AC intersections are highlighted below.

Côte d'Ivoire significant mineralised AC drill intersections, downhole

Prospect	Hole number	From (m)	Interval (m)	Au (g/t)
Kekeda	DPAC0146	20	10	9.8
	DPAC0147	18	4	5.5
	DPAC0148	12	8	2.7
	DPAC0149	2	16	1.8
	DPAC0166	6	6	5.4
Souwa	DPAC0346	8	5	4.3
	DPAC0368	2	10	1.7
	DPAC0404	6	7	5.0
	DPAC0405	0	18	0.8
Tchouahinin	DPAC0517	4	4	2.5
	DPAC0540	26	12	1.0
Enoida	DPAC0862	8	10	4.4
	DPAC0838	14	6	3.5
	DPAC0826	16	14	1.3
	DPAC0828	0	12	1.3
Chegue	DPAC1061	0	6	2.1
	DPAC1071	6	10	1.0
	DPAC1078	32	16	0.6
Hinda	DPAC1123	8	25	1.1
	DPAC1112	6	4	5.3
	DPAC1124	8	12	0.9

RC drilling commenced in fourth quarter at Kekeda and Souwa prospects, with RC drilling planned for 2016 at the Enoida, Chegue and Hinda prospects. Select intersections from Kekeda include 4m @ 13.7g/t (hole DPRC0004), 2m @ 29.1g/t (DPRC0015) and 9m @ 1.9g/t (DPRC0005).

Prospect	Hole number	From (m)	Interval (m)	Au (g/t)
Kekeda	DPRC0003	27	18	1.0
	DPRC0004	92	4	13.7
	DPRC0005	60	9	1.9
	DPRC0015	17	2	29.1
	DPRC0016	19	2	7.0

Summary details in relation to the HSES aspects of exploring in Côte d'Ivoire are set out in the CSR report.

Ethiopia

Exploration activities were ceased in Ethiopia, following a review of the potential of the Una Derim prospect. Closure of the projects and the subsequent wind up of the Sheba Exploration holding entities and branch is in progress. Exploration will focus on Centamin's projects in West Africa.

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FINANCIAL REVIEW

Pierre Louw Chief financial officer

Centamin has continued to return strong earnings and cash flow generation despite the weaker gold price environment.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted for use by the European Union and in accordance with the Companies (Jersey) Law 1991. The group financial statements comply with Article 4 of the EU IAS Regulation.

Now in its seventh year of production, the Sukari Gold Mine remains highly cash generative and this is reflected in the group's financial results for the year ended 31 December 2015:

- 2015 revenues of US$508 million were up 8% year-on-year as an 8% fall in realised gold prices was offset by a 17% increase in gold sales;
- cash costs decreased to US$713 per ounce produced from US$729 in 2014, driven by the decrease in fuel price, although was marginally above guidance of US$700 per ounce despite the higher production than originally forecast;
- AISC of US$885 per ounce sold was below our original forecast of US$950 per ounce mainly due to the higher gold production base and the rescheduling of certain capital cost items, as foreshadowed in the third quarter results;
- EBITDA decreased by 8% to US$152 million, mainly due to lower gross operating margins as a result of the reduced gold price and also an increased production cost associated with net changes in production inventories;
- profit before tax decreased by 28% to US$58.4 million, due to the factors affecting EBITDA as well as a US$6.3 million write-off due to the group's decision to cease exploration in Ethiopia;
- earnings per share of 4.51 US cents were down 37% on 7.21 cents per share in 2014, due to the factors affecting profit before tax in addition to an income tax charge of US$6.8 million in relation to foreign exchange gains on its cash holdings within Australia; and
- operational cash flow of US$186 million was 59% higher than 2014, due to the higher gold production base achieved through the completion of the Stage 4 expansion completed in the second half of 2014 and a positive movement in working capital balances compared to 2014.

Centamin announced an interim dividend in August 2015 of 0.97 US cents per ordinary share (US$11.1 million total distribution). Subject to shareholder approval at the AGM on 11 May 2016, a final dividend of 1.97 US cents per share (totalling approximately US$22.7 million) is proposed to be paid on 27 May 2016 to shareholders on the register as of 22 April 2016. The ex-dividend date is 21 April 2016 for LSE listed shareholders and 20 April 2016 for TSX listed shareholders. The final dividend would thus bring the total full year dividend to 2.94 US cents per share (totalling approximately US$33.8 million).

Centamin remains committed to its policy of being 100% exposed to the gold price through its unhedged position, and maintained a healthy cash, bullion on hand, gold sales receivables and available-for-sale financial assets balance of US$230.7 million as at 31 December 2015.

		Year ended 31 December 2015	Year ended 31 December 2014	Percentage change
Revenue[1]	US$'000	**508,396**	472,581	8%
Profit before tax[3]	US$'000	**58,407**	81,562	(28%)
Basic EPS[3]	Cents	**4.51**	7.21	(37%)
Diluted EPS[3]	Cents	**4.44**	7.11	(38%)
EBITDA[2][3]	US$'000	**152,189**	165,474	(8%)
Net cash generated from operations[3]	US$'000	**185,542**	116,402	59%
Cash and cash equivalents	US$'000	**199,616**	125,659	59%
Group production	Ounces	**439,072**	377,261	16%
Attributable sales	Ounces	**437,571**	375,300	17%
Group cash operating costs[2][3]	US$ per ounce	**713**	729	(2%)
Total assets	US$'000	**1,411,853**	1,370,737	3%

(1) See total revenue which is analysed in note 5 to the financial statements.
(2) EBITDA and cash operating costs are non-GAAP financial performance measures with no standard meaning under International Financial Reporting Standards ("IFRS") as adopted by the European Union and Article 4 of the IAS Regulation IFRS.
(3) Results reflect an exceptional provision against prepayments to reflect the removal of fuel subsidies (refer to notes 3 and 6 to the financial statements for further details).

Revenue

Revenue from gold and silver sales has increased by 8% to US$508 million (US$473 million in 2014), with an 8% decrease in the average realised gold price to US$1,159 per ounce (US$1,257 per ounce in 2014) offset by a 17% increase in gold sold to 437,571 ounces (375,300 ounces in 2014).

Cost of sales

Cost of sales represents the cost of mining, processing, refinery, transport, site administration and depreciation and amortisation, and movement in production inventory. Cost of sales is inclusive of exceptional items of US$46.7 million in relation to fuel charges (refer to note 6 to the financial statements for further information) and has increased by 16% to US$416.2 million, as a result of:

(a) an increase in activity year-on-year with overall mined tonnes increasing by 29% and processed tonnes increasing by 26%, resulting in a 14% increase in total mine production costs to from US$275.9 million to US$314.8 million;

(b) a 12% increase in depreciation and amortisation from US$84.2 million to US$93.9 million, a result of the higher rates of depreciation associated with the Stage 4 plant expansion; and

(c) a US$7.5 million adjustment for movement in production inventories as a result of an overall decrease in mining stockpiles and gold in circuit levels offset by an increase in finished goods inventory.

Other operating costs

Other operating costs reported comprise expenditure incurred for communications, consultants, directors' fees, stock exchange listing fees, share registry fees, employee entitlements, general office administration expenses, the unwinding of the restoration and rehabilitation provision, foreign exchange movements, the share of profit/loss in associates and the 3% production royalty payable to the Egyptian government. Other operating costs decreased by 8.5% to US$27.8 million, as a result of:

(a) a US$5.0 million decrease in net foreign exchange movements from a US$2.9 million loss to a US$2.1 million gain; offset by

(b) a US$1.0 million increase in royalty paid to the government of the ARE in line with the increase in gold sales revenue; and

(c) a US$1.3 million increase in corporate costs.

Other charges

Impairment charges of US$6.3 million relate the write off of capitalised exploration costs in relation to the group's decision to close its Ethiopian operations.

Finance income

Finance income reported comprises interest revenue applicable on the Company's available cash and term deposit amounts. The movements in finance income are in line with the movements in the Company's available cash and term deposit amounts.

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Profit before tax

As a result of the factors outlined above, the group recorded a profit before tax for the year ended 31 December 2015 of US$58.4 million (2014: US$81.6 million).

Tax

Australian tax rules govern the taxation of financial arrangements ("TOFA") and the realisation of foreign exchange gains/losses. The TOFA rules provide that a foreign exchange gain or loss will arise in relation to foreign currency bank accounts to the extent funds have been withdrawn from these accounts during the period. This foreign exchange gain or loss is calculated by comparing the A$ spot rate at the date of deposit to the A$ spot rate at the date of withdrawal on a first-in-first-out ("FIFO") basis (i.e. the first amounts deposited are the first amounts to be withdrawn).

The group made foreign exchange gains for Australian income tax purposes during the year which were assessable when they were realised (i.e. when US$ cash balances were withdrawn from Australian bank accounts). Australian income tax rules (contained within subdivision 960-D of the Income Tax Assessment Act 1997) require that where an amount is not in the taxpayer's 'applicable functional currency', the amount is to be converted into the 'applicable functional currency' i.e. Australian dollars. Accordingly, the withdrawal of US$ bank deposits gave rise to foreign exchange gains for Australian income tax purposes, which were assessable when realised.

	31 December 2015 US$'000	31 December 2014 US$'000
Profit before income tax	**58,407**	81,562
Tax expense calculated at 0% (2014: 0%) of profit before tax	**—**	—
Tax effect of amounts which are not deductible/taxable in calculating taxable income:		
Effect of tax different tax rates of subsidiaries operating in other jurisdictions	**(6,837)**	—
Tax expense for the year	**(6,837)**	—

Earnings per share

Earnings per share of 4.51 US cents compare with 7.21 US cents in 2014. The decrease was driven by the factors outlined above.

Comprehensive income

Other comprehensive income has increased by US$0.1 million to US$0.2 million as a result of the revaluation of available-for-sale financial assets.

Financial position

At 31 December 2015, the group had cash and cash equivalents of US$199.6 million compared to US$125.7 million at 31 December 2014. The majority of funds have been invested in international rolling short-term higher interest money market deposits.

Current assets have increased by US$66.1 million or 23% to US$359.5 million, as a result of:

(a) an increase in net cash inflows of US$74.0 million net of foreign exchange movements; offset by

(b) a US$1.2 million decrease in gold sale receivables;

(c) a US$1.6 million increase in stores inventory to US$106.4 million;

(d) a US$0.5 million decrease in prepayments;

(e) a US$0.2 million increase in other available-for-sale financial assets; and

(f) a US$7.5 million decrease in mining stockpiles and gold in circuit levels, offset by an increase in finished goods inventory, to US$28.3 million at period end.

Non-current assets have decreased by US$24.9 million or 2% to US$1,052.4 million, as a result of:

(a) a US$93.9 million charge for depreciation and amortisation; offset by

(b) a US$36.5 million cost for net capitalised work-in-progress (comprising of plant and mining equipment and rehabilitation asset);

(c) a US$28.1 million increase in exploration and evaluation assets to US$152.1 million, as a result of the drilling programmes in Sukari Hill, the Sukari tenement area, Burkina Faso and Côte d'Ivoire. This increase is inclusive of a US$6.3 million write-off of expenditure in relation to the Ethiopian operations; and

(d) a US$5.0 million increase in prepayments to EMRA in relation to advance payments against future profit share.

Current liabilities have increased by US$17.0 million to US$51.4 million with an increase of US$9.9 million in payables, an increase of US$0.3 million in provisions and an accrual of US$6.8 million for Australian tax payable on forex gains, as outlined above.

Non-current liabilities reported during the period have increased by US$4.1 million as a result of a revision to the assumptions used in the estimating of the inflation and discount rates employed in the calculation of the rehabilitation provision.

Issued capital has increased by US$4.0 million due to the vesting of awards.

Share option reserves reported have decreased by US$1.6 million to US$2.5 million as result of the forfeiture and vesting of awards and the resultant transfer to accumulated profits and issue capital respectively, offset by the recognition of the share-based payments expense.

Accumulated profits increased by US$17.6 million as a result of:

(a) a US$51.6 million increase in the profit for the year attributable to the shareholders of the Company; offset by

(b) a US$33.8 million dividend payment to shareholders; comprising a US$22.7 million final dividend payment for 2014 and a US$11.1 million interim dividend payment for 2015; and

(c) a US$0.2 million loss on available-for-sale financial assets in relation to the Company's shareholding in KEFI Minerals plc.

Capital expenditure

The following table provides a breakdown of the total capital expenditure:

	31 December 2015 US$ million	31 December 2014 US$ million
Stage 4 processing plant	**—**	3.4
Operational fleet expansion	**—**	4.5
Open pit development	**—**	20.7
Total expansion – Sukari	**—**	28.6
Underground mine development – Sukari(1)	**31.4**	31.1
Other sustaining capital expenditure	**5.1**	8.6
Total sustaining	**36.5**	39.7
Exploration capitalised	**34.4**	64.2(2)

(1) Includes underground exploration drilling.

(2) Includes the Ampella Mining Ltd asset acquisition for a total consideration of US$48.5 million (which includes a cash component of US$9.3 million and additional assets of US$1.6 million), with the balance representing exploration expenditure on other licence areas (excluding Sukari underground drilling).

Exceptional items

In January 2012, the Company received a letter from Chevron to the effect that Chevron would not be able to continue supplying Diesel Fuel Oil ("DFO") to the mine at Sukari at local subsidised prices. It is understood that the reason that this letter was issued was that Chevron had received a letter instructing it to do so from the Egyptian General Petroleum Corporation ("EGPC"). It is understood that EGPC itself took the decision to issue this instruction because it had received legal advice from the Legal Advice Department of the Council of State (an internal government advisory department) that the companies operating in the gold mining sector in Egypt were not entitled to such subsidies. In addition, during 2012 the Company received a demand from Chevron for the repayment of fuel subsidies received in the period from late 2009 through to January 2012, amounting to some US$51 million (EGP403 million).

The group has taken detailed legal advice on this matter (and, in particular, on the opinion given by Legal Advice Department of the Council of State) and in consequence in June 2012 lodged an appeal against EGPC's decision in the Administrative Courts. Again, the group believes that its grounds for appeal are strong and that there is every prospect of success. However, as a practical matter, and in order to ensure the continuation of supply, the group has since January 2012 advanced funds to its fuel supplier, Chevron, based on the international price for diesel.

As at the date of the financial statements, no final decision had been taken by the courts regarding this matter. Furthermore, the group remains of the view that an instant move to international fuel prices is not a reasonable outcome and will look to recover funds advanced thus far should the court proceeding be concluded in its favour. However, management recognises the practical difficulties associated with reclaiming funds from the government and for this reason has, fully provided against the prepayment of US$208.2 million to 31 December 2015, as an exceptional item, of which US$42.4 million was provided for during 2015 as follows:

(a) a US$46.7 million increase in cost of sales (2014: US$62.5 million increase);

(b) a US$1.3 million decrease in stores inventories (2014: US$0.2 million increase); and

(c) a US$2.9 million decrease in mining stockpiles, gold in circuit and finished goods (2014: US$1.0 million decrease).

This has resulted in a net charge of US$46.7 million in the profit and loss.

	31 December 2015 US$'000	31 December 2014 US$'000
Included in cost of sales:		
Mine production costs	**(43,808)**	(61,564)
Movement in inventory	**(2,931)**	(970)
	(46,739)	(62,534)

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Cash flows

Net cash flows generated by operating activities comprise receipts from gold and silver sales and interest revenue, offset by operating and corporate administration costs. Cash flows have increased by US$69.1 million to US$185.5 million, primarily attributable to:

(a) an increase in revenue, due to higher gold sales offset by a lower average realised price;

(b) an increase in mine production costs as a result of increased gold production; and

(c) a decrease in cash outflows flows in relation to receivables and payables.

Net cash flows used in investing activities comprise exploration expenditure and capital development expenditures at Sukari including the acquisition of financial and mineral assets. Compared to 2014, cash outflows have decreased by US$8.1 million to US$70.6 million. The primary use of the funds during the year was for investment in underground development and exploration expenditures incurred.

Net cash flows generated by financing activities comprise the dividends paid and advance payment against future profit share to EMRA. During the year US$33.8 million was paid comprising the final dividend for 2014 of US$22.7 million (following an interim dividend of US$9.9 million paid in 2014) and the interim dividend for 2015 of US$11.1 million. An advance payment against future profit share of US$5.0 million was made to EMRA in 2015.

Effects of exchange rate changes have increased by US$0.6 million as a result of the performance of the US$ to the euro and A$.

Pierre Louw
Chief financial officer

21 March 2016

Non-GAAP financial measures

Three non-GAAP financial measures are used in this report:

(1) EBITDA

"EBITDA" is a non-GAAP financial measure, which excludes the following from profit before tax:

- finance costs;
- finance income; and
- depreciation and amortisation.

Management believes that EBITDA is a valuable indicator of the group's ability to generate liquidity by producing operating cash flow to fund working capital needs and fund capital expenditures. EBITDA is also frequently used by investors and analysts for valuation purposes whereby EBITDA is multiplied by a factor or "EBITDA multiple" that is based on an observed or inferred relationship between EBITDA and market values to determine the approximate total enterprise value of a company. EBITDA is intended to provide additional information to investors and analysts and does not have any standardised definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA excludes the impact of cash costs and income of financing activities and taxes, and therefore is not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate EBITDA differently. The following table provides a reconciliation of EBITDA to profit for the year attributable to the Company.

Reconciliation of profit before tax to EBITDA

	Year ended 31 December 2015 before exceptional items US$'000	**Year ended 31 December 2015 including exceptional items[1] US$'000**	Year ended 31 December 2014 before exceptional items US$'000	Year ended 31 December 2014 including exceptional items[1] US$'000
Profit before tax	**105,146**	**58,407**	144,096	81,562
Finance income	**(269)**	**(269)**	(410)	(410)
Depreciation and amortisation	**94,051**	**94,051**	84,232	84,232
EBITDA	**198,928**	**152,189**	227,918	165,384

(1) Profit before tax, depreciation and amortisation and EBITDA includes an exceptional provision to reflect the removal of fuel subsidies (refer to note 6 to the financial statements for further details).

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Non-GAAP financial measures continued

(2) Cash cost per ounce calculation:

"Cash costs per ounce" is a non-GAAP financial measure. Cash cost per ounce is a measure of the average cost of producing an ounce of gold, calculated by dividing the operating costs in a period by the total gold production over the same period. Operating costs represent total operating costs less administrative expenses, royalties, depreciation and amortisation. Management uses this measure internally to better assess performance trends for the Company as a whole. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use such non-GAAP information to evaluate the Company's performance and ability to generate cash flow. The Company believes that these measures provide an alternative reflection of the group's performance for the current period and are an alternative indication of its expected performance in future periods. Cash costs is intended to provide additional information, does not have any standardised meaning prescribed by GAAP and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. This measure is not necessarily indicative of operating profit or cash flow from operations as determined under GAAP. Other companies may calculate these measures differently.

Reconciliation of cash cost per ounce

		Year ended 31 December 2015 before exceptional items[1]	Year ended 31 December 2015 including exceptional items[1]	Year ended 31 December 2014 before exceptional items	Year ended 31 December 2014 including exceptional items[1]
Mine production costs (note 6)	US$'000	271,019	314,827	214,370	275,934
Less: refinery and transport	US$'000	(1,840)	(1,840)	(1,063)	(1,063)
Cash costs	US$'000	269,179	312,987	212,307	274,871
Gold produced – total	(oz)	439,072	439,072	377,261	377,261
Cash cost per ounce	(US$/oz)	613	713	565	729

(1) Mine production costs, cash costs and cash cost per ounce includes an exceptional provision against prepayments recorded commencing in Q4 2012 and going forward to reflect the removal of fuel subsidies (refer to note 6 to the financial statements for further details).

In June 2013 the World Gold Council ("WGC"), an industry body, published a Guidance Note on the AISC metric, which gold mining companies can use to supplement their overall non-GAAP disclosure. AISC is an extension of the existing 'cash cost' metric and incorporates all costs related to sustaining production and in particular recognising the sustaining capital expenditure associated with developing and maintaining gold mines. In addition, this metric includes the costs associated with developing and maintaining gold mines, corporate office structures that support these operations, the community and rehabilitation costs attendant with responsible mining and any exploration and evaluation costs associated with sustaining current operations. AISC per ounce is arrived at by dividing the dollar value of the sum of these cost metrics, by the ounces of gold produced.

Reconciliation of AISC per ounce

		Year ended 31 December 2015 before exceptional items[1]	Year ended 31 December 2015 including exceptional items[1]	Year ended 31 December 2014 before exceptional items	Year ended 31 December 2014 including exceptional items[1]
Mine production costs (note 6)	US$'000	271,019	314,827	214,370	275,934
Royalties	US$'000	15,198	15,198	14,144	14,144
Corporate and administration costs	US$'000	14,533	14,533	12,512	12,512
Rehabilitation costs	US$'000	369	369	538	538
Underground development	US$'000	31,409	31,409	31,100	31,100
Other sustaining capital expenditure	US$'000	5,145	5,145	8,600	8,600
By-product credit	US$'000	(1,433)	(1,433)	(806)	(806)
Change of inventories	US$'000	7,476	7,476	(1,869)	(1,869)
All-in sustaining costs	US$'000	343,716	387,524	278,589	340,153
Gold sold – total	(oz)	437,571	437,571	375,300	375,300
AISC per ounce	(US$/oz)	786	885	742	906

(1) Mine production costs, cash costs, AISC, AISC per ounce and cash cost per ounce, includes an exceptional provision against prepayments recorded since Q4 2012 to reflect the removal of fuel subsidies (refer to note 4 of the Financial Statements for further details).
(2) Includes refinery and transport.

(3) Cash and cash equivalents, bullion on hand, gold sales receivables and available-for-sale financial assets:

This is a non-GAAP financial measure any other companies may calculate these measures differently.

Reconciliation to cash and cash equivalents, bullion on hand, gold sales receivables and available-for-sale financial assets

	Year ended 31 December 2015 US$'000	Year ended 31 December 2014 US$'000
Cash and cash equivalents (note 25)	199,616	125,659
Bullion on hand (valued at the year-end spot price)	10,492	12,685
Gold sales receivable (note 9)	20,472	24,057
Available-for-sale financial assets (note 14)	163	409
Cash and cash equivalents, bullion on hand, gold sales receivables and available-for-sale financial assets	230,743	162,810

INTRODUCTION

Josef El-Raghy Chairman

As chairman of the board I endorse the values of good governance, and in my view, board effectiveness is enhanced by regular information being presented to the board.

Dear shareholders

In my view, board effectiveness has been achieved by ensuring that communication channels are open between all board members and regular information is presented to the board allowing all members to contribute knowledgeably at board meetings and in discussions between the executives and non-executive directors. This has enabled open discussion on the requirement and content of public disclosures, to meet regulatory obligations as well as ensuring shareholders are properly informed about key events.

Having consulted with the non-executive directors, I believe that the format of the board, in conjunction with the activities of the various board committees, allows open debate. This format has allowed directors to engage on matters of executive management policy and performance and risk management and allows them to effectively monitor the performance of management and develop proposals on strategy.

Following the appointment of our new chief executive officer ("CEO"), Andrew Pardey, the previously combined roles of chairman/CEO are now separate. It should be noted that, on appointment, Andrew received a full induction pack and over the last year Andrew has met many of our key shareholders. Andrew has also presented to investors and analysts at key conferences throughout the year.

I am pleased to observe that, during Andrew's first year as CEO, the Company has continued to develop and realise its next stages of growth, whilst maintaining its strategic focus on cash flows, shareholder returns and social responsibility.

Our board composition and approach to leadership are set out in detail on page 66. Within the directors' report and, where applicable, the strategic report, the directors provide the required governance and regulatory assurances. These are set out in the following areas:

Code compliance statement on page 65.

Directors' responsibilities (C.1.1/C.1.3) on page 104.

Strategic report and risk management report) (C.1.2/C.2.1/C.2.2.) on page 32.

Directors' report (C.2.3.) set out in this section.

As described in my chairman's statement, Centamin made continued progress during 2015 in developing its longer-term growth objectives. In my role as chairman, I look forward to continuing to work with the Company towards delivering substantial shareholder value through further development of our portfolio of assets.

Josef El-Raghy
Chairman

Compliance statement

The Company is incorporated in Jersey, Channel Islands. The Company is by virtue of the Listing Rules, subject to the Corporate Governance Code (the "Code") issued by the UK Financial Reporting Council and therefore the Company must confirm that it has complied with all relevant provisions of the Code or to explain areas of non-compliance. The Code can be found on the Financial Reporting Council's website www.frc.org.uk.

In addition, the Company is required to follow the principles of corporate governance set out in the best practice recommendations of the Toronto Stock Exchange, in particular those recommendations in National Policy 58201 – Corporate Governance Guidelines ("NP 58-201").

Throughout the year ended 31 December 2015, the Company has been in full compliance with the provisions set out in the Code with the exception of the following matters:

The roles of chairman and chief executive officer were both exercised by Josef El-Raghy during 2014. This matter was addressed on 1 February 2015 when Andrew Pardey was appointed as the Company's CEO. Josef El-Raghy, the Company's interim CEO, will continue in his role as Chairman.

It should be noted that both the Code and best practice recommendations favour that the chairman be an independent director on appointment. Josef El-Raghy is not an independent non-executive chairman within the meaning of the Code. As such, Edward Haslam will continue to take an active role to ensure the board's ongoing effectiveness in all respects. As advised in the 2015 half-year results, Edward Haslam's title was changed to deputy chairman and senior independent non-executive director, which is reflective of his role and activities.

It is noted that in the case of the directors' remuneration report, the disclosures have exceeded the obligations on the Company given its incorporation in Jersey. However, the Company considers such enhanced disclosure is appropriate to allow shareholders to compare the Company with UK incorporated FTSE 350 listed companies. It has also incorporated many additional and voluntary disclosures in its strategic report.

Leadership and effectiveness

This report sets out the key areas the board has focused on during the year, together with details of the roles of the key board members and an assessment of the effectiveness of the board.

How the board of directors operates

The board sets and implements the strategic aims and values of the Company, providing strategic direction to management. See the strategic report

Detailed below are the key activities and standing agenda items for the board.

Key activities of the board in 2015:

- approval of the appointment of the chief executive officer;
- declaration of the interim and annual dividend;
- approval of the updated reserve and resource statement;
- review and approval of the capital markets day presentation;
- reports and updates from the chairmen of the respective board committees;
- Sukari operational review and monthly reporting;
- exploration updates for the sites in Burkina Faso and Côte d'Ivoire;
- review of business development opportunities;
- setting budgets and production guidance for the year;
- review of operational performance and efficiency;
- litigation updates on the Company's ongoing court hearings (details of which can be found in note 4);
- review and approval of the Company's quarterly, half yearly and annual financial statements;
- review of the AGM circular, dividend proposals and compliance reports and policies;
- review of the Company's principal risks and orchestrating the ongoing development of the Company's risk appetite;
- review of material contracts, policies and procedures;
- review of KPIs for the executive directors and senior management and reviewing performance appraisals; and
- review of succession planning, diversity and board performance and evaluation.

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INTRODUCTION continued

How the board of directors operates continued

Key activities of the board in 2015 continued

Further to the introduction of the revised UK Corporate Governance Code in 2014, the board spent time discussing the changes to the Code and the guidance from the FRC on implementing the new Code requirements. In particular, the board and audit and risk committee spent time reviewing their internal control environment, risk management processes and internal and external reporting.

The board has delegated certain matters to its committees and their reports are presented within the strategic or directors' report:

Health, safety, environmental and sustainability committee – strategic report page 38

Compliance and corporate governance – directors' report page 74

Nomination committee – directors' report page 76

Audit and risk committee – directors' report page 98

Remuneration committee – directors' report page 80

Leadership

The Chairman, Josef El-Raghy, is responsible for ensuring the business is run in accordance with the board's strategy. Following the appointment of the new CEO, responsibility for implementing strategy and overseeing the day-to-day running of the business is with Andrew Pardey.

The management team and board are relatively few in number and are, therefore, actively involved in, and made aware of, all the major activities of the group. They can therefore ensure the Company's actions are aligned with the strategic aims of the group.

Areas of focus for the board in 2016

Strategic planning – the board regularly reviews and approves strategic plans and initiatives put forward by management and the executive, including geographical diversification. Details of the strategic objectives for cash generation, shareholder return, growth and social responsibility can be found in the strategic report.

Communications – the board oversees the Company's public communications with shareholders and other stakeholders and plans to develop the financial statements, presentations and other forms of communication, such as the Company's website, over 2016.

Risk assessment – the board has primary responsibility for identifying the principal risks in the Company's business and to ensure the implementation of appropriate systems to manage these risks. The board will continue to review its processes for risk identification and evaluation, improving internal communication and external reports in this area.

Internal control – the board, with assistance from the audit and risk committee oversees the group's internal control and management information systems. Following the appointment of the internal auditor, the board will be reviewing progress on the recommendations put forward by the internal auditor.

Reporting and audit – the board, through the audit and risk committee, is reviewing proposals to upgrade the accounting systems. Internal system upgrades in the accounting and financial reporting areas will also be closely monitored by the board as well as recommendations from the external auditor on areas for improvement.

Relationship with stakeholders – the board will continue to maintain, develop and monitor relationships with key stakeholders including EMRA in relation to Sukari and other governmental bodies in Burkina Faso and Côte d'Ivoire.

The responsibilities of the board and key roles within the organisation are set out below:

The chairman:

- leads the board to ensure it operates effectively;
- sets the agenda and ensures all matters are given due consideration and that directors have the opportunity to contribute to board discussions;
- communicates with shareholders in relation to the Company's strategic aims and policies; and
- represents the group before key stakeholders including government officials (including EMRA).

Chief executive officer:

- develops and implements, short, medium and long term corporate strategies;
- is responsible for day-to-day management of the business and the implementation of the board's strategic aims; and
- promotes the highest standards of safety, corporate compliance and adherence to codes of conduct.

Non-executive directors:

- challenge and help develop the group's strategy;
- participate as members of the board on their respective committees;
- monitor the performance of management;
- need to be satisfied as to the adequacy and integrity of financial and other reporting;
- determine appropriate levels of remuneration for executive directors; and
- raise any concerns with the board or with management.

For senior management roles and responsibilities please see page 72 of the directors' report.

Detailed knowledge of the group's activities is essential and, each year, the board visit Sukari where they are shown the underground operation, open pit site and the operations plant, accompanied by the heads of department based at Sukari. In addition to regular site visits to Sukari, the senior members of the management team and executive visit the exploration sites in Burkina Faso and Côte d'Ivoire to ensure the activities in these regions are aligned with the corporate objectives of the group.

Board effectiveness

Each committee carries out a self-assessment evaluation of its effectiveness over the year. This review compares the responsibilities and objectives of the committee against the activities carried out during the year. This evaluation is submitted to the board for review. The internal annual performance evaluation of the board was completed in March 2015 for the year ended 31 December 2014. The internal annual performance evaluation for 2015 was completed in March 2016 by the board. The non-executive directors meet at least annually, without the chairman or CEO present and evaluate their performance during the year. The board is assisted by the nomination committee on its evaluation of the non-executive directors. An external facilitator will be appointed in May 2016 to assess the effectiveness of the board. The last review by an external facilitator was carried out in May 2013.

Following the evaluation process, there were no proposed changes to the membership of the committees or the composition of the non-executive directors or executive directors. The nomination committee and the board discussed the need for any new appointments to the board, either through the process of succession planning or external appointments. Discussions of this nature will continue in 2016.

Board appointments and independence

During the course of 2015, the vacancy for the position of CEO, an executive director appointment, was filled. The nomination committee, through the process of succession planning, had ensured that adequate support and development were given to Andrew Pardey to prepare him for the role of CEO. After a thorough assessment of the experience and expertise of Andrew Pardey and his performance as COO, the nomination committee recommended, and the board unanimously agreed, to appoint Andrew Pardey as the Company's new CEO effective from 1 February 2015.

The nomination committee and the board also considered and approved that Josef El-Raghy, interim CEO, continue in his role as chairman of the board.

In January 2015, Trevor Schultz, a non-executive director (but not independent having served with the Company as an executive director), was appointed chairman of the HSES committee. This appointment followed the retirement of Bob Bowker.

The Company remains compliant with the provisions of the Code that the board should have a greater number of non-executive directors than executive directors.

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 in Canadian Securities Administrators' National Instrument 52-110 – Audit Committees. The criteria set out in the instrument are mandatory and are more stringent in certain respects than the independence criteria suggested by the Code. Based on this policy, the majority of the board are considered by the board to be independent non-executive directors.

Managing risks and internal controls

The board is responsible for satisfying itself that management has developed and implemented a sound system of risk management and internal control. Assisted by the audit and risk committee, management reports to the board on the group's key risks and the extent to which it believes these risks are being appropriately managed and mitigated.

Full details of the risk environment can be found in the risk management report on page 32.

The board are pleased to confirm that the Company remains in compliance with best practice guidelines, with the UK Corporate Governance Code and relevant Canadian requirements, and the systems in place to manage risk and the internal control environment have been in place for the year under review, up to the date of approval of the annual report and accounts.

INTRODUCTION continued

Managing risks and internal controls continued

During the year, the Company conducted an assessment of the control environment of the group, summarised by the following key headings:

- corporate governance framework;
- management reporting framework;
- material contracts and contract management;
- procedures for forecasting and budgeting;
- external reporting obligations and procedures;
- information technology environment; and
- corporate and operational principal risk assessment.

The board made the following recommendations to enhance the internal control environment following the review and these are summarised below:

- carry out an upgrade of the finance accounting software and an overhaul of the accounting handbook;
- recommendations on the areas of focus for the internal auditor as set out in section 100 of the audit and risk committee report; and
- updates to the risk reporting framework as set out on page 32 of the risk management report.

It was noted that the review of the internal control environment and subsequent recommendations were not seen as significant failings or weaknesses, but are reflective of the detailed review that was undertaken.

Board committees

The board committees are a valuable part of the Company's corporate governance structure. The workload of the board committees is far greater than the table of scheduled meetings would indicate, as ad-hoc meetings and communications occur frequently between the directors and management. Details of each of the board committees is set out below.

CSR report – see the HSE committee report on page 38.

Succession planning – see the nomination committee report on page 76.

Directors' remuneration report – see the remuneration committee report on page 80.

Risk and control environment – see audit and audit and risk committee on page 98.

Policies, procedures and ongoing regulatory disclosures – see compliance and corporate governance committee on page 74.

Board composition and re-election

It is proposed at the date of this annual report that all directors will be put forward for re-election at the AGM. All directors are subject to annual re-election.

The board of directors

At the date of this report the board is made up of a chairman, CEO, four independent non-executive directors and one non-executive director. See directors' details on pages 70 and 71.

The following table sets out the number of board and committee meetings held during the year and the number of meetings attended by each director.

Name and title	Attendance	Audit and risk	Health, safety, environmental and sustainability	Compliance and corporate governance	Remuneration/ nomination
Josef El-Raghy Chairman	Attended (C.) 4 of 4				
Andrew Pardey CEO	Attended 4 of 4				
Edward Haslam Deputy chair/SNED	Attended 4 of 4	Attended 9 of 9		Attended 5 of 5	Attended (C.) 4 of 4, 3 of 3
Trevor Schultz NED	Attended 4 of 4		Attended (C.) 4 of 4		
Mark Arnesen Independent NED	Attended 4 of 4	Attended (C.) 9 of 9		Attended 5 of 5	Attended 4 of 4, 3 of 3
Mark Bankes Independent NED	Attended 3 of 4	Attended 9 of 9	Attended 4 of 4	Attended (C.) 5 of 5	
Kevin Tomlinson Independent NED	Attended 4 of 4		Attended 4 of 4		Attended 4 of 4, 3 of 3

This table excludes meetings held by written resolution or sub-committees and reflects the membership during 2015.
C. means chairman of the board or of the committee.

Employees

Information relating to employees is contained in the CSR report together with details of the number of employees at Sukari. The Company abides by anti-discrimination legislation in all jurisdictions in which it operates. These principles are also set out in the Company's code of conduct which sets out the framework in which the Company expects all staff to operate.

For a summary of the social conditions in Egypt and the Middle East and an explanation as to the gender balance in the workforce, please see the CSR report on page 41.

Environmental compliance

The directors are aware of their commitment to environmental, community and social responsibility, details of which can be found in the CSR report. The group is currently complying with relevant environmental regulations in the jurisdictions in which it operates and has no knowledge of any environmental orders or breaches against the group.

Political donations

The Company does not make donations to any organisations with stated political associations.

Supplier and payment policy

It is the Company's policy that, subject to compliance with trading terms by the supplier, payments are made in accordance with terms and conditions agreed in advance with the supplier. Further details on trade creditors are provided in note 15 to the financial statements.

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BOARD OF DIRECTORS

Josef El-Raghy

Chairman
(and CEO until January 2015)

Josef El-Raghy has been responsible for overseeing the transition of the Company from small explorer, through construction and into production.

Director since
26 August 2002

Board meetings attended
4/4

Experience
Josef holds a Bachelor of Commerce degree from the University of Western Australia and subsequently became a director of both CIBC Wood Gundy and Paterson Ord Minnett.

Andrew Pardey

Chief executive officer
(CEO since February 2015)

Andrew Pardey was appointed CEO and director of the board of Centamin plc on 1 February 2015. Andrew served as general manager – operations at the Sukari Gold Mine before his previous appointment as chief operating officer in May 2012.

CEO since
1 February 2015

Board meetings attended
4/4

Experience
Andrew was a major driving force in bringing Sukari into production, having joined during the mine's construction phase and was instrumental in the successful transition of the operation through construction and into production.

Andrew holds a BSc in Geology and has over 25 years' experience in the mining and exploration industry, having previously held senior positions in Africa, Australia and other parts of the world with Guinor Gold Corporation, AngloGold Ashanti and Kalgoorlie Consolidated Gold Mines.

Edward Haslam

Deputy chairman
and senior independent
non-executive director

In addition to his role as senior independent director, Edward Haslam has carried out additional corporate governance functions over the past few years for Centamin, while the roles of CEO and chairman were combined.

Director since
23 March 2011

Board meetings attended
4/4

Experience
Edward has been non-executive director (and chairman) from June 2007 to April 2012 of the LSE listed Talvivaara plc and since 1 May 2004 has been a non-executive director of Aquarius Platinum Ltd. In 1981, Edward joined Lonmin, he was appointed a director in 1999 and chief executive officer in November 2000 before retiring in April 2004. Edward is a Fellow of the Institute of Directors (UK).

Committee membership
Audit and risk committee
Remuneration committee (chair)
Nomination committee (chair)
Compliance and corporate governance committee

Trevor Schultz

Non-executive director
(since 1 May 2014)

Trevor Schultz has made an invaluable contribution to the establishment of Sukari as a globally significant gold mining operation, and in particular for his recent role in overseeing the construction of the Stage 4 process plant. He was executive director of operations from 20 May 2008.

Director since
20 May 2008

Board meetings attended
4/4

Experience
With more than 40 years' experience at executive and board level, Trevor has a Masters Degree in Economics from Cambridge University, a Masters of Science degree in mining from the Witwatersrand University and has completed the Advanced Management Program at Harvard University.

Committee membership
HSES committee (chair)

Mark Bankes

Independent
non-executive director

Mark Bankes is an international corporate finance lawyer. Mark specialises in international securities, mining policy and agreements, mergers and acquisitions and international restructurings for the resource sector.

Director since
24 February 2011

Board meetings attended
3/4

Experience
Mark has an MA from Cambridge University and joined Norton Rose in 1984. He worked in both London and Hong Kong and was a partner at Norton Rose LLP from 1994 to 2007 before starting his own business, Bankes Consulting EURL, in October 2007.

Committee membership
Compliance and corporate governance committee (chair)
HSES committee
Audit and risk committee

Mark Arnesen

Independent
non-executive director

Mark Arnesen has extensive expertise in the structuring and negotiation of finance for major resource projects. Mark is a chartered accountant with over 20 years' experience in the resources industry.

Director since
24 February 2011

Board meetings attended
4/4

Experience
Mark is currently the sole director of ARM Advisors Proprietary Limited and has also been on the board of Gulf Industrials Limited. Mark holds a Bachelor of Commerce and Bachelor of Accounting degrees from the University of the Witwatersrand.

Committee membership
Audit and risk committee (chair)
Compliance and corporate governance committee
Remuneration committee
Nomination committee

Kevin Tomlinson

Independent
non-executive director

Kevin Tomlinson was previously managing director of Investment Banking at Westwind Partners/ Stifel Nicolaus Weisel where he advised a number of gold, base metal and nickel companies, including Centamin.

Director since
17 January 2012

Board meetings attended
4/4

Experience
Kevin holds a Master of Science degree in Geology from the University of Melbourne in Victoria, Australia. He began his career as a geologist 30 years ago and has worked with various Australian and Canadian based natural resources companies, where he has held the positions of chief executive officer and exploration manager.

Committee membership
HSES committee
Remuneration committee
Nomination committee

SENIOR MANAGEMENT

Finance and business development

Pierre Louw
Chief financial officer

Pierre is a senior manager with broad experience gained over 25 years in the mining industry in both major and mid-tier gold and copper producing companies. He has a National Diploma in Financial Accounting from the University of Johannesburg and is a member of the South African Institute of Professional Accountants. Pierre has extensive international experience having worked in Tanzania, Australia, Zambia and his native South Africa. His professional experience include working at AngloGold Ashanti, Equinox and JCI.

Since 19 April 2011

Andy Davidson
Head of investor relations

Prior to joining Centamin in August 2012, Andy worked for nine years as a mining analyst, including three years as an equity research director at the London-based investment bank Numis Securities. Before this, Andy was a senior exploration geologist within the mining industry, including six years with Ashanti Goldfields where he was closely involved in the discovery and development of the world class Geita project in Tanzania. Andy holds an MSc in Mineral Project Appraisal from the Royal School of Mines and a BSc in Geology. He is also a member of the Institute of Materials, Minerals and Mining.

Since 13 August 2012

Richard Osman
Business development manager

Richard is a geologist and holds a Master's degree in Mining Geology from the Camborne School of Mines. He has over 16 years' experience in the mining industry, having worked in exploration, open pit mining and the evaluation of mineral properties internationally. Richard previously worked at the Company's Sukari mine in Egypt for over twelve years in exploration, resource development and as open pit mine manager. Prior to this Richard was employed for five years at the Big Bell operation in Western Australia owned by Harmony Gold.

Since 3 February 2014, previously open pit mine manager at Sukari

Operations

Youssef El-Raghy
GM – Egyptian operations

An officer graduate of the Egyptian Police Academy, Youssef 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 group. He has extensive contacts within the government and industry and maintains excellent working relationships with all of the Company's stakeholders within Egypt.

Since 13 April 2006

Terry Smith
GM – Sukari

Terry Smith is a qualified mining engineer and member of the Australasian Institute of Mining and Metallurgy. Terry has 35 years' experience in the mining industry and over 20 years' experience in general management and site management roles. Terry has worked in both open pit and underground operations for both owners and contracting firms. His experience covers the gold, copper, lead, zinc, diamonds and coal industries in Australasia, Africa and South America.

Since 14 June 2012

Chris Boreham
Underground mine manager

Chris Boreham holds a BEng (Mining) degree from the University of Sydney and a Graduate Diploma of Business, First Class Mine Manager's Certificate in WA, Queensland and New South Wales. He is a member AusIMM and has over 27 years' experience in the mining industry, having worked predominantly in gold and copper mines. Chris' significant experience in the design and operation of hard rock mining, extends to managing personnel, risk mitigation and operational health and safety.

Since January 2010

Legal and compliance

Lynne Gregory
General counsel

Before joining Centamin, Lynne was a legal director at Charles Russell LLP, prior to which she was a solicitor at top law firms in London, Allen & Overy and Baker & McKenzie. Lynne has worked for over 20 years as a lawyer specialising in complex international commercial litigation and arbitration for corporate clients in a variety of sectors. Lynne holds a degree in Law from University College London as well as professional qualifications from the College of Law.

Since 1 September 2013

Doaa Abou Elailah
Group sustainability and business development manager

Doaa has worked closely with Centamin for ten years initially as an adviser before joining the Company in 2013. Doaa has more than 18 years of experience as a consultant in health and safety, environment and community affairs. Doaa has provided technical support to numerous industries and facilities in Egypt and the Middle East across a broad range of sectors including mining, oil and gas, industrial production, infrastructure and tourism. Doaa holds MSc and BSc honours degrees in Chemical Engineering from the University of Cairo.

Since 1 May 2013

Darren Le Masurier
Company secretary

Darren is a member of the Association of Chartered Certified Accountants and has over 15 years' experience in corporate administration, governance and offshore regulation in Jersey. Prior to joining Centamin, Darren worked at the fiduciary and law firm Ogier in Jersey for over ten years, providing professional company secretarial, accounting, administration and director services for a diverse range of corporate clients and structures.

Since 8 July 2013

Heidi Brown
Subsidiary director and company secretary

Heidi is a Fellow Chartered Secretary (FCIS, FGIA) and GAICD. Heidi holds a Graduate Certificate of Applied Finance and Investment and a Diploma of Financial Advising from the Financial Services Institute of Australasia. Heidi was the company secretary of Centamin from 2004 until 2012, and continues to act as company secretary and director of Centamin's Australian subsidiaries.

Since 23 January 2003

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CORPORATE GOVERNANCE

Mark Bankes
Chairman of the compliance and corporate governance committee

Fundamental to the group's corporate governance policy and practice is that all directors and employees reflect the Company's key values of accountability, fairness, integrity and openness.

Dear shareholders

I am presenting this corporate governance report in my capacity as chairman of the compliance and corporate governance committee, a committee established by the board of the Company whose function is to make recommendations to the board on matters such as:

(a) the implementation, maintenance and monitoring of the Company's corporate compliance programme and its code of conduct, taking account of applicable government and industry standards, legal and business trends and public policy issues; and

(b) the Company's activities in the area of corporate compliance that might impact upon its business operations or public image.

Fundamental to the group'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 key areas of activity for the development of the Company's approach to corporate governance are listed below:

- appointment of BDO LLP for the provision of internal audit (see audit and risk committee report);
- appointment of the new CEO and separate role of chairman and appointment of the new CFO (see nomination report);
- development of the executive remuneration and further disclosure (see remuneration report); and
- evaluation of board and committee composition (see nomination report).

Compliance/corporate governance committee

As at the date of this report, the compliance/corporate governance committee is chaired by Mark Bankes and its members are Edward Haslam and Mark Arnesen.

The committee's primary functions and responsibilities are set out in the charter which can be found on the Company's website.

The activities undertaken during the year included the following:

- review of progress in respect to the concession agreement court hearing and the DFO litigation (as detailed further in note 20 to the financial statements);
- developments in the legislation and regulatory framework that impact the business;
- monitoring of government relations relating to both the concession agreement and exploration permits;
- review of the reporting and disclosure requirements required by the LSE and TSX;
- assisting the board and management on the requirements to make public disclosures; and
- review of the updates to the Company's policies and procedures.

The board of directors aims to ensure that shareholders are provided with important information in a timely manner via written and electronic communications.

Shareholder communication

All shareholders are encouraged to attend our AGM on 11 May 2016, which will be held in Jersey. This will be an excellent opportunity to meet board members and our senior management team.

The board of directors aims to ensure that shareholders are provided with important information in a timely manner via written and electronic communications.

The chairman, CEO, other directors and our head of investor relations communicate with major shareholders on a regular basis through face-to-face meetings, 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. In particular the feedback from the certain of the proxy advisory companies, which provide guidance and voting recommendations to shareholders, were discussed by the board.

Shareholder communication policy encompasses:

- the annual report;
- the annual information form;
- quarterly and half-yearly reports;
- continuous disclosure requirements and regulatory announcements;
- webcasts on quarterly results;
- the annual general meeting;
- the Company's website;
- registrar services; and
- electronic and postal notifications.

Key shareholder and investor relations activities throughout the year:

Date	Activity
January/ February 2015	• Investor conference, London • Investor conference, South Africa
March/ April 2015	• Investor marketing, North America • Analyst and investor conference calls
May/ June 2015	• Investor marketing, London • Analyst and investor conference, capital markets day
July/August/ September 2015	• Marketing, Zurich • Conference, Denver
October/ November 2015	• Investor marketing, London

The board recognises the importance of keeping the market fully informed of the group's activities and of communicating openly and clearly with all stakeholders. The Company has a formal continuous disclosure policy to ensure this occurs. A sub-committee of the board monitors and advises on the Company's continuous disclosure obligations. All actions and decisions of the sub-committee are presented to the compliance and corporate governance committee at the next available meeting.

Details of the Company's policies and procedures can be found on the Company's website.

Mark Bankes
Chairman of the compliance and corporate governance committee

21 March 2016

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NOMINATION REPORT

G Edward Haslam
Chairman of the nomination committee

The Company continued to grow and mature this year and at the heart of this growth was continued focus on executive recruitment and succession planning

Dear shareholders

I am presenting this report as chairman of the nomination committee, a committee established by the board of the Company.

The committee played an active role in succession planning during 2015 and this culminated in the appointment of our chief executive officer, Andrew Pardey. Andrew Pardey, at the recommendation of the committee, was appointed a director and CEO on 1 February 2015. The committee also had oversight of the induction process, ensuring that he received the support that he needed and understood his responsibilities as a director of a listed Company.

The committee was involved in detailing the role and scope of the executive chairman, Josef El-Raghy, who resumed the role of chairman of the Company in February 2015. Having previously undertaken the dual role of CEO and chairman, the orderly handover of responsibilities to the new CEO was critical and this process was overseen by the nomination committee.

This year, the committee has been actively involved in the recruitment process to identify and appoint a new chief financial officer ("CFO"). This process followed the resignation of our current CFO, Pierre Louw, who will hand over responsibilities in April 2016.

Following a short, but thorough recruitment exercise, I am pleased to advise that Ross Jerrard will join Centamin as CFO with effect from 18 April 2016. Ross was selected from a shortlist of candidates, all of whom were highly qualified individuals, who were either CFOs within the mining industry, or individuals who held senior positions within audit and assurance or as commercial accountants. The committee are fully supportive of the appointment of Ross, who will bring a wealth of experience, enthusiasm and leadership to the CFO role. Ross was lead audit partner with Deloitte Touche Tohmatsu Perth, where he was based for the last thirteen years. Ross previously served as the engagement partner for the audit of Centamin's Australian subsidiaries (these subsidiaries are now audited by PwC) and the appropriate clearance procedures have been followed in relation to his appointment with Centamin. Ross has led many teams providing audit and related financial advisory services to public companies, and national and international groups. Prior to moving to Australia, Ross worked in southern Africa and the Middle East providing services for a range of resource companies. Specifically relevant to Centamin is that he spent three-and-a-half years in Egypt, based in Cairo, acting for multinational companies operating in the region.

The committee also recommended the appointment of Trevor Schultz, as chairman of the HSES committee, following the retirement of Bob Bowker. Following Bob's retirement, the committee evaluated the board composition as well as the experience, balance and skill set on each of the committees.

As part of our succession planning, we will continue to appoint and encourage female professionals to ensure a progressive pipeline of talent within the Company's management and senior management team

The committee met three times during the year and also carried out the following activities:

- made recommendations as to the structure, size and composition of the board and board committees;
- reviewed the competencies, skills, knowledge and experience of directors;
- reviewed the board succession plans;
- made recommendations for the appointment and re-election of directors to the board;
- considered the requirements for board diversity (including gender diversity); and
- updated the policy on senior and executive recruitment and succession planning.

Within the remit of the nomination committee, there is a requirement to ensure adequate succession planning is routinely discussed. Reviews of management capabilities and potential are performed on a routine basis and resources allocated to assist with this.

In 2015, the nomination committee and the board discussed the need for any new appointments to the board, either through the process of succession planning or external appointments. Discussions of this nature will continue in 2016.

The report provides more detail on the activities, decisions and policies of the nomination committee and the board.

Edward Haslam
Chairman of the nomination committee

21 March 2016

NOMINATION REPORT continued

Nomination committee

As at the date of this report, the nomination committee comprises Edward Haslam (chairman), Mark Arnesen and Kevin Tomlinson, all of whom are independent non-executive directors of the Company. All appointed members attended all three committee meetings held during the year.

Board diversity

The board set out its updated policy on recruitment, the selection process and succession planning in the 2014 annual report.

The board has further considered the recommendations of the nomination committee both in connection with recruitment policy, selection process and succession planning.

In particular, in connection with board diversity, the board's position is that, whilst all appointments should be continued to be made on merit, female candidates will be considered routinely as part of the recruitment process. It remains the board's intention to identify a suitable female candidate as part of the recruitment process as and when the need arises for a new appointment at board level.

In addition, and as part of our succession planning, we will continue to appoint and encourage female professionals to ensure a progressive pipeline of talent within the Company's management and senior management team.

In this last context the committee noted that a number of females already hold senior positions within the Company, in the areas of legal, accountancy, HSES and subsidiary directorships. However, as set out in the CSR report, mining is traditionally a male-dominated industry and, of our Egyptian workforce, only 1% are female. This is mainly due to social conditions in Egypt and in the Middle East where in general female employees are not encouraged to work at remote sites. A greater percentage of females are employed throughout the group in the administrative offices and at the Company's headquarters.

In developing the Company's policy on diversity, the board has considered the requirements of the Code and National Instrument 58-101.

The board, through the recommendations of the nomination committee, will provide an update on the recruitment process in future reporting disclosures.

Details of the current composition of the board and the wider management team are set out in the directors' report.

Performance evaluation

The senior independent non-executive director held meetings with the non-executive directors without the executive directors present, providing feedback to the full board. These meetings focused primarily on the evaluation of the board's performance, a performance evaluation of the chairman and CEO, discussing the quality of reporting and information flows to the board and discussions on the strategic aims and objectives for the group.

The non-executives also discussed openly with the executive directors, the areas they could assist further with in relation to business development.

An evaluation of the board and its committees was undertaken during the year and was concluded in March 2016. The board, in conducting its evaluation, reviewed the activity, composition and expertise of the committees and considered their effectiveness taking account of the following:

- the responsibilities set out in their respective charters;
- activities carried out during the year, taking account of their mandated duties and responsibilities;
- progress made in respect of their duties and responsibilities;
- attendance and contribution to the committees; and
- reporting and updates provided to the board.

The board noted in particular that the committees had become more streamlined and the timely delivery of committee and board papers had allowed the board to spend more time discussing key issues.

The board reviewed its own membership and performance and this review was concluded in March 2016.

The nomination committee had recommended that Trevor Schultz be appointed to replace Bob Bowker as HSES committee chair. The board, whose views were supported by the nomination committee, agreed that the board continued to have the required breadth of expertise and there was no immediate need to seek a replacement for Bob Bowker.

The board discussed in detail the scope and remit of the new CEO, Andrew Pardey, and specifically the KPIs and areas of focus for Andrew Pardey. Key to the success of the new CEO would be to ensure Andrew Pardey had the required resources, induction and support of the board.

The committee and the board were involved in ensuring an orderly handover of certain responsibilities that Josef El-Raghy assumed whilst acting in the joint role of chairman and CEO.

The board is assisted by the nomination committee on its evaluation of the non-executive directors. An external facilitator will be appointed in May 2016 to assess the effectiveness of the board. The last review by an external facilitator was carried out in May 2013.

The performance of all directors is constantly reviewed by the chairman and, periodically, by the nomination committee. The Company deployed a formal process for evaluation of the board, the board members, the board committees and the chairman during the relevant period led by the senior independent non-executive director.

The board has also had training sessions on various topics during the year, carried out by PricewaterhouseCoopers LLP – topics included corporate governance updates and identification of risks and risk management processes.

REMUNERATION REPORT

G Edward Haslam
Chairman of the remuneration committee

Our remuneration structure remains simple, but effective, motivating our executives, senior management and employees to deliver our strategic aims.

Executive directors' remuneration at a glance

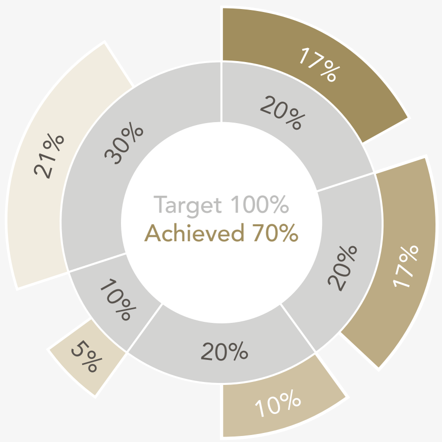
Josef El-Raghy

Total remuneration

Salary $'000	Benefits $'000	Annual bonus $'000	Long term incentive $'000	Pension $'000	Total $'000
763	38	908	Nil	153	1,862

The bonus calculations are made by reference to a balanced scorecard which comprises of a combination of the following performance criteria:

Centamin's bonus structure

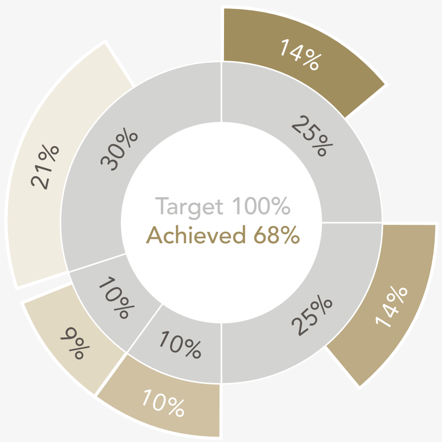


Andrew Pardey

Total remuneration

Salary $'000	Benefits $'000	Annual bonus $'000	Long term incentive $'000	Pension $'000	Total $'000
592	81	391	399	Nil	1,463

Centamin's bonus structure



Financial | Operational | Strategic | Corporate objectives | Individual KPIs | Achieved

(1) These figures are detailed in full on pages 88 and 89.

The performance measures for bonus awards relate to the following strategic focus areas:

Key measures

Cash generation	Shareholder returns	Growth	Social responsibility
Gold production	Dividend policy	UG development	Safety record
Operating costs per ounce	Share price performance relative to peers	Open pit development	Training
All-in sustaining cost per ounce		Burkina exploration Côte d'Ivoire exploration	Government relations Community initiatives

New 2015 restricted share plan ("RSP")

During 2015 a new restricted share plan was implemented to incentives executives and senior employees over the long term.

The RSP received shareholder approval in 2015 and the scheme is structured as follows:

June 2015 grant – restricted share plan

Performance conditions:

- 20% of the assessed by reference to a target total shareholder return;
- 50% of the award shall be assessed by reference to absolute growth in earnings per share; and
- 30% of the award shall be assessed by reference to compound growth in gold production.

April 2016 grant – restricted share plan

Performance conditions:

- 20% of the award shall be assessed by reference to a target total shareholder return;
- 30% of the award shall be assessed by reference to reserve replacement and growth;
- 20% of the award shall be assessed by reference to EBIDTA; and
- 30% of the award shall be assessed by reference to compound growth in gold production.

Vesting periods		
2015 grant	2018 (vesting of award)	2019 (release of 50% of award)
2016 grant	2019 (vesting of award)	2020 (release of 50% of award)

Details of the awards are set out on pages 96 and 97 of this report.

1. Introduction and annual statement

As chairman of the remuneration committee, I am pleased to present the remuneration report and policy for 2015/16.

The committee made good progress on its planned objectives during 2015, which saw the introduction of a new long term incentive scheme. The scheme was presented to shareholders at the AGM and 99% of votes were in favour of the new restricted share plan.

Changes in the board

Andrew Pardey was appointed chief executive officer ("CEO") on 1 February 2015 with Josef El-Raghy, interim CEO, standing down as CEO and continuing in his role as executive chairman. The committee undertook a thorough review of the roles and responsibilities of both executives and as a result recommended changes to Andrew Pardey's remuneration package and an update to their balance scorecards, which are used to determine the annual bonus.

Salary reviews

The committee undertook salary reviews for both of the executive directors. The review took into consideration the directors' personal performance, their updated roles and responsibilities and industry benchmarking data. Consideration was also given to the fact that the base salary for Josef El-Raghy (chairman) has remained unchanged for over four years. The committee proposed an increase of 3% for Josef El-Raghy from 1 January 2016. On appointment as CEO, Andrew Pardey received a 10% salary increase and a further 7% increase for Andrew Pardey is proposed, with effect from 1 April 2016. As disclosed in last year's report, Andrew Pardey's salary has been increased in incremental steps, as Andrew transitions into the role of CEO. These increases realign his remuneration package from the position before joining the board to the appropriate market rate now that Andrew is CEO and a director of the board.

Recommended and approved salary increases

	Base salary	Increase	New base salary
Josef El-Raghy (chairman)	£500,000	3%	£515,000 (effective 1 January 2016)
Andrew Pardey (CEO)	£430,000	7%	£460,000 (effective 1 April 2016)

The executive directors' contracts were reviewed and updated this year ensuring they were up to date with any legal developments and aligned with best practice guidelines.

Fee reviews

Reviews of the non-executive directors' fees were undertaken. There were no proposed changes to the structure of the non-executive directors' fees. A reduction in the fee for the role of deputy chairman and senior independent non-executive director took effect in July 2015. This fee reduction was due to Josef El-Raghy resuming his sole role as chairman and assuming responsibility for all chairmanship duties (further details are set out below).

New RSP

Andrew Pardey (CEO) now participates in the new RSP. Josef El-Raghy (chairman) does not currently participate in the scheme and as a shareholder with a 6.2% interest in the Company, Josef El-Raghy remains aligned with the interests of shareholders. Josef El-Raghy's participation in the new scheme will be reviewed in 2016 to consider if participation in 2017 would be appropriate.

Strategic report
Directors' report
Financial statements
Shareholder information

REMUNERATION REPORT continued

1. Introduction and annual statement continued

Shareholder consultation

I have taken the views of shareholders and proxy advisory services, following which we developed our new restricted share plan to include claw back provisions. Further details of the share plan can be found on pages 96 and 97. We would like to thank shareholders for their constructive feedback on the remuneration report and share scheme. I will continue to engage with shareholders, proxy advisory firms and other stakeholders throughout 2016.

Simple approach to remuneration

The committee remains wedded to a simple approach to remuneration and the introduction of the new restricted share plan will help ensure both executives have a meaningful actual shareholding to directly link their interests with those of the shareholders. There is no better union of interest between shareholder and executives than for executives to be substantial shareholders in their own right.

Delivering the strategic aims of the Company

As set out in the business model, Centamin creates value through the process of gold exploration and production, maximising production at the lowest possible cash operating and all-in sustaining cost. The gold/silver doré bars produced at Sukari are sold to our appointed refiners who in turn refine the doré bars and sell the near-pure gold at the price determined by the London bullion markets. As set out in the risk matrix, the Company is exposed to the daily fluctuations in the price of gold, receiving the market rates on the day of sale. Consequently, revenue cannot be directly linked with the performance of the executive and therefore the remuneration committee uses other metrics to measure the success of the executive directors, which are set out below.

Background to remuneration decisions

Cash generation:

- 439,072 ounces produced (re-guided upwards during the year) representing a 16% increase on 2014;
- 2015 production at US$713/oz cash operating costs and US$885/oz AISC;
- further production upside/lower cash costs at Sukari for no material capex; and
- US$200 million in cash at 31 December 2015.

Shareholder returns:

- dividend returns, with free cash flow to fund the next stage of growth;
- no debt, no hedging and Sukari capex complete; and
- share price performance relative to peers.

Growth:

- exploration/development to be funded from cash reserves after dividend;
- significant Sukari reserve expansion potential, especially via high grades from the underground operation; and
- advanced exploration in Burkina Faso; highly prospective tenements in Côte d'Ivoire.

Social responsibility:

- LTIFR rates at Sukari for 2015 of 0.12 per 200,000 a reduction of 70% on 2014;
- training and staff development;
- community projects; and
- government relations.

Bonus structure

The executive bonus opportunity and structure for 2015 will remain the same in 2016. For the executives the maximum bonus opportunity is 175%. This bonus opportunity for executives will be reduced to a maximum bonus opportunity of 125% in any year where an award under the new restricted share plan ("RSP") is made.

Summary

The Company performed well in 2015, and 2016 should see further increases in gold production and a reduction in cash operating costs and all-in sustaining costs. There are still challenges in respect of the litigation, details of which are set out in note 20 to the financial statements. However, from an operational and financial perspective this has been another successful year and it is within this context that the key remuneration decisions for 2015 described below have been taken by the remuneration committee.

The following report has been made available to the auditors; PricewaterhouseCoopers LLP, and section 4 (where indicated), 'annual remuneration report' has been audited by PricewaterhouseCoopers LLP.

Edward Haslam
Chairman of the remuneration committee

21 March 2016

2. Summary of executive remuneration

Chairman

Base salary for Josef El-Raghy, which is paid in sterling, remained unchanged for the fourth consecutive year at GBP500,000 for 2015 and will rise by 3% effective from 1 January 2016.

The bonus outcome for Josef El-Raghy for 2015 was 70% of the maximum opportunity which equates to GBP612,500 and represents 122.5% of base salary. As Josef El-Raghy does not participate in any long term incentive plan, no awards were either granted or vested and hence the annual bonus plan is the sole incentive arrangement for Josef El-Raghy. The bonus calculation is made by reference to a balanced scorecard which comprises of a combination of financial, operational and individual performance criteria. Full details are on pages 90 and 91.

Chief executive officer

Base salary for Andrew Pardey, which is paid in sterling, increased from GBP390,000 to GBP430,000 (10% increase) following his appointment as CEO. A further increase of 7% (the second stage of the realignment of his remuneration following appointment as CEO) will be effective from 1 April 2016.

The bonus outcome for Andrew Pardey for 2015, whilst undertaking the role of executive director, was 68% of the maximum opportunity, which equates to GBP285,600 and represents 68% of base salary. Andrew Pardey participated in the new restricted share plan receiving 900,000 awards (representing 150% of base pay) in June 2016, and these awards remain subject to the performance conditions set out in the scheme. A further grant of awards under the terms of the RSP are to be made in April 2016 in accordance with the rules of the scheme and our remuneration policy. Awards made to Andrew under the terms of the DBSP, issued prior to his appointed as CEO, will vest over the next two years. The bonus calculation is made by reference to a balanced scorecard which comprises of a combination of financial, operational and individual performance criteria. Full details are on pages 91 and 92.

3. The committee

The committee membership

The remuneration committee is a committee of the Company represented by three non-executive directors, namely, Edward Haslam (chairman of the committee), Mark Arnesen and Kevin Tomlinson, all of whom are regarded as independent.

No member of the committee has any financial interest, other than as shareholder, in the matters decided by the committee. None of the members of the committee participate in any bonus scheme, long term incentive, pension or other form of remuneration other than the fees disclosed below and the statutory superannuation for the Australian resident directors. There is no actual or potential conflict of interest arising from the other directorships held by members of the committee.

All members of the committee attended the four meetings held during 2015, with Mark Arnesen chairing the meeting where Edward Haslam's remuneration was discussed (Edward Haslam was not present during these discussions). Full details of the attendance at the board and committee meetings are detailed on page 68.

Josef El-Raghy may attend meetings of the committee to make recommendations relating to the performance and remuneration of his direct reports but neither he nor the company secretary are in attendance at meetings when their own remuneration is under consideration.

Activities of the committee

The committee met four times in the year and holding one meeting by way of written resolution. The business conducted is set out below.

Committee meeting date	Activity
12 March 2015	• Finalise the terms of the new restricted share plan ("RSP"). • Review the DRR for the annual report and finalise the 2015 remuneration policy. • Review the balanced scorecards and key performance measures for the executive directors and senior management team to ensure they were appropriate and consistent with the ongoing business objectives. • Make recommendations to the board to grant shares to Andrew Pardey and senior management under the RSP.
21 May 2015	• Review of CEO/chairman salaries. • Finalise the CEO/chairman contracts. • Review of SNED fees (chaired by Mark Arnesen).
1 June 2015 (written resolution)	• Adopt the new restricted share plan ("RSP") following shareholder approval. • Make adjustments to the RSP to include claw back provisions. • Finalise and grant awards to the new and existing members of the RSP.
3 September 2015	• Review carried out of the roles of the CEO/chairman. • Assessment of the objectives and achievements of the CEO/chairman against the balanced scorecards.
9 December 2015	• Performance reviews for the executive and management team, taking account of the balanced scorecards, industry benchmarking and making recommendations to the board for executive and management bonuses. • Review of non-executive director fees. • Evaluation of the committee and charter.

REMUNERATION REPORT continued

3. The committee continued

Terms of reference

The responsibilities of the committee are set out in the charter and include:

- the remuneration, recruitment, retention, termination, superannuation and incentive policies and procedures for executives and senior management; and
- the performance conditions, criteria and policies for the group's employee and executive incentive share plans.

Advisers to the committee

During the year the committee was supported by the company secretary. MEIS executive compensation data was appointed as adviser to the committee in respect of its work on executive remuneration. MEIS does not provide any other service to the Company and is regarded as independent by the committee. MEIS is engaged on an annual retainer for GBP8,000 for a twelve-month period. MEIS was originally appointed on the recommendation of the remuneration committee and is regarded by the committee as providing independent advice as it has no connections with the directors and officers of the Company other than this engagement.

4. Our remuneration policy

Introduction

The remuneration report and the remuneration policy were put to shareholders on an advisory basis at the AGM on 18 May 2015 and the resolutions were passed by a majority of 98% and 99%, respectively. The remuneration policy and application of the policy will be subject to separate non-binding advisory vote at the AGM on 11 May 2016. The remuneration policy will be effective following the AGM until the next AGM in 2017.

The policy that was put to shareholders on 18 May 2015 on an advisory basis remains in force until the conclusion of the AGM in 2016. A copy of the policy is available on the Company's website. There are no proposed changes to the policy in 2016, however, as the policy was on a non-binding vote we will continue to put our policy to shareholders on an annual basis. The remuneration policy is set out below and the application of the policy in 2016 is detailed below.

In developing its remuneration policy, the committee has had regard to the fact that the business of the Company is operated outside the UK and in a market which requires the engagement, motivation and retention of very particular operational and managerial personnel and skills. The remuneration policy therefore seeks to:

- position remuneration packages to ensure that they remain competitive, taking account of all elements of remuneration and be reflective of the performance of the Company;
- use external benchmark data on a transparent and open basis using comparator groups that reflect the industry and size of the Company;
- provide incentive arrangements for relevant employees that are based upon pre-agreed performance criteria against which individuals will then be tested. Such incentives should be relevant and stretching;
- provide long term incentives that encourage the involvement, in the long term, of the performance of the Company; and
- encourage executives, and in particular executive directors, to build and then maintain a meaningful shareholding in the Company.

Remuneration policy for executive directors

Element	Details	For 2015	For 2016
Base Pay Objective Base pay to be set competitively so as to allow the motivation and retention of key executives of the calibre and skills necessary to support Centamin's short and long term objectives.	Pay is reviewed annually and any change ordinarily takes effect from 1 January. Salaries are benchmarked against a number of comparator groups as described below to provide a balanced approach. Increases will take account of those of the general workforce. Increases will take account of the performance of the individual and the benchmarked data but any increase which exceeds that of the general workforce may only normally be awarded in cases of a change in responsibility, complexity and nature of the role or size of the organisation or when the pay level becomes out of line with the market data.	The base salary for 2015 was as follows: **Josef El-Raghy** GBP500,000 **Andrew Pardey** GBP390,000 (from 1 February 2015) and GBP430,000 (from 1 April 2015)	There is no intended change in the policy for 2016. A 3% increase has been awarded for Josef El-Raghy effective from 1 January 2016 and a 7% increase has been awarded for Andrew Pardey effective from 1 April 2016. **Josef El-Raghy (Chairman):** Base salary GBP500,000 Increase 3% New base salary GBP515,000 (effective 1 January 2016) **Andrew Pardey (CEO):** Base salary GBP430,000 Increase 7% New base salary GBP460,000 (effective 1 April 2016)

Remuneration policy for executive directors

Element	Details	For 2015	For 2016
Benefits Objective Benefits may be provided where necessary to ensure competitive remuneration packages are consistent with the market.	The normal benefits that may be provided include such items as car or car allowance, life assurance, private medical provision, subscriptions and phones. Normal benefits will not currently exceed 5% of base pay. Where necessary, due to the location of operations of the business, it may be necessary to provide additional benefits such as private security, accommodation and reasonable travel costs or enhanced provision of other benefits. Additional benefits may not exceed 10% of base pay. Therefore normal benefits and additional benefits will not currently exceed 15% of base pay.	A proportion of benefits were utilised in 2015.	Benefits to remain within the policy.
Pension Objective Positioned to ensure competitive packages and provision of appropriate income for executives in retirement.	A payment in lieu of pension will be made between 10% and not more than 20% of base pay. Where any payment is required to be made under a statutory provision then this amount will be included within the above limit. No director has a prospective entitlement to a defined benefit pension by reason of qualifying services.	Josef El-Raghy receives a cash payment in lieu of a pension equivalent to 20% of his base salary.	There is no intended change to the pension contribution for Josef El-Raghy. There is no current pension contribution for Andrew Pardey, however a pension contribution for Andrew Pardey, in line with the policy, will be considered by the remuneration committee in 2016.
Annual bonus Objective To provide a driver and reward for the delivery of short term performance goals, normally over the course of the financial year.	Performance criteria, which are set at the beginning of each year, are based upon a balanced scorecard approach. The balanced scorecard shall be based 70% on financial, operational and strategic targets and 30% on individual key tasks. The performance measures are selected to provide an appropriate balance between incentivising executive directors to meet financial/operational targets for the year and incentivising them to achieve specific strategic objectives. In selecting the performance conditions for each year, consideration will be given to market expectations and the performance measures that are generally regarded as reflective of the performance of the industry. These will normally be selected from financial performance measures (profitability, cost against budget and operational efficiency), strategic measures (M&A opportunities, exploration and project delivery), corporate measures (health and safety and corporate governance) and individual tasks. For executive directors, the maximum annual bonus opportunity is 175% of base salary, however a lower amount will be set for executive directors who participate in the new RSP. On target bonus is just above half of the maximum opportunity at 57% of the maximum. The committee may apply claw back to any bonus where the committee is of the view that facts have come to light, which had they been known at the time, would have affected the committee's decision to pay part or all of any bonus.	Bonus maximum opportunity of 175%. Actual outcome for Josef El-Raghy was 70% of maximum. Bonus maximum opportunity of 100%. Actual outcome for Andrew Pardey was 68% of maximum.	Bonus maximum opportunity of 175%, reducing to a maximum opportunity of 125% of base salary in any year an award is made to an executive under the new RSP.

REMUNERATION REPORT continued

4. Our remuneration policy continued

Introduction continued

Remuneration policy for executive directors			
Element	Details	For 2015	For 2016
Long term incentives Objective To align the interests of the executive with those of shareholders through a meaningful ownership of shares.	The new RSP was approved at the AGM in 2015. Executive directors and senior employees may participate in the new scheme at the recommendation of the committee. Details of the new RSP are set out on pages 96 and 97. For management, but not directors, the Company has a deferred bonus share plan ("DBSP") as part of the annual bonus. The Company can require up to 100% of a bonus to be deferred into shares. Such shares will then be released typically as to a third at the end of each 12, 24 and 36 month period.	900,000 awards were granted to Andrew Pardey in June 2015 under the terms of the RSP. 5,145,000 awards in total were granted in June 2015 to employees. No awards were made under the DBSP in 2015.	Awards under the terms of the RSP are to be made to Andrew Pardey in April 2016. The RSP is available to all executives (and senior management), however there are no current plans to make awards to Josef El-Raghy.
Share ownership requirement Objective To encourage ownership of shares and thereby create a link of interest between shareholder and the executives.	Executive directors are required to build a holding of shares in the Company equivalent to 150% of base salary over a five year period from appointment. Vested and unvested shares are to be included in the calculation.	Josef El-Raghy (and family) hold an interest of 6.2% in the Company which represents a value of 9,144% of base salary. Andrew Pardey holds 2,968,800 shares in the Company (including unvested awards under the DBSP and RSP) which represents a value of 440% of base salary. Values are based on the share price at 31 December 2015.	There are no changes to the policy.

Policy if a new director is appointed

The Company has a track record of succession planning and growing and promoting talent internally as demonstrated by the appointment of the new CEO.

When hiring a new executive director, or promoting an individual to the board, the committee will offer a package that is sufficient to attract and motivate while aiming to pay no more than is necessary taking account of market data, the impact on other existing remuneration arrangements, the candidate's location and experience, external market influences and internal pay relativities.

The structure of the remuneration package of a new executive director will follow the policy above, however in certain circumstances, the committee may use other elements of remuneration if it considers it appropriate with due regard to the best interests of the shareholders. In particular, a service contract that contains a longer initial notice period, tapering down to twelve months over a set period of time, the buy-out of short and or long term incentive arrangements (taking account of the performance measures on such incentives) as close as possible on a comparable basis, the provision of long term incentives and the provision of benefits such as housing allowance or similar particularly where it is an expatriate appointment.

The committee may, where necessary and in the interest of shareholders, also offer recruitment incentives to facilitate the recruitment of an appropriate individual subject to the following limits:

- annual bonus plus buy-out short term incentives as described above will not exceed 175% of base pay; and
- long term incentives will be limited to an aggregate of 250% in the first year or where there is a buy-out of long term incentives as described above to 150%.

The limits of 175% and 250% (as set out above) are the limits that cover all awards, be they standard or recruitment awards. Specifically the remuneration committee cannot make standard awards plus these awards, as the limits of 175% and 250% are the absolute limits.

To facilitate the buy-out awards outlined above the committee may grant awards to a new executive director under Listing Rule 9.4.2. The total package offered to a new recruit will not exceed the overall limits set out in the Company's remuneration policy.

Policy on payment for loss of office

The Company's approach to payment on loss of office will take account of the circumstances of the termination of employment. In the case of a good leaver then the individual will be expected to work through the notice period and will be entitled to all the benefits under the service agreement during that period.

In the case of a termination as a result of poor performance or a breach of any of the material terms of the agreement, then the Company may terminate with immediate effect without notice and with no liability to make any further payment to the individual other than in respect of amounts accrued due at the date of termination.

Where the Company wishes to terminate the agreement and make a payment in lieu of notice, this payment shall be phased in monthly or quarterly instalments over a period of no longer than twelve months (or the notice period if less) and any payment should be reduced in accordance with the duty on the executive to mitigate his loss. The Company will consider if any bonus amount is to be included in the calculation when determining the payment in lieu of notice. Any bonus (if included at all) would be restricted to the director's actual period of service only.

In the case of notice given in connection with and shortly following a change of control then the executive directors are entitled to payment in lieu of an amount equal to twelve month's basic salary plus bonus. Any bonus that may be due to him at the completion of the change of control, shall be determined by the remuneration committee and such bonus (if any) would be based on the period only up to the completion of the change of control, taking account of all the relevant key performance indicators.

Claw back provisions for executive directors relate to bonus and holiday taken in advance.

In relation to the RSP, the Company's approach to payment on loss of office will take account of the circumstances of the termination of employment. In the case of a good leaver then the individual will be expected to work through the notice period and will be entitled to all the benefits under the service agreement during that period. In the case of a termination as a result of poor performance or a breach of any of the material terms of the agreement then all unvested awards and all vested but unreleased awards will lapse.

A new claw back provision has been included in the RSP, since the approval of the RSP at the AGM. This provision relates to the dismissal of an eligible employee for gross misconduct, fraud or matters materially adversely affecting the group's reputation. If an award holder ceases to be an eligible employee under this provision, in the period after the award has vested, but before the settlement of the deferred shares, any subsisting rights in the award shall immediately lapse upon the date of such cessation.

In the case of death, annual bonus will be determined by the remuneration committee, which shall determine the bonus to be paid taking account of the duration in employment and performance of the Company and long term incentives shall be treated in the same way as a good leaver.

Policy on external board appointments

The Company encourages the executive directors to have non-executive external appointments provided that such appointments do not adversely impact on the duties required to be performed to the Company. Where there are external appointments the director will retain any fees for such appointments and will not be liable to account to the Company for such fees.

Remuneration policy for non-executive directors			
Element	Details	For 2015	For 2016
Non-executive director fees Objective To attract and retain high calibre non-executive directors by the provision of competitive fees.	Non-executive directors receive annual fees within an aggregate directors' fee pool limited to an amount which is approved by shareholders. Fees are reviewed every two years against the same comparator groups as used for the executive directors. Non-executive directors do not participate in any incentive arrangements. Deputy chairman and senior independent non-executive director ("SNED"). The fees for the SNED were reduced in 2015 due to Josef El-Raghy resuming his sole role as chairman and assuming responsibility for all chairmanship duties.	The fees were reviewed in 2013 and the following applied from 1 April 2013: • basic fee GBP65,000; • chair of a committee GBP10,000; and • member of a committee GBP5,000.	The fees payable to the SNED are subject to an annual review. The fees for the other non-executives will next be reviewed in 2016. Otherwise the fees will remain as for 2013.
Incentives Objective No incentives.	The non-executive directors do not participate in any short or long term incentive plans.		There is no intended change in the policy for 2016.

REMUNERATION REPORT continued

4. Our remuneration policy continued

Remuneration arrangement across the Company

Our remuneration policy for executive directors is consistent with that across the Company and aims to attract and retain high performing individuals and to reward success. Base pay and benefits are set competitively taking account of the individual's performance and market data. Annual incentives are typically linked to local business performance with a focus on performance against key strategic business objectives. Key management team members may also receive some of their annual bonus in shares which are deferred. At this time there are no all employee share arrangements but this is kept under review on a regular basis taking account of the locations the Company operates in and the appropriateness of share base rewards in such locations.

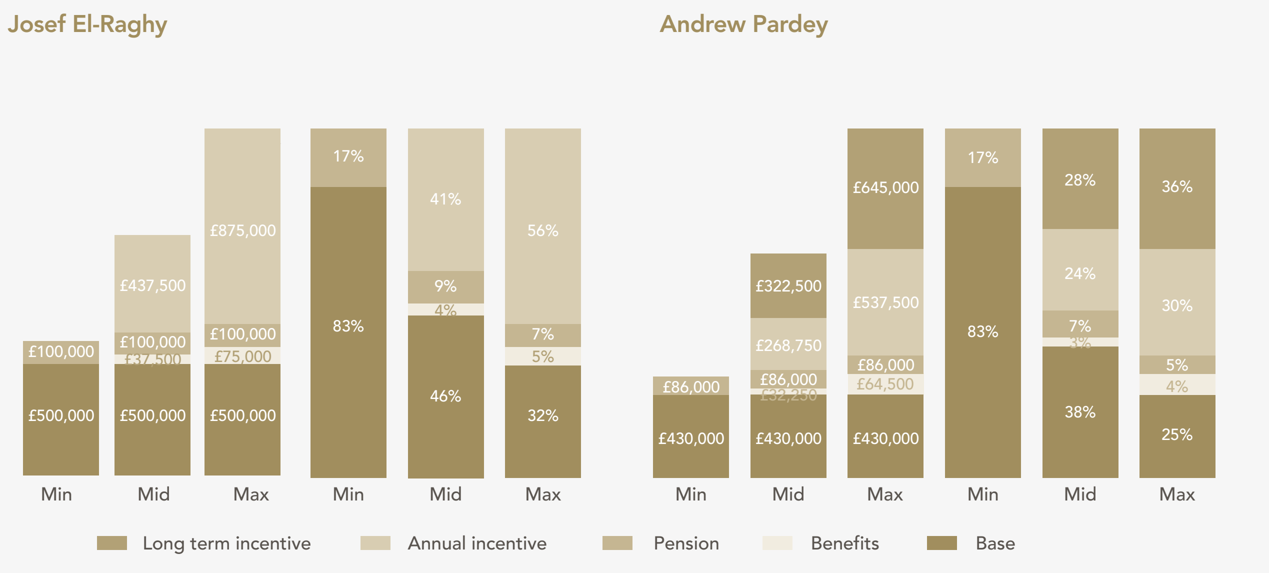
All employees of Sukari Gold Mine Company (the majority of whom are based at the Sukari mine site) are subject to a performance-related bonus which is linked to the underlying operation performance, and cost control measures at the mine. Further details on employee relations can be found in the CSR report.

For Josef El-Raghy the graphs assume a base salary as disclosed in this report of GBP500,000, pension contributions of 20% of base being GBP100,000 and bonus from zero at the minimum, to 50% of 175% at target, and 175% of base for the maximum. There are no benefits or long term incentive elements.

For Andrew Pardey, the graphs assume a base salary of GBP430,000, pension contributions of up to 20% of base and bonus from zero, to 50% of 125% at target and 125% of base for the maximum. The graph assumes that Andrew Pardey will be awarded shares under the terms of the new RSP of 150% of his base salary with an initial award of up to 150% of his base salary. For the LTI the assumed values are zero for minimum, to 50% of the face value of the award at target and the face value of the award for the maximum.

Implementation of policy

The Company intends to implement the remuneration policy for 2016 as detailed in this report on remuneration.



5. Annual remuneration report

What did the executive and non-executive directors earn in 2015?

Single figure table US$ (audited)

Executives	Salary 2015	Salary 2014	Benefits 2015	Benefits 2014	Bonus 2015	Bonus 2014	LTI 2015	LTI 2014	Pension 2015	Pension 2014	**Total 2015**	Total 2014
Josef El-Raghy	763,372	821,582	38,347	—	907,945	1,087,294	Nil	Nil	152,674	164,316	**1,862,338**	2,073,192
Andrew Pardey	591,996	N/A	80,752	—	390,600	N/A	399,421	N/A	Nil	N/A	**1,462,769**	N/A
Total	1,355,368	821,582	119,099	—	1,298,545	1,087,294	399,421	—	152,674	164,316	**3,325,107**	2,073,192

Non-executives	Fees 2015	Fees 2014	Benefits 2015	Benefits 2014	Bonus 2015	Bonus 2014	LTI 2015	LTI 2014	Pension 2015	Pension 2014	**Total 2015**	Total 2014
Edward Haslam	208,289	244,228	—	—	—	—	—	—	—	—	**208,289**	244,228
Mark Bankes	128,651	138,396	—	—	—	—	—	—	—	—	**128,651**	138,396
Mark Arnesen	120,223	126,535	—	—	—	—	—	—	8,429	11,862	**128,651**	138,397
Kevin Tomlinson	113,516	122,114	—	—	—	—	—	—	—	—	**113,516**	122,114
Trevor Schultz	113,516	72,357	—	—	—	—	—	—	—	—	**113,516**	72,357
Total	684,195	703,630	—	—	—	—	—	—	8,429	11,862	**692,623**	715,492

1. Josef El-Raghy is paid in sterling and his base salary remained unchanged for the fourth consecutive year at GBP500,000 per annum.
2. The pension payable to Josef El-Raghy represents a cash payment in lieu of contributions to a pension scheme.
3. Andrew Pardey was appointed CEO and a director of the board on 1 February 2015, the remuneration in this table reflects his remuneration for the eleven months in 2015.
4. Superannuation contributions are payable with respect to Mark Arnesen and this is included in the pension column.
5. Directors' remuneration paid in foreign currency was converted at an average rate during the year. The average A$:US$ exchange rate for 2015 is 0.7493 and the average GBP:US$ exchange rate for 2015 is 1.5267. Bonus accruals for 2015 applied an exchange rate of A$:US$0.7287 and GBP:US$1.4823.

Non-executive director fees (audited)

Non-executive directors receive annual fees within an aggregate directors' fee pool limited to an amount which is approved by shareholders. The 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 rate for non-executive directors is as follows:

	As at 31 December 2014	**As at 31 December 2015**
Annual base fee	GBP65,000 (US$101,674)	**GBP65,000 (US$96,353)**
Chairman of a board committee	GBP10,000 (US$15,642)	**GBP10,000 (US$14,824)**
Member of a board committee	GBP5,000 (US$7,821)	**GBP5,000 (US$7,412)**
Deputy chairman and senior independent director (see note 1)	GBP150,000 (US$222,353)	**GBP125,000 (US$185,295)**

1. With effect from 1 April 2013, the fees payable to Edward Haslam in his capacity as senior independent director were increased to take account of the additional duties undertaken while the roles of CEO and chairman were combined. Following the changes to the board in 2015, these fees were reduced from GBP150,000 to GBP125,000 per annum. This fee remains subject to an annual review and given that the Company has an executive chairman, Edward Haslam will continue with an enhanced role with fees commensurate with that role. Edward Haslam's title was changed to deputy chairman and senior independent non-executive director during the year to reflect this ongoing enhanced role. In keeping with the Company's policy, Edward Haslam did not and will not participate in any meeting discussing his fees.
2. These amounts include any statutory superannuation payments where applicable.
3. The Company reviewed the NED fees during 2015 and no increases in NED fees were proposed in 2015.
4. The non-executive directors do not participate in any of the Company's share plans or incentive plans.

REMUNERATION REPORT continued

5. Annual remuneration report continued

Base pay

Remuneration of the executive directors and the senior management team is considered against three criteria – general pay levels and pay increases throughout the Company, the performance and skills of the individual and market data.

In respect of market data for the executive directors and the senior management team, a selection of five different comparator groups are used in order to gain a balanced view of the market data. These comparator groups consist of a bespoke list of UK and international mining companies, companies with a similar market capitalisation, companies with a similar turnover, the mining sector and the FTSE 250.

Any increase which exceeds that of the general workforce may only normally be awarded as a result of change in responsibility or change in the complexity and nature of the role or the size of the organisation or the pay level becoming out of line with market data. Pay is reviewed annually and any changes ordinarily take effect from 1 January.

Base salary for Josef El-Raghy, which is paid in sterling, remains unchanged for the fourth consecutive year at GBP 500,000 for 2015 and will rise by 3% effective from 1 January 2016.

Base salary for Andrew Pardey, which is paid in sterling, increased from GBP390,000 to GBP430,000 (10% increase) following his appointment as CEO. A further increase of 7% will be effective from 1 April 2016.

Over the last four years (the same period since Josef El-Raghy last received a salary increase), employee salaries have increased significantly more than the proposed marginal increase for Josef El-Raghy.

Annual bonus

The bonus plan for the executive directors is based upon a balanced scorecard approach designed to encourage and reward the delivery of operational performance. For Josef El-Raghy the bonus is split 70% business and 30% individual targets as follows:

- 70% – the business targets are based on:
  - 20% – financial (profitability/financial position, total cost against budgeted total cost);
  - 20% – operational (meeting production guidance, CSR development and implementation of plan);
  - 20% – strategic measures (M&A opportunities, strategic management, M&A opportunities formalise the business strategy); and
  - 10% corporate (maintain sound corporate governance and structure, board leadership and effective management of the board, executive development and succession planning).
- 30% – the individual tasks are based on building management team and motivation, formalisation and communications of business strategy, in country stakeholder management and shareholder relations.

For Andrew Pardey, the bonus is split 70% business and 30% individual targets as follows:

- 70% – the business targets are based on:
  - 25% – financial (profitability/financial position, cost against budget and operational efficiency);
  - 25% – operational (meeting production guidance, health safety and environment, CSR development, open pit and underground mining, resource and reserve growth);
  - 10% strategic measures (exploitation success in Egypt and elsewhere, M&A opportunities including geographical diversification); and
  - 10% corporate (corporate governance improvements, senior staff development, shareholder relations, in-country stakeholder management).
- 30% – the individual tasks are based on building the management team and taking on the new responsibilities as CEO.

2015 – bonus achieved for Josef El-Raghy

	Performance measure	Target	Maximum	Awarded	Achieved of the maximum bonus opportunity
Business targets	Financial	20%	35%	85%	17%
	Operational	20%	35%	85%	17%
	Strategic	20%	35%	50%	10%
	Corporate	10%	17.5%	50%	5%
Individual targets	Individual KPI	30%	52.5%	70%	21%
	Total	**100%**	**175%**		**70%**

In reviewing performance against the criteria and in arriving at the decision, the committee considered the key milestones achieved during the year which Josef El-Raghy was instrumental in delivering. These included the following:

Josef El-Raghy

Achieved	Range
Financial and operational • 439,072 ounces produced (re-guided upwards during the year), a 16% increase on 2014. • Cash operating cost of US$713 per ounce. • All-in sustaining cost of US$885 per ounce. • Profitability/financial position – maintaining dividend flows to shareholders in line with the dividend policy. • Profitability/financial position improved throughout 2015	**Financial and operational** • Guidance of 420,000 was revised during the year to 430,000 to 440,000 ounces for 2015. • Cash operating cost forecast of US$700 per ounce. • All-in sustaining cost of US$950 per ounce. • Annual dividend of between 15-30% net cash flow after sustaining capital and profit share. • Strong financial position US$200 million cash and cash equivalents at year end after the payment of an interim dividend.
Strategic • Replacement and expansion of the Sukari underground reserve. • Exploration programme over licence areas in Burkina Faso. • Exploration programme over licence areas in Côte d'Ivoire.	**Strategic** • Resource/reserve replacement and expansion at Sukari, with a focus on the high-grade underground. • Drilling on priority targets in Burkina Faso and Côte d'Ivoire, providing the foundation for further resource development.
Corporate • Corporate governance improvements – engagement programme with shareholders. • Seamless hand over of roles and responsibilities to the newly appointed CEO.	**Corporate** • Maintain sound corporate governance and structure, board leadership and effective management of the board, executive development and succession planning.
Individual KPIs • Presenting at key seminars and investor conferences throughout the year. • M&A opportunities reviewed and assessed. • Maintaining good relations with the authorities in Egypt and administration of the Concession Agreement. • Building relations with the authorities in Burkina Faso and Côte d'Ivoire.	**Individual KPIs** • Formalisation and communications of business strategy. • In-country stakeholder management and shareholder relations.

On this basis, the committee determined that 70% of the maximum bonus, of 175% of Josef El-Raghy's 2015 base salary had been achieved. This resulted in a payment of GBP612,500 (US$907,945).

As set out in the risk matrix, the Company is exposed to the daily fluctuations in the price of gold, receiving the market rates on the day of sale. Consequently, revenue cannot be directly linked with the performance of the executive and therefore the remuneration committee use other metrics to measure the success of the executive directors, which are set out below.

Further details on performance targets cannot be disclosed as these are commercially sensitive.

2015 – bonus achieved for Andrew Pardey

	Performance measure	Target	Maximum	Achieved of the maximum bonus opportunity
Business targets	Financial	25%	25%	14%
	Operational	25%	25%	14%
	Strategic	10%	10%	10%
	Corporate	10%	10%	9%
Individual targets	Individual KPI	30%	30%	21%
	Total	**100%**	**100%**	**68%**

REMUNERATION REPORT continued

5. Annual remuneration report continued

In reviewing performance against the criteria and in arriving at the decision the committee considered the key milestones achieved during the year which Andrew Pardey was instrumental in delivering. These included the following:

2015 bonus (audited)

Andrew Pardey

Achieved	Range
Financial and operational • Operational efficiency – nameplate capacity of 11Mtpa achieved in Q4 2015. • Production achievement of 439,072 ounces produced (re-guided upwards during the year), a 16% increase on 2014. • Cash operating cost of US$713 per ounce. • All-in sustaining cost of US$885 per ounce. • Profitability/financial position – maintaining dividend flows to shareholders in line with the dividend policy. • Profitability/financial position improved throughout 2015.	**Financial and operational** • Plant throughput rates of 11Mtpa forecast for 2015. • Guidance of 420,000 was revised during the year to 430,000 to 440,000 ounces for 2015. • Cash operating cost forecast of US$700 per ounce. • All-in sustaining cost of US$950 per ounce. • Annual dividend of between 15-30% net cash flow after sustaining capital and profit share. • Strong financial position US$200 million cash and cash equivalents at year end after the payment of an interim dividend.
Strategic • Sukari: 8.8Moz reserve and 13Moz resource, with upside from exploration. • circa 2,200km² licence area in Burkina Faso. • circa 1,520km² licence area in Côte d'Ivoire. • circa 1,800km² under application.	**Strategic** • Sukari reserve expansion potential, especially via high grades from underground. • Exploration programme over licence areas in Burkina Faso. • Exploration programme over licence areas in Côte d'Ivoire.
Corporate • Health and safety – safety record of 0.12 LTIFR in 2015. • Labour costs – reduction in labour costs per ounce of gold produced $77 per ounce.	**Corporate** • A reduction of our yearly LTIFR and aiming for a zero-harm safety record throughout the group's operations. • Labour productivity has improved with Sukari expansion.
Individual KPIs • Moving forward key objectives as the newly appointed CEO.	

On this basis, the committee determined that 68% of the maximum bonus of 100% of Andrew Pardey's 2015 base salary had been achieved. This resulted in a payment of GBP263,500 (US$390,600) for eleven months in 2015.

Further details on performance targets cannot be disclosed as these are commercially sensitive.

The objectives for 2016 set against the balance scorecard are as follows:

2016 bonus

For Josef El-Raghy the bonus for 2016 will be based upon the balanced scorecard approach, as follows:

- 70% – the business targets are based on:
  - 40% – financial (an improvement in profitability, cost against budget and operational efficiency);
  - 20% strategic measures (M&A opportunities, exploration in Egypt and other locations, project delivery); and
  - 10% corporate (corporate governance improvements, health and safety, production guidance CSR development).
- 30% – the individual tasks are based on building the management team and motivation, formalisation and communication of business strategy, in-country stakeholder management and shareholder relations.

For Andrew Pardey the bonus for 2016 will be based upon the balanced scorecard approach, as follows:

- 70% – the business targets are based on:
  - 25% – financial (profitability/financial position, cost against budget and operational efficiency);
  - 25% – operational (meeting production guidance, health safety and environment, CSR development, open pit and underground mining, resource and reserve growth);
  - 10% strategic measures (exploitation success in Egypt and elsewhere, M&A opportunities including geographical diversification); and
  - 10% corporate (corporate governance improvements, senior staff development, shareholder relations, in-country stakeholder management).
- 30% – the individual tasks are based on building the management team and taking on the new responsibilities as CEO).

Further details on performance targets for 2016 cannot be disclosed as these are commercially sensitive. However, the performance achieved during the year will be disclosed in the 2016 annual report in similar detail to the 2015 bonus performance metrics set out in this report.

Pension arrangements (audited)

Josef El-Raghy is entitled to a payment in respect of pension entitlement equal to 20% of base pay. Andrew Pardey has a pension entitlement of up to 20% of base pay, subject to recommendation by the committee. Other than statutory superannuation for Australian resident director, Mark Arnesen and the payments in lieu of pension above, no pensions or payments in lieu of pensions are made.

Long term incentives – shares award table (audited)

Josef El-Raghy does not currently participate in any long term incentive arrangement. There is a deferred bonus share plan ("DBSP") for senior management and a shareholder approved restricted share plan for directors and senior management.

Andrew Pardey has been granted 900,000 awards under the new restricted share plan. Andrew has not received any new grants under the DBSP as he is not eligible to receive new grants as a director. Grants awarded under the DBSP prior to Andrew becoming a director will vest over the next two years. Vested awards received by Andrew Pardey in 2015 under the DBSP amounted to 720,000 shares. The participant receives the vested shares by virtue of their continued employment with the Company on anniversary of the award over the three year vesting period.

Award	Granted	Value of award at grant date in US$ (per share)(1)	Total vested	Total unvested	Total vested in 2015	Performance conditions
DBSP 11 October 2012	500,000	1.6265	500,000	—	166,666	Service conditions
DBSP 4 June 2013	1,260,000	0.5886	840,000	420,000	420,000	Service conditions
DBSP 4 June 2014	400,000	1.0526	133,334	266,666	133,334	Service conditions
DBSP TOTAL	**2,160,000**		**1,473,334**	**686,666**	**720,000**	
RSP 4 June 2015	900,000(2)	(2)	—	900,000	—	Performance conditions

(1) The fair value of the DBSP was calculated using the closing share price on the grant date (converted from GBP:US$) and no other factors were taken into account in determining the fair value. See note 27 to the financial statements for details of the RSP valuation.
(2) The value of award grant date (per share for the RSP is 20% TSR: 0.7894; 50% EPS: 0.9994; 30% production: 0.9994).

Scheme summary

DBSP scheme	RSP award in June 2015
Type: deferred bonus share award.	**Type:** restricted share plan.
Award: discretionary bonus award.	**Award:** based on 150% of salary.
Value: see note 27 to the financial statements.	**Value:** see note 27 to the financial statements.
Performance period: vesting in trances over three years from date of grant.	**Performance period:** 31 December 2015 to 31 December 2018.
Performance measures: service conditions.	**Performance measures:** see note 27 of the financial statements.

Payment to past directors (audited)

There are no payments to directors for loss of office.

Payment for loss of office (audited)

There are no payments to past directors of the Company.

Service agreements for directors (audited)

Service agreements for executive directors

Consistent with current best practice the executive directors have rolling contracts with notice periods of twelve months or less.

Letters of appointment for non-executive directors

Under the Articles of Association adopted by the Company all directors are now subject to annual re-election. All members of the board offered themselves for either election or re-election at the last annual general meeting of the Company. Copies of the appointment letters including the terms of service are available at the Company's registered office or at the annual general meeting. Each of the non-executive directors have formal letters of appointment and there is no provision for payments for loss of office.

REMUNERATION REPORT continued

5. Annual remuneration report continued

Service agreements for directors continued

Letters of appointment for non-executive directors continued

	Josef El-Raghy	Andrew Pardey
Date of agreement	8 May 2015	8 May 2015
Notice period	Twelve months' notice from either party.	Twelve months' notice from either party.
Expiry date	No fixed expiry date as rolling contract.	No fixed expiry date as rolling contract.
Pension	Entitlement to 20% of base pay.	Entitlement to 20% of base pay, subject to committee discretion.
Benefits	Entitlement in accordance with the remuneration policy.	Entitlement in accordance with the remuneration policy.
Annual bonus	Eligible to participate in an annual bonus arrangement as determined by the committee from time to time.	Eligible to participate in an annual bonus arrangement as determined by the committee from time to time.
Long term incentives	Eligible to participate in the new RSP.	Eligible to participate in the new RSP.
Termination payment	Entitled to be paid salary and pension in respect of the relevant notice period. In the case of notice given in connection with and shortly following a change of control, Josef El-Raghy will be entitled to payment in lieu of an amount equal to twelve month's basic salary together with any bonus that, in the opinion of the remuneration committee, would have been due to him at the time of the completion of the change of control taking into account all the relevant performance indicators.	Entitled to be paid salary and pension in respect of the relevant notice period. In the case of notice given in connection with and shortly following a change of control, Andrew Pardey will be entitled to payment in lieu of an amount equal to twelve month's basic salary together with any bonus that, in the opinion of the remuneration committee, would have been due to him at the time of the completion of the change of control taking into account all the relevant performance indicators.

To encourage ownership of shares and thereby create a link of interest between shareholder and the executives, the remuneration policy (adopted in 2014 and recommended in 2015) requires executive directors to build a holding of shares in the Company equivalent to 150% of base salary over a five year period from appointment. Vested and unvested shares are to be included in the calculation.

The following table shows the current shareholding of each of the directors at the date of this report.

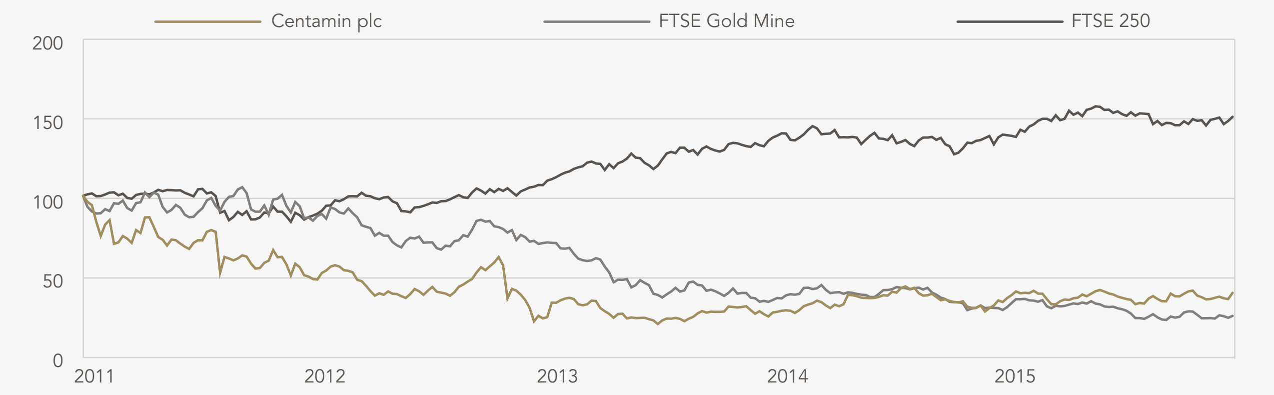
Name	As at 31 December 2015	Percentage of base salary/fees(3)
Executive directors(2)		
Josef El-Raghy	**71,445,086**	9144%
Andrew Pardey	**2,968,800(1)**	440%
Non-executive directors(2)		
Trevor Schultz	**30,000**	26%
Edward Haslam	**102,056**	44%
Mark Bankes	**150,000**	113%
Mark Arnesen	**49,000**	37%
Kevin Tomlinson	**24,400**	21%

(1) Details of the awards granted under the DBSP and RSP to Andrew Pardey are set out in the long term incentives shares award table above. No other executive directors or non-executive directors hold shares, share options or awards that are subject to performance measures.
(2) There have been no changes to directors' shareholdings from 31 December 2015 to the date of this report.
(3) The valuation of the shareholdings are based on the share price at 31 December 2015.

6. Comparative remuneration data (audited)

Performance graph and CEO remuneration table

The graph below compares the TSR of the Company to the FTSE 250 and the FTSE 350 Mining indices. The graphs show the return for the last five years.



The remuneration committee considers that these indices are appropriate comparators of the Company. We have reflected details of the CEO pay from 2011, when Centamin plc was incorporated.

Chairman – Josef El-Raghy	Single figure remuneration	Annual bonus as % of maximum	Long term incentives
2011 (chair/CEO)	US$1,290,742	65%	Nil
2012 (chair/CEO)	US$1,920,644	80%	Nil
2013 (chair/CEO)	US$2,020,562	75%	Nil
2014 (chair/CEO)	US$2,073,192	80%	Nil
2015 (chairman)	**US$1,862,338**	**70%**	**Nil**

CEO – Andrew Pardey	Single figure remuneration	Annual bonus as % of maximum	Long term incentives
2015 (11 months as CEO)	**US$1,462,789**	**68%**	**RSP award 150% of base salary**

The CEO pay from 2012 to 2014 reflects the total remuneration for Josef El-Raghy while he held the position of CEO and Chairman. Andrew Pardey was appointed CEO from 1 February 2015.

Percentage change in remuneration (unaudited)

The Company has chosen the comparator group as all the employees of the Centamin group (excluding non-executive directors).

	Total remuneration 2015	Total remuneration 2014	Shareholder dividend(2)
Comparator group(1)	**US$41,767,881**	US$50,985,000	US$32,650,379
CEO (eleven months in 2015)	**US$1,495,531**	US$2,073,192	

(1) The total number of individuals employed by the Centamin group in 2015 was 1,462 (2014: 1,413 employees).
(2) Total reflects the dividends declared in respect to the year ended 2014. The dividends declared for the year ended 2015 amount to US$33.7 million.

Other than the paid and declared dividends during the year, there have been no other shareholder related returns of capital or share buy backs by the Company.

REMUNERATION REPORT continued

7. Long term incentive arrangements

Introduction

Centamin introduced a new long term incentive scheme, which was approved by shareholders at the AGM on 18 May 2015. The aim of the plan is to introduce a long term incentive plan that can provide a suitable recruitment and retention tool for any new or promoted executives, senior management and individuals at executive director level. The plan, which complies with best practice guidelines, is to provide a platform, as part of the remuneration policy, to be used to provide a long term reward tool for participants.

New long term incentive plan

New restricted share plan ("RSP")

The RSP was approved by the shareholder at the AGM on 18 May 2015. Full details of the plan are set out in the 2014 directors' remuneration report.

Following the adoption of the new restricted share plan, the Company has granted 5,145,000 conditional awards to employees of the group (900,000 awards were made to Andrew Pardey, executive director). 21 employees participate in the RSP, including heads of department and senior personnel based onsite, as well as members of the senior management team located at the head office.

The remuneration committee also proposed an amendment to the scheme rules, following feedback from shareholders and the proxy advisory organisation and the Company subsequently applied an amendment to the published scheme rules to include a malus claw back provision. In summary, the additional clause has been included so that an award holder who ceases to be an eligible employee for cause (see definition below) in the period after the award has vested but before the settlement of the deferred shares (i.e. during the two year holding period) shall immediately forfeit his/her rights in the award from the date of cessation. Cause is defined as "ceasing to be an eligible employee by reason of dismissal for gross misconduct, fraud or materially adversely affecting the group's reputation".

The awards granted on 4 June 2015 will vest in three years (with 50% of the vested shares deferred for a further two years) and will be subject to satisfaction of the performance conditions which are set out below and divided into three tranches:

- 20% of the award shall be assessed by reference to a target total shareholder return ("TSR"). If the top end of the TSR target is met (currently anticipated to be if the Company is ranked equal to or better than the upper quarter total shareholder return of selected comparator companies, see below) all 20% of the award tranche shall vest. If the Company is ranked at the median level in a table of comparator companies by reference to TSR, 25% of the award tranche shall vest (i.e. 5% of the award). Proportionate amounts of the award tranche will vest for results in between;

  The comparator group is as follows: Agnico Eagle Mines Ltd, AngloGold Ashanti, Centerra Gold, Eldorado Gold, Gold Fields Ltd, Kinross Gold Corporation, IAMGOLD Resources Inc, Petropavlovsk, Polyus Gold, Randgold Resources, Yamana Gold, Inc, Acacia Mining plc/ African Barrick, Alacer Gold, B2 Gold Corp and Endeavour Mining;
- 50% of the award shall be assessed by reference to absolute growth in earnings per share ("EPS"). If a compound annual growth rate in EPS of the Company of 12% is achieved, all 50% of the award tranche shall vest. If a compound annual growth rate in EPS of the Company of 8% is achieved 25% of the award tranche shall vest (i.e. 12.5% of the award). Proportionate amounts of the award tranche will vest for results in between. With the onset of profit share (expected from 2017) likely to impact the growth of EPS, the remuneration committee will have the discretion to make a fair and equitable adjustment, if necessary, to reflect the impact of profit share when assessing the growth over the period of the grant. Any such adjustment will be discussed with key shareholders at the time; and
- 30% of the award shall be assessed by reference to compound growth in gold production. If a compound annual growth rate of 10% of gold production is achieved, all 30% of the award tranche shall vest. If a compound annual growth rate of 6% of gold production is achieved 25% of the award tranche shall vest (i.e. 7.5% of the award). Proportionate amounts of the award tranche will vest for results in between.

Further awards are intended to be made in April 2016. The awards granted in April 2016 will vest following the passing of three years. Vesting will be subject to the satisfaction of the following performance conditions (and the two year holding period for 50% of the vested award) which are divided into four tranches, as follows:

- **TSR:** 20% of the award shall be assessed by reference to a target total shareholder return ("TSR"). If the top end of the TSR target is met (currently anticipated to be if the Company is ranked equal to or better than the upper quarter total shareholder return of selected comparator companies, see below) all 20% of the award tranche shall vest. If the Company is ranked at the median level in a table of comparator companies by reference to TSR, 25% of the award tranche shall vest (i.e. 5% of the award). Proportionate amounts of the award tranche will vest for results in between.

  The comparator group is as follows: Agnico Eagle Mines Ltd, AngloGold Ashanti, Centerra Gold, Eldorado Gold, Gold Fields Ltd, Kinross Gold Corporation, IAMGOLD Resources Inc, Petropavlovsk, Randgold Resources, Yamana Gold, Inc, Acacia Mining plc, Alacer Gold, B2 Gold Corp and Endeavour Mining;
- **Mineral reserves:** 30% of the award shall be assessed by reference to mineral reserve replacement and growth. Reserve replacement is calculated based on the cumulative reserve estimates (from June 2015 to the most recent reserve estimate prior to vesting) compared with the cumulative reserves mined from 31 December 2015 to 31 December 2018. All 30% of the award will vest if the ratio is 105%. 25% of the award tranche will vest if the ratio is at least 75% (i.e. 7.5% of the award);
- **EBITDA:** 20% of the award shall be assessed by reference to compound growth in EBIDTA. If a compound annual growth rate of 10% of EBITDA is achieved, all 20% of the award tranche shall vest. If a compound annual growth rate of 9% of EBITDA is achieved, 25% of the award tranche shall vest (i.e. 5% of the award). Proportionate amounts of the award tranche will vest for results in between; and
- **Gold production:** 30% of the award shall be assessed by reference to compound growth in gold production. If a compound annual growth rate of 8% of gold production is achieved, all 30% of the award tranche shall vest. If a compound annual growth rate of 4% of gold production is achieved 25% of the award tranche shall vest (i.e. 7.5% of the award). Proportionate amounts of the award tranche will vest for results in between.

As Sukari reaches optimum production rates, the relative year-on-year rate of growth slows. Maintaining production rates at this optimum level still represents an award, with an appropriate incentive to further improve production rates through efficiency and optimisation.

The above measures are assessed by reference to current market practice and the remuneration committee will have regard to current market practice when establishing the precise performance conditions for awards.

Deferred bonus scheme (not for directors)

This plan, introduced in 2012, allowing the annual bonus to be matched with shares which are then ordinarily released in three annual tranches, conditional upon the continued employment with the group. The plan was introduced as a review of annual bonus arrangements for management with the objectives of:

- increasing the variable pay element of remuneration;
- introducing a new retention element in the remuneration package; and
- linking part of that reward to the medium term share performance of the Company.

On 4 June 2013, the Company offered participants of existing plans the opportunity to replace awards with an initial one-off award under the deferred bonus share plan. In June 2014, the participants who met the vesting criteria received their first tranche, representing one-third of the original award. An additional grant was awarded in June 2014 to new and existing participants which also vests in thirds over three years.

The plan is not open to directors of the Company and any shares used for the plan are not newly issued shares.

The DBSP, now in its fourth year, provides a simple yet effective incentive to senior management and senior employees below board level, motivating and retaining individuals over the longer term. 31 employees participate in the DBSP, including heads of department and senior personnel based onsite, as well as members of the senior management team located at the head office.

Historic long term incentive plan summary

The historic plans, namely the executive directors loan funded share plan ("EDLFSP") and employee loan funded share plan ("ELFSP") 2011 Employee Option Scheme ("2011 EOS") are no longer in use and all shares awarded have either being forfeited, lapsed or transferred to other schemes. The residual accrual in relation to these schemes has been expensed to the profit and loss.

Statement of shareholder voting

At the AGM of the Company on 18 May 2015 the following votes for and against the adoption of the remuneration report were as follows:

	For	Against	Withheld
Approval of the remuneration report	773,804,348 (98.9%)	8,577,410 (1.1%)	601,609
Approval of the remuneration policy	775,161,361 (99.37%)	4,875,294 (0.63%)	2,946,713

This report was approved by the board of directors and signed on its behalf by:

Edward Haslam
Chairman of the remuneration committee
21 March 2016

AUDIT AND RISK COMMITTEE REPORT

Mark Arnesen
Chairman of the audit and risk committee

The committee has had a full agenda this year, finalising the scope of the newly appointed internal auditors, developing the relationship with the external auditors and managing oversight of the risk reporting framework

Dear shareholders

This report provides you with a summary of the activities undertaken by our independent audit and risk committee during 2015. The report looks at the involvement of the committee in respect of the work carried out by the external auditors, the appointment and scope of the new internal audit function and the development of the control environment in compliance with the Corporate Governance Code (the "Code").

Audit committee composition and effectiveness

The audit and risk committee is made up of three independent non-executive directors, myself as chairman, Mark Bankes and Edward Haslam. Biographies of the members of the committee can be found on pages 70 and 71.

In accordance with the Ontario Securities Commission requirements, all members of the committee are considered financially literate (pursuant to section 1.5 of the Multilateral Instrument 52-110) and in compliance with the Code, I am the member with the required relevant financial experience as a professionally qualified accountant.

The board conducted an evaluation of the committee, its composition, experience and activities during the year. The findings concluded that the committee had made a significant contribution during the year to enhance the control environment within the finance team and in establishing a detailed scoping and action plan in respect to the provision of internal audit services.

Committee activity in 2015

Committee attendance	Date joined	Attendance	Attendance in 2015
Mark Arnesen (Chairman of the committee)	February 2011	9 of 9 meetings	100%
Edward Haslam (Member)	March 2011	9 of 9 meetings	100%
Mark Bankes (Member)	February 2011	9 of 9 meetings	100%

The committee meetings are regularly attended, by invitation, by the Chairman, CEO and CFO along with the company secretary and general counsel. PwC are also invited to attend relevant committee meetings. Separate discussions outside of formal committee meetings are regularly held between the external audit partner, the committee chairman and the CFO.

The committee meets in person for four scheduled meetings during the year. The committee also meet, by way of conference call, at least once a quarter to review the draft quarterly and annual financial statements. A summary of the committee's main duties and activities carried out during 2015 is set out below:

External auditor: The committee reviewed the audit planning and completion documents and assessed the effectiveness of the external auditor, taking into consideration the perceptiveness of the auditor in handling key judgments and estimates.

Financial reporting: The committee reviewed the quarterly, half-year and annual results and reviewing the application of the accounting policies, making recommendations and highlighting any matters to the board.

Risk reporting: The committee reviewed the risk management process and periodic review of the corporate, strategic and operational risks. See risk management and reporting on page 32 for full details of the risk management structure. The committee developed further the internal and external reporting to take account of updates to the Code.

Internal controls: The committee reviewed the internal control environment, to include controls over financial reporting, budgeting and reporting obligations. The committee also finalised the appointment of the internal auditor and assisted in the scoping of services for 2015 and 2016 (see below for details of the process and work undertaken by the internal auditor). Details of the risk management and internal controls are summarised in the corporate governance report together with the assessment which was undertaken by the board during the year.

Accounting for transactions: The committee reviewed, among other reports, the cost recovery model, the accounting treatment for SGM and PGM together with the procedures for maintaining the PPE register and asset allocation. The committee considered the timing and modelling of future profit shares with government. The committee also reviewed the accounting policies for the write down of exploration expenditure during the year in respect to Sheba (Ethiopian exploration) which ceased operations late in 2015. Details of the financial forecasting can be found in the risk management section and viability statement.

General: The committee maintained oversight for the preparation of accounts for the major subsidiaries, the repatriation of funds through the corporate structure, the treasury policy and the reorganisation of the Ampella group structure which holds the Burkina Faso and Côte d'Ivoire assets.

External audit

At the AGM in May 2015, the shareholders approved the appointment of PricewaterhouseCoopers LLP ("PwC") as the Company's external auditor. PwC's appointment followed a tender process in 2014, conducted in compliance with best practice guidelines, and there were no matters raised in connection with the subsequent resignation of the previous auditor, Deloitte LLP. PwC has, since its appointment on 23 June 2014, carried out the review engagement for the half year ended 30 June 2014 and 30 June 2015 as well as the statutory audit for the years ended 31 December 2014 and 31 December 2015.

The committee have been instrumental in ensuring an orderly handover of the audit engagement to PwC and the process was compliant with relevant auditing standards.

During 2015, PwC attended meetings with the committee and the management team, presenting their detailed audit plan, their findings and recommendations in respect to the issue of their audit review and statutory opinions. PwC has open access to the board of directors at all times and the audit partner and certain of the audit management team attend and present at relevant committee meetings throughout the year.

The committee, having considered the audit plans put forward by PwC, assessed the content and scope of the audit to ensure the key areas have been identified. The approach to the audit and identification of the significant focus areas were considered appropriate by the committee, based on their detailed understanding of the business and the control environment and procedures in place.

PwC has visited the Sukari mine site and audited stock take, as well as spending time at our finance and administrative offices in Alexandria, Egypt and Jersey. PwC has also met with our legal advisers in Cairo.

PwC has arranged training and Q&A sessions during the year, attended by management and members of the committee to cover topics including governance, accounting and risk management updates.

Non-audit fees

There was no significant non-audit work carried out by PwC during the year, with the majority of the tax advisory services continuing to be provided by the Deloitte LLP tax teams in the UK and Australia. The group's policy for non-audit services sets out the categories which the external auditor will and will not be allowed to provide to the group and those engagements that need pre-approval of the group. Fees for audit services incurred during the year amounted to US$345k, there were non-audit services carried out by PwC during the year. Full details are set out in note 22 to the financial statements.

Our policy on non-audit services and auditor independence can be found on our website.

Audit rotation

There has been no rotation of audit partner since PwC's appointment. The Company's policy is to tender the external audit every ten years.

Auditor objectivity and independence

The committee continues to monitor the auditor's objectivity and independence and are satisfied that PwC and the group have appropriate policies and procedures in place to ensure that these requirements are not compromised.

AUDIT AND RISK COMMITTEE REPORT continued

External audit continued

External auditor effectiveness

The group has an established control environment which ensures regular reporting by its operating mine and exploration projects through to the Company's headquarters in Jersey. Progress was made in 2015 to make better use of the existing financial reporting programmes, to streamline reporting and therefore remove processes which could be subject to human error. These improvements in the reporting environment have been recognised and encouraged by PwC.

The committee undertakes a review of the effectiveness of the external auditor at the half-year review and annual statutory audit. This review compares the original audit plan against the delivery of the audit. The committee also reviews the process, taking account of the views of the senior members of the finance team and the CFO. An evaluation of auditor's findings and recommendations are considered, to ensure that all key areas have been identified. Where applicable, an action plan and control sheet is set up to ensure recommendations are addressed.

There has been open communication between the committee and the auditor. Management has also worked well with PwC during the half-year and full year audit.

Having carried out the evaluation, the committee is satisfied that the audit engagement for the financial year ended 2015 was both effective and added value to the group.

Appointment of the internal auditor

In 2015, the committee assisted management to complete a tender process for the provision of internal audit services.

Having approached a number of firms, including mid-tier and the big four audit firms, BDO LLP was selected based on its experience and industry knowledge. There were no matters which might otherwise compromise their independence and objectivity. The committee assisted management in developing the scope of the audit for 2015 and 2016. BDO LLP reports its findings primarily to the committee and discussions are regularly held between the audit partner and the chairman of the committee.

In 2015, representatives of BDO LLP visited the mine in Egypt and met with the senior heads of department. Having carried out an initial assessment, it concentrated the internal audit on the core financial controls and corporate risk management, as set out below.

Audit review: core financial controls			
Control framework	General ledger	Sales and accounts receivables	Accounts payable
Cash and bank	Fixed assets	Financial reports	Management accounts

Audit review: risk management		
Risk governance	Risk assessment and mitigation	Risk monitoring and reporting

BDO LLP provided a list of recommendations to the committee to make further improvements to the control environment and to meet best practice guidelines. The action plan and progress updates, following the initial internal audit review, will be monitored by the committee throughout 2016.

The scope of work for 2016, which was developed after consultation with the management team, the committee and BDO LLP, is set out below:

2016 scoping schedule			
Warehouse, purchasing and tendering	Contract management	Budgetary controls	Compliance with the concession agreement
• Procurement strategy, policy and procedures. • Ordering. • Stock management. • Good requisition and issue. • Quotations and tendering procedures, including obtaining value for money. • Receipting and return of goods.	• Contract signing. • Contract spend analysis and reporting. • Contractor performance management. • Contractor training completion.	• Budget setting and approval. • Budget monitoring. • Changes to budgets. • Management information and reporting.	• Compliance with the concession agreement. • Controls in place to prevent breaches of the agreement. • Ongoing monitoring of compliance. • Payment to EMRA. • Compliance testing of a sample of CA items.

The committee will also monitor the auditor's progress this year and ensure they have access to the required resources and information to complete their scope in 2016.

The internal auditor will make an assessment each year of any significant changes to the risk profile of the organisation and consider any areas of focus for the provision of internal audit services. The committee will ultimately be seeking an independent viewpoint and assurance over internal control environment from BDO LLP.

Significant issues highlighted during the year by the committee

The following significant issues were highlighted during the year by the committee (full details and analysis are set out in note 4 to the financial statements).

Topic	Significant issue	How the committee addressed these issues
Internal audit	Appointment of an internal auditor	Completion of the tender for the provision of internal audit services. Details of the appointment of BDO LLP and the work carried out and scope for 2016 are set out above.
Accounting for transactions	Impairment of assets (other than financial assets)	Management have concluded that there is no indication that an impairment exists, nor have any indicators arisen after the reporting period and are therefore not required to perform a full impairment review under IAS 36. In making the assessment as to the possibility of whether impairment losses have arisen, management considered the following indications: • internal sources of information; • external sources of information; • litigation; • the key assumptions applied in the 31 December 2015 impairment review; • forecast gold prices; • discount rate; • production volumes; • reserves and resources report; and • costs and recovery rates. The committee reviewed the papers presented by management in respect to IAS 39 and are in agreement with the conclusions set out above.
Accounting for transactions	Litigation	The group exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation, as well as other contingent liabilities (see note 20 to the financial statements). Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. The details of this litigation, which relate to the loss of the Egyptian national subsidy for Diesel Fuel Oil and the ability of the group to operate outside the area of $3km^2$ determined by the Administrative Court of first instance to be the area of the Sukari exploitation lease, are given in note 20 to the financial statements and in the most recently filed Annual Information Form ("AIF") which is available on SEDAR at www.sedar.com. The committee has reviewed the external legal opinions, the opinions of the Company's general counsel and the facts associated with the litigation and are in agreement with management on the accounting judgments and agree that, in the unlikely event, that the group is unsuccessful in either or both of its legal actions, and that the operating activities are restricted to a reduced area, it is management's belief that the group will be able to continue as going concern.
Accounting for transactions	Going concern	Under guidelines set out by the UK Financial Reporting Council ("FRC") the directors of UK listed companies are required to consider whether the going concern basis is the appropriate basis of preparation of financial statements. Based on a detailed cash flow forecast prepared by management, in which any reasonably possible change in the key assumptions on which cash flow forecast is based, the directors considered it appropriate to prepare the financial statements on the going concern basis. Key assumptions underpinning this forecast include: • litigation as discussed in note 20 to the financial statements; • forecast gold price; • production volumes; and • costs and recovery rates. These financial statements for the year ended 31 December 2015 have therefore been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations, in preparing the financial statements.
Accounting for transactions	Accounting treatment of Sukari Gold Mines ("SGM") and profit share.	SGM is consolidated within the Centamin group of companies, reflecting the substance and economic reality of the Concession Agreement (see note 21 to the financial statements). The group, in considering the relevant activities of SGM, its power over these activities and exposure to the variable returns has concluded that the group consolidate this interest. A non-controlling interest is recorded in relation to the equity in the subsidiaries that are not attributable to the group. Note 21 to the financial statements sets out in detail the accounting treatment for all the assets, liabilities, income and expense of SGM. The committee reviewed papers from management and agree with the accounting treatment as set out above. Due to the cessation of exploration activity in Ethiopia during the year, an impairment of US$6.3 million was recorded. The committee reviewed the papers presented by management in respect to IFRS 6 and are in agreement with the accounting treatment.
Risk reporting	Jurisdictional taxation matters	As detailed in note 7 the group operates in several countries and, accordingly, it is subject to the various tax regimes in the countries in which it operates. From time to time, the group is subject to review of its related tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the group's business conducted within the country involved. If the group is unable to resolve any of these matters favourably, there may be an adverse impact on the group's financial performance, cash flows or results of operations. In the event that management's estimate of the future resolution of these matters changes, the group will recognise the effects of the changes in its consolidated financial statements in the period that such changes occur.

AUDIT AND RISK COMMITTEE REPORT continued

Fair, balanced and understandable

The committee was satisfied that the controls over the accuracy and consistency of the information in the 2015 annual report were sufficiently robust. The committee reviews the control environment and is in receipt of monthly, quarterly and annual financial and budgetary information. The committee is also involved in the review of all key accounting policies and matters requiring judgment and estimation.

The committee has, at the request of the board, also considered whether the annual report is fair, balanced and understandable. In arriving at that decision, the committee has been involved in reviewing, at an early stage, the content of (both) the financial statements and the strategic report (including the business model), the performance review and governance reporting throughout the report (including the directors' report). The assessment of each component by the committee can be summarised as follows:

- Is the annual report fair and balanced?
  - Have the group's activities been presented fairly in all respects?
  - Does the narrative reporting fairly represent financial results?
  - Have we disclosed key indicators of performance?
  - Have we applied the appropriate emphasis on the material matters?
  - Do the chairman and CEO reports reflect the full story?

The committee considered these questions (and more) and as an example, the committee considered the reporting of both the positive and less favourable outcomes this year. For example, the increase in ounces of gold produced was sufficiently weighted against the backdrop of a low gold price environment. In addition, the ongoing litigation was given prominence in the chairman's statement. The narrative reporting also explained the write down of exploration expenditure following the decision to relinquish the licence areas in Ethiopia with sufficient narrative relating to the ongoing investment at our advanced and early stage exploration in Burkina Faso and Côte d'Ivoire.

- Is the annual report clear and understandable?
  - Do we clearly show our business model and strategy to the reasonably informed reader of the report?
  - Have we identified the key metrics and explained the significance of these results?
  - Have we reflected the link between our strategy, performance and financials?
  - Are our risk and governance presented clearly?

The committee recommended an update on how we present our risk management process and business model this year, which has been implemented in this report (see page 32). The additional sign posting and clear presentation of the strategic objectives, and how these link to operational and exploration activity has also been modified to help the user of the report.

The committee concluded that the annual report was 'fair', 'balanced' and 'understandable' having considered the activity of the Company during the period and that users of the report would be able to understand our position, strategy, business model and overall performance which were presented consistently throughout the annual report.

Control environment

Full details of the risk management and control environment are set out in the strategic report on page 32. The risk management report concludes by identifying the principal risks for the business and the Company's statements on risk appetite and long term viability.

While the board has overall responsibility for risk management and internal controls, the board has delegated certain responsibilities to this committee. These include responsibility over the adequacy of the internal control policies and procedures and the effectiveness of internal financial controls and risk management systems.

The key features of the control environment are to ensure compliance with laws, regulations and other requirements relating to external reporting by the Company of financial and non-financial information. The purpose of the risk management framework is to understand the risks the group faces and to manage them appropriately to enhance the Company's ability to improve its decision making process, deliver on its objectives and subsequently improve its performance as a mining company.

During the year, the committee reviewed the overall control environment, including specific financial controls and procedures. The committee also recommended the adoption of a new risk framework agreement to formalise the existing information and reporting flows between the operation, the executive management team and the committees and board.

As part of the review process, it was necessary to update the existing corporate policy on risk and the board adopted a revised and updated risk management framework agreement. The risk management framework includes additional detail about the scope and structure of an executive risk management working group, which will be preparing quarterly reports on an ongoing basis to help implement the suggested improvements following the last review and internal audit recommendations.

The appointment of the internal auditor, BDO LLP, was an important step in the Company's growth strategy, and will help the Company and the committee identify any potential weaknesses in the control environment and recommend improvements for the future.

Controls over financial reports and financial statements

The consolidated financial statements and annual report are prepared at the Company's head office in Jersey, where the group financial controller and chief financial officer are based. The accounting information from the group's operations is provided to the head office where the ledgers are consolidated. Appropriate reconciliations and reviews are performed at the level of the operation and at the group's head office by way of the performance of monthly, quarterly and annual reconciliations.

Going concern and long term viability

The directors considered it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. The going concern statement is detailed in full in note 3 to the financial statements. The statements in relation to the group's viability, over the longer term, are set out in the risk management report on page 37.

External auditor

So far as each current director of the Company is aware, the auditor has had full access to all relevant information and the committee has answered any questions raised by the auditor allowing the auditor to carry out its duties.

The committee recommends to the board the appointment of PwC as auditor at the forthcoming annual general meeting. PwC has expressed its willingness to continue in office as auditor.

Overview

As a result of its work during the year, the committee has concluded that it has acted in accordance with its terms of reference and has ensured the independence and objectivity of the external auditor. A member of the committee will be available at the annual general meeting along with the CFO to answer any questions in relation to this report.

During the year, the committee carried out an evaluation of its own performance, taking into consideration the contribution to the quarterly and annual accounts and the risk review and risk assessment process. The committee also considered its composition, the competency, availability and contribution of its members and did not recommend any further changes to the board.

Mark Arnesen
For and on behalf of the audit and risk committee of Centamin plc

21 March 2016

DIRECTORS' RESPONSIBILITIES

Directors' responsibilities in respect of the annual report and financial statements

The directors are responsible for preparing the annual report and financial statements in accordance with the Companies (Jersey) Law, 1991 (the "Law") and applicable laws and regulations. The Law requires the Company to prepare financial statements in accordance with generally accepted accounting principles and the Company has chosen to prepare the accounts in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and applicable law.

Under the Law, the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the group and of the profit or loss of the group for that period. In preparing these financial statements, accounting standards require that directors:

- select suitable accounting policies and apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the group and Company and enable them to ensure that the financial statements comply with the Law. They are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Due to the Company's place of incorporation and its dual listing, it is subject to legislation in the United Kingdom, Canada and Jersey governing the preparation and dissemination of financial statements, which may differ from legislation in other jurisdictions.

The directors are also responsible for the preparation of the strategic report (including the business model and risk management report), directors' report, directors' remuneration report, nomination report and corporate governance statement. These reports are contained within the annual report and financial statements.

These financial statements for the year ended 31 December 2015 have been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations, in preparing the financial statements.

The directors consider that the annual report and financial statements, when taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

The board receives written assurances from the CEO and CFO 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, they confirm that the group's risk management and internal compliance is operating efficiently and effectively. The board recognises that internal control assurances from the CEO and CFO can only be reasonable rather than absolute, and therefore they are not and cannot be designed to detect all weaknesses in control procedures.

The financial statements have been audited by the independent audit and accounting firm, PricewaterhouseCoopers LLP, who were given unrestricted access to all financial records and related information, including minutes of all shareholder, board and committee meetings.

The financial statements were approved by the board of directors on 21 March 2016 and signed on their behalf by:

Andrew Pardey
Chief executive officer
21 March 2016

Pierre Louw
Chief financial officer
21 March 2016

INDEPENDENT AUDITOR'S REPORT

to the members of Centamin plc

Report on the Group financial statements

Our opinion

In our opinion, Centamin plc's Group financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's affairs as at 31 December 2015 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the consolidated statement of financial position as at 31 December 2015;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and IFRSs as adopted by the European Union.

Our audit approach

Context

Centamin plc is listed on the London Stock Exchange and its principal operation is the Sukari Gold Mine in Egypt. Although production of gold has increased in 2015, following the completion of the Stage 4 expansion in 2014, weakening of the gold price has resulted in lower profitability than in the prior period. In addition to the operation of Sukari, the Group continues its exploration program in Burkina Faso and Côte d'Ivoire, having decided in 2015 to conclude its exploration activities in Ethiopia.

Overview

Overall Group materiality: $5.4 million which represents 5% of three-year average profit before tax, after exceptional items (2014: $7.7 million). The lower materiality in 2015 reflects the lower profitability of the Group, principally due to the fall in gold price.

- We focused our audit procedures on the Sukari Gold Mine, as well as performing full scope audits over the Group's significant exploration and corporate operations. This resulted in six components (2014: three) being subject to an audit of their complete financial information and involved performing the related audit work in Egypt and Jersey.
- As a consequence of the lower Group materiality and increased exploration activity, we brought additional business units into scope this year and performed extended audit procedures at in-scope business units to maintain audit coverage levels comparable with the prior year.
- All audit work on the areas of focus was performed by the Group audit engagement team.

The scope of our audit and our areas of focus

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)").

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are identified as "areas of focus" in the table on page 106. We have also set out how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole, and any comments we make on the results of our procedures should be read in this context. This is not a complete list of all risks identified by our audit.

Changes in areas of focus

In 2015, one addition was made to our areas of focus whilst two others were removed. Taxation was added as an area of focus as the Group made taxable foreign exchange gains that gave rise to a material tax liability. The Group also continues to invest within multiple jurisdictions where tax practices are evolving, and therefore has to adopt tax positions that can be uncertain.

The first area of focus removed was accounting for the Group's interest in the Sukari Gold Mine. Our work last year led us to concur with the directors' determination that the Group satisfied both the control and exposure to variable returns requirements for consolidation under IFRS 10 'Consolidated financial statements' ("IFRS 10"). We considered whether any material facts or circumstances underlying this conclusion had changed in 2015, and satisfied ourselves that they had not. As a result, this was not an area of audit focus this year.

Impairment of the Sukari Gold Mine was also not an area of focus this year. Our work last year identified that the gold price would have to fall significantly below current levels to trigger an impairment if other variables remained constant. During 2015, management performed an impairment indicator analysis and concluded that no indicators existed. We concurred with this view, and consequently did not focus our audit work on this area.

INDEPENDENT AUDITOR'S REPORT continued

to the members of Centamin plc

Area of focus	How our audit addressed the area of focus
Taxation Refer to page 127 (note 7 to the financial statements) and page 34 (Principal risks). The Group operates across a number of jurisdictions and, like most Groups, is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business. Where the amount of tax payable is uncertain, the Group establishes provisions based on management's best judgment of the probable amount of the liability. In addition, as at 31 December 2015 the Group has current tax payable of $6.8 million as the result of taxable foreign exchange gains realised during the year, which we considered merited our focus.	We held discussions with management regarding their calculation of taxes payable and obtained management's calculation. Where management had obtained independent tax advice, we obtained that advice and our own tax specialists in the relevant jurisdictions evaluated it, using their relevant experience and knowledge. We also used our specialists to assist in the audit of the calculation of current tax payable in note 7 to the financial statements and determined that it was accurate and complete. We also reviewed the disclosure of taxes payable in note 7 and determined that it was consistent with the requirements of IFRS and the results of our audit work. For matters where the amount of tax payable was uncertain, we tested management's assessment of the probable amount of the liability, involving our tax specialists to satisfy ourselves that tax provisions had been appropriately recorded where required.
The appeal before the Supreme Administrative Court in Egypt concerning the validity of the Sukari Concession Agreement Refer to page 134 (note 20 to the financial statements) and page 34 (Principal risks). The Group is in the process of appealing a ruling passed by the Egyptian Administrative Court in October 2012. If the ruling is upheld, the Group's operations at the Sukari site will be significantly reduced and there is, therefore, a risk of material impairment in property, plant and equipment at Sukari, which had a carrying value of $961.5 million at 31 December 2015. The outcome of this case is subject to significant uncertainty due to ongoing political, social and economic volatility in Egypt.	We discussed the legal case with the Group's legal team, and considered appropriate documentation to understand the legal position and the basis of the directors' assessment of the outcome of the court case. We assessed the competence, capability and objectivity of internal and external legal counsel by considering professional qualifications, fee arrangements and other relevant factors. These procedures satisfied us internal and external legal counsel were competent, capable and objective. We also obtained and read a copy of the Concession Agreement, as signed by the relevant parties. The directors assessed that the Group's case has strong legal merit and will ultimately be successful. Based on our work, we determined that the directors had reflected all available information in their assessment. We tested the disclosures in note 20 to the financial statements and determined that they were consistent with the requirements of IFRS and the results of our audit work.
The claim before the Administrative Court concerning diesel fuel disputes Refer to page 133 (note 20 to the financial statements) and page 34 (Principal risks). The Group is involved in an ongoing legal case relating to historical and current fuel subsidies. The potential amount that could be recouped by the Group relating to the current subsidy case is $208.0 million and the potential amount that the Group could have to pay if they lose the historical case is EGP403 million (approximately US$51 million at current exchange rates). To date, the Group has not provided for the historical case, based on internal and external assessments of the merits of the case, but has made disclosure of a contingent liability. In 2015, the Group has disclosed the impact of the current subsidy case, being the difference between international and subsidised diesel price that has impacted the Group's results for the year, as an exceptional item in the consolidated statement of comprehensive income. No contingent asset has been recognised.	We discussed the legal fuel subsidy cases with the Group's legal team, and considered appropriate documentation to understand the legal position and to evaluate the directors' assessment of the outcome of the case. We assessed the competence, capability and objectivity of internal and external counsel, by considering professional qualifications, fee arrangements and other relevant factors. These procedures satisfied us internal and external legal counsel were competent, capable and objective. The results of the procedures we performed, as described above, supported the directors' accounting treatment, under which no liability was recognised in respect of the historical case and no asset was recognised in respect of the current subsidy case. We considered whether any new factors had arisen this year that would impact the appropriateness of continuing to disclose this item as exceptional. There were no new developments of this nature. We also considered the sufficiency of the disclosure regarding the case and found that it was consistent with the requirements of IFRS and gave a balanced description of the case.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the geographic structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at Group level. The Group is headquartered in Jersey and has production operations in Egypt, with exploration activity in Ethiopia, Burkina Faso and Côte d'Ivoire.

Based on that assessment, our Group audit scope focused primarily on the Sukari Gold Mine in Egypt, the Group's principal operation, which was subject to a full-scope audit, as was Pharaoh Gold Mines, which holds the Group's interest in Sukari. In addition the Group's principal exploration asset Ampella Mining Ltd was subject to a full scope audit this year reflecting the increased activity in 2015, whilst the reduced profit this year meant that Centamin Group Services, which incurs some of the Group's operating expenses, was also subject to a full scope audit this year. We visited the Sukari Gold Mine and conducted audit fieldwork in Alexandria and Jersey. During these visits, we observed and discussed mining operations with local management and met with the Group's external in-country legal counsel in Cairo.

Furthermore, we performed work over the consolidation of the Group's components and significant head office and consolidation adjustments. This approach enabled us to have greater than 90% coverage of profit before tax, revenue and total assets within the consolidated financial statements. All audit work was performed by the Group audit team.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

Overall Group materiality	$5.4 million (2014: $7.7 million).
How we determined it	5% of three-year average profit before tax, after exceptional items.
Rational for benchmark applied	We used the profit before tax after exceptional items benchmark, a generally accepted auditing practice and took a three-year average to eliminate the effects of gold price volatility.

We agreed with the audit committee that we would report to them misstatements identified during our audit above $270,000 (2014: $385,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Going concern

The directors have voluntarily complied with Listing Rule 9.8.6(R)(3)(a) of the Financial Conduct Authority and provided a statement in relation to going concern, set out on page 103, required for UK companies with a premium listing on the London Stock Exchange.

The directors have requested that we review the statement on going concern as if the company were a premium listed UK company. We have nothing to report having performed our review.

Under ISAs (UK & Ireland) we are required to report to you if we have anything material to add or to draw attention to in relation to the directors' statement about whether they considered it appropriate to adopt the going concern basis in preparing the financial statements. We have nothing material to add or to draw attention to.

As noted in the directors' statement, the directors have concluded that it is appropriate to adopt the going concern basis in preparing the financial statements. The going concern basis presumes that the Group has adequate resources to remain in operation, and that the directors intend it to do so, for at least one year from the date the financial statements were signed. As part of our audit we have concluded that the directors' use of the going concern basis is appropriate. However, because not all future events or conditions can be predicted, these statements are not a guarantee as to the Group's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT continued

to the members of Centamin plc

Other required and voluntary reporting

Consistency of other information

ISAs (UK & Ireland) reporting	
Under ISAs (UK & Ireland) we are required to report to you if, in our opinion: • information in the Annual Report is: i) materially inconsistent with the information in the audited financial statements; or ii) apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or iii) otherwise misleading.	We have no exceptions to report.
• the explanation given by the directors on page 104, in accordance with provision C.1.1 of the UK Corporate Governance Code (the "Code"), as to why the Annual Report does not include a statement that they consider the Annual Report taken as a whole to be fair, balanced and understandable and provides the information necessary for members to assess the Group's position and performance, business model and strategy is materially inconsistent with our knowledge of the Group acquired in the course of performing our audit.	We have no exceptions to report.
• the explanation given by the directors on page 98, as required by provision C.3.8 of the Code, as to why the Annual Report does not include a section that appropriately addresses matters communicated by us to the Audit Committee is materially inconsistent with our knowledge of the Group acquired in the course of performing our audit.	We have no exceptions to report.

The directors' assessment of the prospects of the Group and of the principal risks that would threaten the solvency or liquidity of the Group

Under ISAs (UK & Ireland) we are required to report to you if we have anything material to add or to draw attention to in relation to:	
• the directors' confirmation on page 104 of the Annual Report, in accordance with provision C.2.1 of the Code, that they have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity.	We have nothing material to add or to draw attention to.
• the disclosures in the Annual Report that describe those risks and explain how they are being managed or mitigated.	We have nothing material to add or to draw attention to.
• the directors' explanation on page 37 of the Annual Report, in accordance with provision C.2.2 of the Code, as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.	We have nothing material to add or to draw attention to.

Under the Listing Rules, we are required to review the directors' statement that they have carried out a robust assessment of the principal risks facing the Group, and the directors have requested that we review the directors' statement in relation to the longer-term viability of the Group required under the Listing Rules for UK companies with a premium listing on the London Stock Exchange.

Our review was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statements; checking that the statements are in alignment with the relevant provisions of the Code; and considering whether the statements are consistent with the knowledge acquired by us in the course of performing our audit. We have nothing to report having performed our review.

Adequacy of information and explanations received

Under Companies (Jersey) Law 1991 we are required to report to you if, in our opinion, we have not received all the information and explanations we require for our audit. We have no exceptions to report arising from this responsibility.

Corporate governance statement

Under the Listing Rules we are required to review the part of the corporate governance statement relating to ten further provisions of the Code. We have nothing to report having performed our review.

Opinions on additional disclosures

Directors' remuneration report

The company voluntarily prepares a directors' remuneration report in accordance with the provisions of the Companies Act 2006. The directors have requested that we audit the part of the directors' remuneration report specified by the Companies Act 2006 to be audited as if the company were a UK-quoted company.

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The company prepares a corporate governance statement that includes the information with respect to internal control and risk management systems and about share capital structures required by the Disclosure Rules and Transparency Rules of the Financial Conduct Authority. The directors have requested that we report on the consistency of that information with the financial statements.

In our opinion, the information given in the corporate governance statement set out on pages 67 and 68 with respect to internal control and risk management systems and about share capital structures is consistent with the financial statements.

Opinion on other matters

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the directors' responsibilities statement set out on page 104, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgments against available evidence, forming our own judgments, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Richard Spilsbury
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Recognized Auditor
London

21 March 2016

(a) The maintenance and integrity of the Centamin plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2015

		31 December 2015			31 December 2014		
	Notes	**Before exceptional items US$'000**	**Exceptional items[1] US$'000**	**Total US$'000**	Before exceptional items US$'000	Exceptional items[1] US$'000	Total US$'000
Revenue	5	**508,396**	**—**	**508,396**	472,581	—	472,581
Cost of sales	6	**(369,503)**	**(46,739)**	**(416,242)**	(295,763)	(62,534)	(358,297)
Gross profit		**138,893**	**(46,739)**	**92,154**	176,818	(62,534)	114,284
Other operating costs	6	**(27,722)**	**—**	**(27,722)**	(30,368)	—	(30,368)
Impairment of available-for-sale financial assets	14	**—**	**—**		(436)	—	(436)
Impairment of exploration and evaluation assets	13	**(6,294)**	**—**	**(6,294)**	(2,328)	—	(2,328)
Finance income	6	**269**	**—**	**269**	410	—	410
Profit before tax		**105,146**	**(46,739)**	**58,407**	144,096	(62,534)	81,562
Tax	7	**(6,837)**	**—**	**(6,837)**	—	—	—
Profit after tax		**98,309**	**(46,739)**	**51,570**	144,096	(62,534)	81,562
EMRA profit share	3	**—**	**—**	**—**	—	—	—
Profit for the year after EMRA profit share		**98,309**	**(46,739)**	**51,570**	144,096	(62,534)	81,562
Profit for the year attributable to:							
– the owners of the parent		**98,309**	**(46,739)**	**51,570**	144,096	(62,534)	81,562
Other comprehensive income							
Items that may be reclassified subsequently to profit or loss:							
Losses on available-for-sale financial assets (net of tax)	14	**(212)**	**—**	**(212)**	(80)	—	(80)
Other comprehensive income for the year		**(212)**	**—**	**(212)**	(80)	—	(80)
Total comprehensive income attributable to:							
– the owners of the parent		**98,097**	**(46,739)**	**51,358**	144,016	(62,534)	81,482
Earnings per share:							
Basic (cents per share)	24	**8.590**	**(4.084)**	**4.506**	12.735	(5.527)	7.208
Diluted (cents per share)	24	**8.467**	**(4.025)**	**4.441**	12.567	(5.454)	7.113

(1) Refer to note 6 for further details.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2015

	Notes	**31 December 2015 US$'000**	31 December 2014 US$'000
Non-current assets			
Property, plant and equipment	12	**871,467**	928,964
Exploration and evaluation asset	13	**152,077**	123,999
Prepayments	11	**28,750**	23,750
Other receivables	9	**60**	645
Total non-current assets		**1,052,354**	1,077,358
Current assets			
Inventories	10	**134,775**	140,628
Available-for-sale financial assets	14	**163**	409
Trade and other receivables	9	**23,784**	24,973
Prepayments	11	**1,161**	1,710
Cash and cash equivalents	25	**199,616**	125,659
Total current assets		**359,499**	293,379
Total assets		**1,411,853**	1,370,737
Non-current liabilities			
Provisions	16	**7,139**	3,015
Total non-current liabilities		**7,139**	3,015
Current liabilities			
Trade and other payables	15	**43,969**	34,042
Tax liabilities	7	**6,837**	—
Provisions	16	**576**	307
Total current liabilities		**51,382**	34,349
Total liabilities		**58,521**	37,364
Net assets		**1,353,332**	1,333,373
Equity			
Issued capital	17	**665,590**	661,573
Share option reserve	18	**2,469**	4,098
Accumulated profits		**685,273**	667,702
Total equity attributable to:			
– owners of the parent		**1,353,332**	1,333,373
Total equity		**1,353,332**	1,333,373

The consolidated financial statements were approved by the board of directors, authorised for issue on 21 March 2016 and signed on its behalf by:

Andrew Pardey
Chief executive officer

Pierre Louw
Chief financial officer

Strategic report
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Shareholder information

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2015

	Issued capital US$'000	Share options reserve US$'000	Accumulated profits US$'000	Total US$'000
Balance as at 1 January 2015	**661,573**	**4,098**	**667,702**	**1,333,373**
Profit for the year	—	—	**51,570**	**51,570**
Other comprehensive income for the year	—	—	**(212)**	**(212)**
Total comprehensive income for the year	—	—	**51,358**	**51,358**
Issue of shares	**38**	—	—	**38**
Transfer of share-based payments	**3,979**	**(3,979)**	—	—
Recognition of share-based payments	—	**2,350**	—	**2,350**
Dividend paid	—	—	**(33,787)**	**(33,787)**
Balance as at 31 December 2015	**665,590**	**2,469**	**685,273**	**1,353,332**

	Issued capital US$'000	Share options reserve US$'000	Accumulated profits US$'000	Total US$'000
Balance as at 1 January 2014	612,463	5,761	594,624	1,212,848
Profit for the year	—	—	81,562	81,562
Other comprehensive income for the year	—	—	(80)	(80)
Total comprehensive income for the year	—	—	81,482	81,482
Issue of shares	48,218	—	—	48,218
Own shares acquired	(1,743)	—	—	(1,743)
Transfer of share-based payments	2,635	(4,156)	1,521	—
Recognition of share-based payments	—	2,493	—	2,493
Dividend paid	—	—	(9,925)	(9,925)
Balance as at 31 December 2014	661,573	4,098	667,702	1,333,373

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2015

	Notes	31 December 2015 US$'000	31 December 2014 US$'000
Cash flows from operating activities			
Cash generated in operating activities	25(b)	**185,811**	116,812
Finance income		**(269)**	(410)
Net cash generated by operating activities		**185,542**	116,402
Cash flows from investing activities			
Acquisition of property, plant and equipment		**(36,554)**	(62,305)
Exploration and evaluation expenditure		**(34,372)**	(26,201)
Cash acquired through AML asset acquisition		—	9,254
Proceeds from sale of available-for-sale financial assets	14	—	91
Finance income	6	**269**	410
Net cash used in investing activities		**(70,657)**	(78,751)
Cash flows from financing activities			
Own shares acquired during the period	17	—	(1,743)
EMRA prepayment		**(5,000)**	(4,800)
Dividend paid		**(33,787)**	(9,925)
Net cash provided by financing activities		**(38,787)**	(16,468)
Net increase/(decrease) in cash and cash equivalents		**76,099**	21,183
Cash and cash equivalents at the beginning of the period		**125,659**	105,979
Effect of foreign exchange rate changes		**(2,141)**	(1,503)
Cash and cash equivalents at the end of the period	25	**199,616**	125,659

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

1. General information

Centamin plc (the "Company") is a listed public company, incorporated in Jersey and operating through subsidiaries and jointly controlled entities operating in Egypt, Ethiopia, United Kingdom and Australia. It is the parent company of the group, comprising the Company and its subsidiaries and joint arrangements.

Registered office and principal place of business:

Centamin plc
2 Mulcaster Street
St Helier, Jersey JE2 3NJ

The nature of the group's operations and its principal activities are set out in the directors' report and the strategic report of the annual report.

2. Adoption of new and revised accounting standards

Standards not affecting the reported results nor the financial position

In the current year, the new and revised Standards and Interpretations that have been adopted have not had a significant impact on the amounts reported in these financial statements.

New standards, amendments and interpretations not yet adopted

Standards and interpretations issued but not yet effective up to the date of issuance of the financial statements are listed below. This listing of standards and interpretations issued are those that the group reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date.

IFRS 15 'Revenue from contracts with customers'. The new standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and provides a five step framework for application to customer contracts: identification of customer contract, identification of the contract performance obligations, determination of the contract price, allocation of the contract price to the contract performance obligations, and revenue recognition as performance obligations are satisfied. A new requirement where revenue is variable stipulates that revenue may only be recognised to the extent that it is highly probable that significant reversal of revenue will not occur. The group is currently assessing the impact of IFRS 15 but as the majority of gold sales are not subject to pricing adjustments, a significant impact is not anticipated. The new standard will be effective for annual periods beginning on or after 1 January 2018.

IFRS 9 'Financial instruments'. IFRS 9 addresses the financial reporting of financial assets and financial liabilities. This standard replaces IAS 39 'Financial instruments: recognition and measurement'. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than in net earnings, unless this creates an accounting mismatch. The impairment model and hedging rules have also been amended under IFRS 9 but the derecognition rules remain the same. The group does not expect a significant impact from IFRS 9 at the moment as it does not enter into formal hedge accounting arrangements, has no long-term trade or other receivables and does not hold financial liabilities at fair value. However, the group will need to consider the accounting for assets currently held as available-for-sale. The new standard will be effective for annual periods beginning on or after 1 January 2018.

IFRS 16 'Leases'. The new standard will replace IAS 17 'Leases' and eliminates the classification of leases as either operating or finance leases by the lessee. Classification of leases by the lessor under IFRS 16 continues as either an operating or a finance lease, as was the treatment under IAS 17 'Leases'. The treatment of leases by the lessee will require capitalisation of all leases resulting in accounting treatment similar to finance leases under IAS 17 'Leases'. Exemptions for leases of very low value or short-term leases will be applicable. The new standard will result in an increase in lease assets and liabilities for the lessee. Under the new standard the treatment of all lease expense is aligned in the statement of earnings with depreciation, and an interest expense component recognised for each lease, in line with finance lease accounting under IAS 17 'Leases'. The group's office building leases will come on balance sheet on adoption of IFRS 16 but this is not expected to have a significant impact on either the balance sheet or KPI reporting. IFRS 16 will be applied prospectively for annual periods beginning on or after 1 January 2019.

3. Summary of significant accounting policies

Basis of preparation

These financial statements are denominated in US dollars ("US$"), which is the presentational currency of Centamin plc. All companies in the group use the US$ as their functional currency except for the UK subsidiaries which are denominated in Great British pounds ("GBP") and the Australian subsidiaries which are denominated in Australian dollars ("A$"). All financial information presented in United States dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted for use by the European Union and interpretations issued from time to time by the IFRS Interpretations Committee ("IFRS IC") both as adopted by the European Union (EU) and which are mandatory for EU reporting as at 31 December 2015, the Companies (Jersey) Law 1991, and IFRS as issued by the IASB and interpretations issued from time to time by the IFRS IC which are mandatory as at 31 December 2015, therefore the group financial statements comply with Article 4 of the EU IAS Regulation. The group has not early adopted any other amendments, standards or interpretations that have been issued but are not yet mandatory.

The consolidated financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by available-for-sale financial assets, and financial assets and financial liabilities (including derivative) instruments at fair value through profit and loss.

The group's financial statements have been prepared on the basis of accounting policies consistent with those applied in the financial statements for the year ended 31 December 2014 except for the implementation of a number of minor amendments issued by the IASB and endorsed by the EU which applied for the first time in 2015. These new pronouncements do not have a significant impact on the accounting policies, methods of computation or presentation applied by the group and therefore prior-period financial statements have not been restated for these pronouncements.

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. Subsidiaries are all entities (including structured entities) over which the group has control, as defined in IFRS 10 'Consolidated 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. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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

Sukari Gold Mines ("SGM") is jointly owned by PGM and EMRA on a 50% equal basis. For accounting purposes, SGM is wholly consolidated within the Centamin group of companies reflecting the substance and economic reality of the Concession Agreement (see note 21) and will therefore recognise a non-controlling interest ("NCI") for EMRA's participation. Furthermore based on the requirements of the Concession Agreement, payments to NCI meet the definition of a liability and will be recorded in the income statement and statement of financial position (below profit after tax), as the EMRA profit share, on the date that a net production surplus becomes available. Payment made to EMRA pursuant to the provisions of the Concession Agreement is based on the net production surplus available as at 30 June, being SGM's financial year end. Pursuant to the Concession Agreement, PGM solely funds SGM's activities. PGM is also entitled to recover the following costs and expenses payable from sales revenue (excluding the royalty payable to the Arab Republic of Egypt ("ARE"): (a) all current operating expenses incurred and paid after the initial commercial production; (b) exploration costs, including those accumulated to the commencement of commercial production (at the rate of 33.3% of total accumulated cost per annum); and (c) exploitation capital costs, including those accumulated prior to the commencement of commercial production (at the rate of 33.3% of total accumulated cost per annum).

EMRA is entitled to a share of 50% (except for, in accordance with the terms of the Concession Agreement, in the first four years where it shall be 40% for the first two years and 45% for the following two years) of SGM's net production surplus ("EMRA Profit Share") (defined as revenue less payment of the fixed royalty to ARE and recoverable costs). Based on the Company's calculation there was no net profit share due to EMRA as at 31 December 2015, nor is any likely to be due as at 30 June 2016. Accordingly, no EMRA entitlement has been recognised to date. Any payment made to EMRA pursuant to these provisions of the Concession Agreement will be recognised as a variable charge in the income statement (below profit after tax) of Centamin, which will lead to a reduction in the earnings per share.

Going concern

These financial statements for the year ended 31 December 2015 have been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations.

The group meets its day-to-day working capital requirements through existing cash resources. As discussed in note 20, during 2012 the operation of the mine was affected by two legal actions. The first of these followed from a decision taken by EGPC to charge international, not local (subsidised) prices for the supply of Diesel Fuel Oil to Sukari, and the second arose as a result of a judgment of the administrative court in relation to, amongst other matters, the Company's 160km^2 exploitation lease. With regard to the first decision, the Company remains confident that in the event that it is required to continue to pay international prices, the mine at Sukari will remain commercially viable. Similarly, the Company remains confident that the appeal it has lodged in relation to the decision of the Administrative Court will ultimately be successful, although final resolution of the matter may take some time.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

3. Summary of significant accounting policies continued

Going concern continued

With respect to the legal action, on 20 March 2013 the Supreme Administrative Court upheld the Company's application to suspend the decision until the merits of the Company's appeal are considered and ruled on, thus providing assurance that normal operations would be able to continue during this process. Sukari has operated as usual throughout the period.

In the unlikely event that the group is unsuccessful in either or both of its legal actions, and that the operating activities are restricted to a reduced area, it is the directors' belief that the group will be able to continue as going concern.

Having assessed the principal risks and the other matters discussed in connection with the long term viability statement (refer to the risk management report included within the annual report), the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Accounting policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial statements satisfy the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

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.

Financial instruments

Financial assets and financial liabilities are recognised in the group's balance sheet when the group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

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 recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or other financial liabilities.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.
A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the group manages together and has a recent actual pattern of short-term profit taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 'Financial instruments: recognition and measurement' permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the income statement.

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.

Derecognition of financial liabilities

The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or they expire.

Financial assets

Financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset 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 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 estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Available-for-sale financial assets ("AFS")

Listed shares and listed redeemable notes held by the group that are traded in an active market are classified as being AFS and are stated at fair value. The group also has investments in unlisted shares that are not traded in an active market but that are classified as AFS financial assets and stated at fair value (because the directors consider that fair value can be reliably measured). Fair value is determined in the manner described in note 26. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated profits with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is reclassified to profit or loss.

Dividends on AFS equity instruments are recognised in profit or loss when the group's right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the balance sheet date. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

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 except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting 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 in other comprehensive income.

Derecognition of financial assets

The group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

3. Summary of significant accounting policies continued

Accounting policies continued

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 twelve 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 twelve 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 (defined contribution schemes) on behalf of the employees and directors in respect of salaries and directors' fees paid. Contributions are charged against income as they are made.

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:

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

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

   i) 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

   ii) 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 IFRS 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 mine development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Mine 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.

Foreign currencies

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 the group and the presentation currency for the consolidated financial statements except for the UK subsidiaries which are denominated in Great British pounds and the Australian subsidiaries which are denominated in Australian dollars.

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 reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting 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.

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 finished goods are valued applying absorption costing.

Interests in joint arrangements

The group applies IFRS 11 'Joint arrangements'. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. Joint ventures are accounted for using the equity method. In relation to its interests in joint operations, the group recognises its share of assets and liabilities; revenue from the sale of its share of the output; and its share of expenses.

SGM is wholly consolidated within the Centamin group of companies, reflecting the substance and economic reality of the Concession Agreement (see note 21).

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.

Property, plant and equipment ("PPE")

PPE is stated at cost less accumulated depreciation and impairment. PPE 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. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The cost of PPE includes the estimated restoration costs associated with the asset.

Depreciation is provided on PPE. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued 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 financial period, with the effect of any changes recognised on a prospective basis.

Freehold land is not depreciated.

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

Plant and equipment	2 – 20 years
Office equipment	3 – 7 years
Mining equipment	2 – 13 years
Buildings	4 – 20 years

The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Mine development properties

Where mining of a mineral resource has commenced, the accumulated costs are transferred from exploration and evaluation assets to mine development 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.

Capitalised underground development costs incurred to enable access to specific ore blocks or areas of the underground mine, and which only provide an economic benefit over the period of mining that ore block or area, are depreciated on a units of production basis, whereby the denominator is estimated ounces of gold in Proven and probable reserves within that ore block or area where it is considered probable that those resources will be extracted economically.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

3. Summary of significant accounting policies continued

Accounting policies continued

Stripping activity assets

The group defers stripping costs incurred (removal of mine waste materials which provide improved access to further quantities of material that will be mined in future periods). This waste removal activity is known as "stripping". There can be two benefits accruing to the entity from the stripping activity:

- usable ore that can be used to produce inventory; and
- improved access to further quantities of material that will be mined in future periods.

The costs of stripping activity to be accounted for in accordance with the principles of IAS 2 'Inventories' to the extent that the benefit from the stripping activity is realised in the form of inventory produced. The costs of stripping activity which provides a benefit in the form of improved access to ore is recognised as a non-current "stripping activity asset" where the following criteria are met:

a) it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity;
b) the entity can identify the component of the ore body for which access has been improved; and
c) the costs relating to the stripping activity associated with that component can be measured reliably.

When the costs of the stripping activity asset and the inventory produced are not separately identifiable, production stripping costs are allocated between the inventory produced and the stripping activity asset by using an allocation basis that is based on a relevant production measure. A stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset and classified as tangible or intangible according to the nature of the existing asset of which it forms part. A stripping activity asset is initially measured at cost and subsequently carried at cost or its revalued amount less depreciation or amortisation and impairment losses. A stripping activity asset is depreciated or amortised on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. The stripping activity asset is depreciated using a units of production method based on the total ounces to be produced over the life of the component of the ore body.

Deferred stripping costs are included in "stripping assets", within tangible assets. These form part of the total investment in the relevant cash-generating unit, which is reviewed for impairment if events or a change in circumstances indicate that the carrying value may not be recoverable. Amortisation of deferred stripping costs is included in operating costs.

Impairment of assets (other than exploration and evaluation and financial assets)

At each reporting date, the group 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). For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units).

Recoverable amount is the higher of fair value loss 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 a cash generating unit is estimated to be less than its carrying amount, the carrying amount of the cash generating unit is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the 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 cash generating unit in prior years.

A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of an impairment loss is treated as a revaluation increase.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods and services in the normal course of business, net of discounts, VAT and other sales related taxes.

Sale of goods

Revenue from the sale of mineral production is recognised when the group has passed the significant risks and rewards of ownership of the mineral production to the buyer, it is probable that economic benefits associated with the transaction will flow to the group, the sales price can be measured reliably, and the group has no significant continuing involvement and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is when insurance risk has passed to the buyer and the goods have been collected at the agreed location.

Where the terms of the executed sales agreement allow for an adjustment to the sales price based on a survey of the mineral production by the buyer (for instance an assay for gold content), recognition of the revenue from the sale of mineral production is based on the most recently determined estimate of product specifications.

Pre-production revenues

Income derived by the entity prior to the date of commercial production is offset against the expenditure capitalised and carried in the consolidated statement of financial position. All revenues recognised after commencement of commercial production are recognised in accordance with the revenue policy stated above. The commencement date of commercial production is determined when stable and sustained production capacity has been achieved.

Production royalty

The Arab Republic of Egypt ("ARE") is entitled to a royalty of 3% of net sales revenue (revenue net of freight and refining costs) as defined from the sale of gold and associated minerals from the Sukari Gold Mine. This royalty is calculated and recognised on receipt of the final certificate of analysis document received from the refinery. Due to its nature, this royalty is not recognised in cost of sales but rather in other operating costs.

Other income

Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income 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.

Business combinations

Acquisitions of businesses as defined by IFRS 3 are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree. Acquisition related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with IFRS 3 either in profit or loss or as a change to other comprehensive income. Changes in the fair value of contingent consideration classified as equity are not remeasured, and its subsequent settlement is accounted for within equity.

Where a business combination is achieved in stages, the group's previously-held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 (2008) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 'Income taxes' and IAS 19 'Employee benefits' respectively;
- liabilities or equity instruments related to the replacement by the group of an acquiree's share-based payment awards are measured in accordance with IFRS 2 'Share-based payment'; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 'Non-current assets held for sale'.

Assets held for sale and discontinued operations are measured in accordance with that standard. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Investments in associates

An associate is an entity over which the group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 'Non-current assets held for sale and discontinued operations'.

Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the group's interest in that associate (which includes any long-term interests that, in substance, form part of the group's net investment in the associate) are recognised only to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment.

Any excess of the group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the group, profits and losses are eliminated to the extent of the group's interest in the relevant associate.

The group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit and loss of associates in the income statement.

Dilution gains and losses arising in investments in associates are recognised in the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

3. Summary of significant accounting policies continued

Accounting policies continued

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-Scholes model. Where share-based payments are subject to market conditions, fair value was measured by the use of a Monte-Carlo simulation. 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 counterparty renders the service. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specific period of time).

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

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 note 27. 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.

Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company or other members of the consolidated group purchases the Company's equity share capital, the consideration paid is deducted from the total shareholders' equity of the group and/or of the Company as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity of the group and/or the Company.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Restoration and rehabilitation

A provision for restoration and rehabilitation is recognised when there is a present legal or constructive 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 within other operating costs rather than being capitalised into the cost of the related asset.

4. Critical accounting judgments

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:

Management has discussed its critical accounting judgments and associated disclosures with the Company's audit and risk committee.

Impairment of assets (other than exploration and evaluation and financial assets)

IFRS requires management to test for impairment if events or changes in circumstances indicate that the carrying amount of a finite lived asset may not be recoverable. Management has concluded that there is no indication that an impairment exists, nor have any indicators arisen after the reporting period and are therefore not required to perform a full impairment review under IAS 36.

In making its assessment as to the possibility of whether impairments losses having arisen, management considered the following indications:

- internal sources of information;
- external sources of information;
- litigation;
- the key assumptions applied in the 31 December 2015 impairment review;
- forecast gold prices;
- discount rate;
- production volumes;
- reserves and resources report; and
- costs and recovery rates.

Litigation

The group exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation, as well as other contingent liabilities (see note 20 to the financial statements). Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement.

The group is currently a party to two legal actions both of which could affect its ability to operate the mine at Sukari in the manner in which it is currently operated and adversely affect its profitability. The details of this litigation, which relate to the loss of the Egyptian national subsidy for diesel fuel oil and the ability of the group to operate outside the area of $3km^2$ determined by the Administrative Court of first instance to be the area of the Sukari exploitation lease, are given in note 20 to the financial statements and in the most recently filed Annual Information Form ("AIF") which is available on SEDAR at www.sedar.com. Although it is possible to quantify the effects of the loss the national fuel subsidy, it is not currently possible to quantify with sufficient precision the effect of restricting operations to an area of $3km^2$.

Every action is being taken to contest these decisions, including the making of formal legal appeals and, although their resolution may still take some time, management remain confident that a satisfactory outcome will ultimately be achieved. In the meantime, however, the group is continuing to pay international prices for diesel fuel oil. With respect to the Administrative Court ruling, on 20 March 2013 the Supreme Administrative Court upheld the Company's application to suspend this decision until the merits of the Company's appeal are considered and ruled on, thus providing assurance that normal operations will be able to continue during this process.

In the unlikely event that the group is unsuccessful in either or both of its legal actions, and that the operating activities are restricted to a reduced area, it is management's belief that the group will be able to continue as going concern.

Recovery of capitalised exploration evaluation and development expenditure

The group's accounting policy for exploration and evaluation expenditure results in exploration and evaluation expenditure being capitalised for those projects where such expenditure is considered likely to be recoverable through future extraction activity or sale or where the exploration activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether the group will proceed with development based on existence of reserves or whether an economically viable extraction operation can be established. Such estimates and assumptions may change from period to period as new information becomes available. If, subsequent to the exploration and evaluation expenditure being capitalised, a judgment is made that recovery of the expenditure is unlikely or the project is to be abandoned, the relevant capitalised amount will be written off to the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

4. Critical accounting judgments continued

Recovery of capitalised exploration evaluation and development expenditure continued

As described in note 13 to the financial statements, in February 2015, the Company gave formal notice to Alecto Minerals plc ("Alecto") terminating the joint venture agreement entered into between the Company and Alecto in September 2013 with regards to the development of Alecto's licences in Ethiopia.

Centamin's rights in the Wayuboda and Aysid Metekel licences have reverted back to Alecto, such that Alecto will hold 100% of the licences and will assume responsibility for the ongoing commitments in respect of the licences on termination of the joint venture and have thus written off all expenditure incurred to date, including the acquisition costs in relation to those licences, amounting to US$2.7 million of which US$2.3 million was written off in 2014.

Exploration activities were ceased in Ethiopia in late 2015 with closure of all remaining projects and the subsequent wind up of the Sheba Exploration entities is in progress. The decision was taken after a review of the potential of the Una Deriem prospect after completing the testing the eastern soil anomaly, which runs parallel to the main soil anomaly and mineralised zone. The cessation of activity in Ethiopia resulted in impairment of exploration and evaluation assets of US$5.9 million in 2015.

Going concern

Under guidelines set out by the UK Financial Reporting Council ("FRC") the directors of UK listed companies are required to consider whether the going concern basis is the appropriate basis of preparation of financial statements.

Based on a detailed cash flow forecast prepared by management, in which it included any reasonably possible change in the key assumptions on which cash flow forecast is based, the directors have a reasonable expectation that the group will have adequate resources to continue in operational existence for the foreseeable future. Key assumptions underpinning this forecast include:

- litigation as discussed in note 20 to the financial statements;
- forecast gold price;
- production volumes; and
- costs and recovery rates.

These financial statements for the year ended 31 December 2015 have therefore been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations, in preparing the financial statements.

Accounting treatment of Sukari Gold Mines ("SGM")

SGM is consolidated within the Centamin group of companies, reflecting the substance and economic reality of the Concession Agreement (see note 21 to the financial statements).

Key sources of estimation uncertainty

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

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.

Ore reserve estimates

Estimates of recoverable quantities of reserves include assumptions on commodity prices, exchange rates, discount rates and production costs for future cash flows. It also involves assessment and judgment of complex 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 consolidated statement of comprehensive income and the calculation in the valuation of inventory.

Production forecasts from the underground mine at Sukari are partly based on estimates regarding future resource and reserve growth. It should be specifically noted that the potential quantity and grade from the Sukari underground mine is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Depreciation of capitalised underground mine development costs

Depreciation of capitalised underground mine development costs at the Sukari mine is based on reserve estimates. Management and directors believe that these estimates are both realistic and conservative, based on current information.

5. Revenue

An analysis of the group's revenue for the year, from continuing operations, is as follows:

	31 December 2015 US$'000	31 December 2014 US$'000
Gold sales	506,963	471,776
Silver sales	1,433	805
	508,396	472,581

All gold and silver sales during the year were made to a single customer in North America.

6. Profit before tax

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

	31 December 2015			31 December 2014		
	Before exceptional items US$'000	Exceptional items US$'000	Total US$'000	Before exceptional items US$'000	Exceptional items US$'000	Total US$'000
Cost of sales						
Mine production costs	(271,019)	(43,808)	(314,827)	(214,370)	(61,564)	(275,934)
Movement in inventory	(4,545)	(2,931)	(7,476)	2,839	(970)	1,869
Depreciation and amortisation	(93,939)	—	(93,939)	(84,232)	—	(84,232)
	(369,503)	(46,739)	(416,242)	(295,763)	(62,534)	(358,297)

	31 December 2015 US$'000	31 December 2014 US$'000
Finance income		
Interest received	269	410
Other operating costs		
Corporate compliance	(1,408)	(1,339)
Office related depreciation	(111)	(90)
Auditing fees	(573)	(566)
Corporate consultants	(751)	(381)
Communications and IT	(206)	(248)
Employee entitlements	(119)	(116)
Salary and wages	(6,637)	(5,150)
Travel and accommodation	(1,031)	(897)
Office rents and lease payment	(185)	(147)
Other administration expenses	(634)	(117)
Impairment reversal	526	—
Insurances	(120)	(111)
Rates and taxes	(523)	—
Entertainment	(181)	(40)
Employee equity settled share-based payments	(2,350)	(2,491)
Fixed royalty – attributable to the Egyptian government	(15,198)	(14,144)
Foreign exchange gain/(loss), net	2,141	(2,900)
Provision for restoration and rehabilitation – unwinding of discount	(362)	(538)
Loss on disposal of property, plant and equipment	—	(1,093)
	(27,722)	(30,368)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

6. Profit before tax continued

	31 December 2015 US$'000	31 December 2014 US$'000
Impairment of assets		
Impairment of available-for sale financial assets[1]	**526**	(436)
Impairment of exploration and evaluation assets[2]	**(6,294)**	(2,328)
	(5,768)	(2,764)

(1) Refer to note 14 for further details.
(2) Refer to note 13 for further details.

Exceptional items

The directors consider that items of income or expense which are material by virtue of their unusual, irregular or non-recurring nature should be disclosed separately if the consolidated financial statements are to fairly present the financial position and underlying business performance. In order to allow a better understanding of the financial information presented within the consolidated financial statements, and specifically the group's underlying business performance, the effect of exceptional items are shown below.

	31 December 2015 US$'000	31 December 2014 US$'000
Included in cost of sales		
Mine production costs	**(43,808)**	(61,564)
Movement in inventory	**(2,931)**	(970)
	(46,739)	(62,534)

In January 2012 the Company received a letter from Chevron to the effect that Chevron would not be able to continue supplying Diesel Fuel Oil ("DFO") to the mine at Sukari at local subsidised prices. It is understood that the reason that this letter was issued was that Chevron had received a letter instructing it to do so from the Egyptian General Petroleum Corporation ("EGPC"). It is understood that EGPC itself took the decision to issue this instruction because it had received legal advice from the Legal Advice Department of the Council of State (an internal government advisory department) that the companies operating in the gold mining sector in Egypt were not entitled to such subsidies. In addition, during 2012, the Company received a demand from Chevron for the repayment of fuel subsidies received in the period from late 2009 through to January 2012, amounting to some US$51 million (EGP403 million).

The group has taken detailed legal advice on this matter (and, in particular, on the opinion given by Legal Advice Department of the Council of State) and in consequence in June 2012 lodged an appeal against EGPC's decision in the Administrative Courts. Again, the group believes that its grounds for appeal are strong and that there is every prospect of success. However, as a practical matter, and in order to ensure the continuation of supply, the group has since January 2012 advanced funds to its fuel supplier, Chevron, based on the international price for diesel.

As at the date of the financial statements, no final decision had been taken by the courts regarding this matter.

Furthermore, the group remains of the view that an instant move to international fuel prices is not a reasonable outcome and will look to recover funds advanced thus far should the court proceeding be concluded in its favour. However, management recognises the practical difficulties associated with reclaiming funds from the government and for this reason has, fully provided against the prepayment of US$208.2 million to 31 December 2015, as an exceptional item, of which US$42.5 million was provided for during 2015 as follows:

a) a US$43.8 million increase in mine production costs (2014: US$62.5 million increase);
b) a US$1.3 million decrease in stores inventories (2014: US$0.2 million increase);
c) a US$2.9 million decrease in mining stockpiles, gold in circuit and finished goods (2014: US$1.0 million decrease).

This has resulted in a net charge of US$46.7 million in the profit and loss.

7. Tax

Tax recognised in profit is summarised as follows:

Tax expense

	31 December 2015 US$'000	31 December 2014 US$'000
Current tax		
Current tax expense in respect of the current year	**(6,837)**	—
	(6,837)	—
Deferred tax		
Total tax expense	—	—

The group operates in several countries and, accordingly, it is subject to, the various tax regimes in the countries in which it operates. From time to time the group is subject to a review of its related tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the group's business conducted within the country involved. If the group is unable to resolve any of these matters favourably, there may be an adverse impact on the group's financial performance, cash flows or results of operations. In the event that management's estimate of the future resolution of these matters changes, the group will recognise the effects of the changes in its consolidated financial statements in the period that such changes occur.

In Australia, Centamin Egypt Limited and Pharaoh Gold Mines NL have elected to form a tax-consolidated group and therefore are treated as a single entity for Australian income tax purposes. Pharaoh Gold Mines NL benefits from the "Branch Profits Exemption" whereby foreign branch income will generally not be subject to Australian income tax.

Australian tax rules govern the taxation of financial arrangements ("TOFA") and the realisation of foreign exchange gains/losses. The TOFA rules provide that a foreign exchange gain or loss will arise in relation to foreign currency bank accounts to the extent funds have been withdrawn from these accounts during the period. This foreign exchange gain or loss is calculated by comparing the A$ spot rate at the date of deposit to the A$ spot rate at the date of withdrawal on a first-in-first-out ("FIFO") basis (i.e. the first amounts deposited are the first amounts to be withdrawn).

The group made foreign exchange gains for Australian income tax purposes during the year which were assessable when they were realised (i.e. when US$ cash balances were withdrawn from Australian bank accounts). Australian income tax rules (contained within subdivision 960-D of the Income Tax Assessment Act 1997) require that where an amount is not in the taxpayer's 'applicable functional currency', the amount is to be converted into the 'applicable functional currency' i.e. Australian dollars. Accordingly, the withdrawal of US$ bank deposits gave rise to foreign exchange gains for Australian income tax purposes, which were assessable when realised.

In Egypt, Centamin has entered into a concession agreement that provides that the income generated by Sukari Gold Mining Company's activities is granted a long-term tax exemption from all taxes imposed in Egypt.

The tax expense for the year can be reconciled to the profit per the consolidated statement of comprehensive income as follows:

	31 December 2015 US$'000	31 December 2014 US$'000
Profit before income tax	**58,407**	81,562
Tax expense calculated at 0% (2014: 0%)[1] of profit before tax	—	—
Tax effect of amounts which are not deductible/taxable in calculating taxable income:		
Effect of tax different tax rates of subsidiaries operating in other jurisdictions	**(6,837)**	—
Tax expense for the year	**(6,837)**	—

(1) The tax rate used in the above reconciliation is the corporate tax rate of 0% payable by Jersey corporate entities under the Jersey tax law (2014: 0%). There has been no change in the underlying corporate tax rates when compared to the previous financial period.

	31 December 2015 US$'000	31 December 2014 US$'000
Current tax liabilities	**(6,837)**	—
Current tax payable	—	—

Tax consolidation

Relevance of tax consolidation to the consolidated entity

Companies within the group's wholly owned Australian resident entities formed a tax-consolidated group with effect from 1 July 2003. The head entity within the tax-consolidated group is Centamin Egypt Limited. The members of the tax-consolidated group are Pharaoh Gold Mines NL, Viking Resources NL and North African Resources NL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

7. Tax continued

Tax consolidation continued

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 group is engaged in the business of exploration and mining of precious metals only, which represents a single operating segment. The board is the group's chief operating decision maker within the meaning of IFRS 8.

Non-current assets other than financial instruments by country:

	31 December 2015 US$'000	31 December 2014 US$'000
Egypt	970,376	1,023,495
Ethiopia	336	3,835
Burkina Faso	76,209	48,893
Côte d'Ivoire	5,316	977
Australia	2	2
Jersey	115	156
	1,052,354	1,077,358

9. Trade and other receivables

	31 December 2015 US$'000	31 December 2014 US$'000
Non-current		
Deposits	60	24
Value added taxation refund	—	621
	60	645

	31 December 2015 US$'000	31 December 2014 US$'000
Current		
Gold sales debtors	20,472	24,057
Other receivables	3,312	916
	23,784	24,973

Trade and other receivables are classified as loans and receivables and are therefore measured at amortised cost.

The average age of the receivables is 14 days (2014: 21 days). No interest is charged on the receivables. There are no trade receivables past due and impaired at the reporting date, and thus no allowance for doubtful debts has been recognised. Of the trade receivables balance, the gold sales debtor is all receivable from Johnson Matthey of Canada. The amount due has been received in full subsequent to year end.

Other receivables represent GST and VAT amounts owing from the various jurisdictions that the group operates in inventory returns to vendors where refunds are expected to occur.

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

10. Inventories

	31 December 2015 US$'000	31 December 2014 US$'000
Mining stockpiles and ore in circuit	28,291	35,768
Stores	106,484	104,860
	134,775	140,628

11. Prepayments

	31 December 2015 US$'000	31 December 2014 US$'000
Current		
Prepayments	1,161	1,710
Fuel prepayments	—	—
	1,161	1,710
Movement in fuel prepayments[1]		
Balance at the beginning of the year	—	—
Fuel prepayment recognised	42,472	68,737
Less: provision charged to:[2]		
Mine production costs (see note 6)	(43,808)	(61,564)
Property, plant and equipment (see note 6)	—	(6,953)
Inventories (see note 6)	1,336	(220)
Balance at the end of the year	—	—

(1) Refer to note 6, exceptional items, for further details.

(2) The cumulative fuel prepayment recognised and provision charged as at 31 December 2015 is as follows:

Fuel prepayment recognised (US$'000)	208,204
Provision charged to:	
Mine production costs (US$'000)	(195,156)
Property, plant and equipment (US$'000)	(11,852)
Inventories (US$'000)	(1,196)

	31 December 2015 US$'000	31 December 2014 US$'000
Non-current		
EMRA[3]	28,750	23,750
	28,750	23,750

(3) With a view to demonstrating goodwill toward the Egyptian government, PGM made advance payments to EMRA which will be netted off against future profit share that becomes payable to EMRA.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

12. Property, plant and equipment

	Office equipment US$'000	Buildings US$'000	Plant and equipment US$'000	Mining equipment US$'000	Mine development properties US$'000	Capital work in progress US$'000	Total US$'000
Cost							
Balance at 31 December 2014	5,401	1,186	565,836	221,178	232,921	116,772	1,143,294
Additions	103	8	147	3,779	—	28,781	32,818
Increase in rehabilitation asset	—	—	—	—	3,762	—	3,762
Disposals	—	—	—	(202)	—	—	(202)
Transfers	31	—	16,871	16,561	79,621	(113,084)	—
Balance at 31 December 2015	**5,535**	**1,194**	**582,854**	**241,316**	**316,304**	**32,469**	**1,179,672**
Accumulated depreciation							
Balance at 31 December 2014	(4,280)	(234)	(67,980)	(72,339)	(69,497)	—	(214,330)
Depreciation and amortisation	(587)	(59)	(30,524)	(28,663)	(34,218)	—	(94,051)
Disposals	—	—	—	176	—	—	176
Balance at 31 December 2015	**(4,867)**	**(293)**	**(98,504)**	**(100,826)**	**(103,715)**	**—**	**(308,205)**
Cost							
Balance at 31 December 2013	4,625	171	284,903	178,374	182,974	426,461	1,077,508
Additions	17	—	8	—	6,979	62,111	69,115
Decrease in rehabilitation asset	—	—	—	—	(5,161)	—	(5,161)
Acquisition of subsidiary	1,080	1,131	814	1,224	—	3	4,252
Disposals	(571)	(160)	(724)	(391)	—	(574)	(2,420)
Transfers	250	44	280,835	41,971	48,129	(371,229)	—
Balance at 31 December 2014	**5,401**	**1,186**	**565,836**	**221,178**	**232,921**	**116,772**	**1,143,294**
Accumulated depreciation							
Balance at 31 December 2013	(3,077)	(80)	(42,983)	(46,867)	(34,774)	—	(127,781)
Acquisition of subsidiary	(765)	(146)	(649)	(1,224)	—	—	(2,784)
Depreciation and amortisation	(730)	(8)	(24,456)	(24,373)	(34,723)	—	(84,290)
Disposals	292	—	108	125	—	—	525
Balance at 31 December 2014	(4,280)	(234)	(67,980)	(72,339)	(69,497)	—	(214,330)
Net book value							
As at 31 December 2014	1,121	952	497,855	148,839	163,424	116,772	928,964
As at 31 December 2015	**668**	**901**	**484,350**	**140,490**	**212,589**	**32,469**	**871,467**

In 2013 as a result of the significant decline in the gold price, the group carried out a review of the recoverable amount of the property, plant and equipment. The review did not lead to a recognition of an impairment loss. The discount rate used in measuring value in use was 12% per annum and the assumed average gold price was US$1,342 per ounce. No impairment review was performed in 2014 or 2015 as no indicators of impairment were identified.

13. Exploration and evaluation asset

	31 December 2015 US$'000	31 December 2014 US$'000
Balance at the beginning of the period	**123,999**	59,849
Expenditure for the period	**34,372**	28,841
Acquisition of Ampella Mining Limited	**—**	37,637
Impairment of exploration and evaluation asset	**(6,294)**	(2,328)
Balance at the end of the period	**152,077**	123,999

The exploration and evaluation asset relates to the drilling, geological exploration and sampling of potential ore reserves.

In February 2015, the Company gave formal notice to Alecto Minerals plc ("Alecto") terminating the joint venture agreement entered into between the Company and Centamin in September 2013 with regards to the development of Alecto's licences in Ethiopia.

Centamin's rights in the Wayuboda and Aysid Metekel licences have reverted back to Alecto, such that Alecto will hold 100% of the licences and will assume responsibility for the ongoing commitments in respect of the licences on termination of the joint venture and have thus written off all expenditure incurred to date, including the acquisition costs in relation to those licences, amounting to US$2.7 million of which US$2.3 million was written off in 2014.

Exploration activities were ceased in Ethiopia in late 2015 with closure of all remaining projects and the subsequent wind up of the Sheba Exploration entities is in progress. The decision was taken after a review of the potential of the Una Deriem prospect after completing the testing the eastern soil anomaly, which runs parallel to the main soil anomaly and mineralised zone. The cessation of activity in Ethiopia resulted in impairment of exploration and evaluation assets of US$5.9 million in 2015. Exploration in Burkina Faso and Côte d'Ivoire continues to progress.

14. Available-for-sale financial assets

	31 December 2015 US$'000	31 December 2014 US$'000
Balance at the beginning of the period	**409**	989
Acquisitions	**—**	379
Disposals	**—**	(91)
Gain/(loss) on foreign exchange movement	**(560)**	(352)
Loss on fair value of investment – other comprehensive income	**(212)**	(80)
Impairment reversal/(loss)	**526**	(436)
Balance at the end of the period	**163**	409

The available-for-sale financial asset at period end relates to a 6.66% (2014: 11.34%) equity interest in Nyota Minerals Limited ("Nyota"), a listed public company. During 2014, management made the decision to sell its interest in Nyota and the financial asset is classed as a current asset.

15. Trade and other payables

	31 December 2015 US$'000	31 December 2014 US$'000
Trade payables	**25,461**	17,067
Other creditors and accruals	**18,508**	16,975
	43,969	34,042

Trade payables principally comprise the amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 22 days (2014: 16 days). Trade payables are interest free for periods ranging from 30 to 180 days. Thereafter interest is charged at commercial rates. The group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

The directors consider that the carrying amount of trade payables approximate their fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

16. Provisions

	31 December 2015 US$'000	31 December 2014 US$'000
Current		
Employee benefits(1)	**576**	307
	576	307
Non-current		
Restoration and rehabilitation(2)	**7,139**	3,015
	7,139	3,015
Movement in restoration and rehabilitation provision		
Balance at beginning of the year	**3,015**	7,638
Additional provision recognised/(provision derecognised)	**3,762**	(5,161)
Interest expense – unwinding of discount	**362**	538
Balance at end of the year	**7,139**	3,015

(1) Employee benefits relate to annual, sick and long service leave entitlements.
(2) The provision for restoration and rehabilitation represents the present value of the directors' best estimate of the future outflow of economic benefits that will be required to remove the facilities and restore the affected areas at the group's sites discounted by 8.17% (2014: 12.00%). This restoration and rehabilitation estimate, which is reviewed on annual basis, 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, being 20 years. The annual review undertaken as at 31 December 2015 has resulted in the US$3.8 million increase in the provision.

17. Issued capital

	31 December 2015		31 December 2014	
	Number	US$'000	Number	US$'000
Fully paid ordinary shares				
Balance at beginning of the period	**1,152,107,984**	**661,573**	1,101,397,381	612,463
Issue of shares	—	**38**	50,710,603	48,218
Own shares acquired during the period	—	—	—	(1,743)
Transfer to share option reserve	—	**3,979**	—	2,635
Balance at end of the period	**1,152,107,984**	**665,590**	1,152,107,984	661,573

The authorised share capital is an unlimited number of no par value shares.

At 31 December 2015 the Company held 5,659,709 ordinary shares in treasury(1) (2014: 9,821,383 ordinary shares). These shares are held by the trustee pursuant to the deferred bonus share plan.

Fully paid ordinary shares carry one vote per share and carry the right to dividends. See note 27 for more details of the share options.

(1) Refers to shares held by the trustee pursuant to the deferred bonus share plan.

18. Reserves

	31 December 2015 US$'000	31 December 2014 US$'000
Share option reserve	**2,469**	4,098
	2,469	4,098

	31 December 2015 US$'000	31 December 2014 US$'000
Share option reserve		
Balance at beginning of the period	**4,098**	5,761
Share-based payments expense	**2,456**	2,493
Transfer to accumulated profits	**(106)**	(1,521)
Transfer to issued capital	**(3,979)**	(2,635)
Balance at the end of the period	**2,469**	4,098

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

19. Commitments for expenditure

(a) Capital expenditure commitments

	31 December 2015 US$'000	31 December 2014 US$'000
Plant and equipment(1)		
No longer than one year	—	—
Longer than one year and not longer than five years	—	—
Longer than five years	—	—
	—	—

(1) As a result of the completion of Stage 4, the group had no commitments for capital expenditure as at 31 December 2015.

(b) Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	31 December 2015 US$'000	31 December 2014 US$'000
Office premises		
No longer than one year	**68**	63
Longer than one year and not longer than five years	**119**	195
	187	258

Operating lease commitments are limited to office premises in Jersey.

20. Contingent liabilities and contingent assets

Contingent liabilities

Fuel supply

In January 2012, the group received a letter from Chevron to the effect that Chevron would only be able to supply Diesel Fuel Oil ("DFO") to the mine at Sukari at international prices rather than at local subsidised prices. It is understood that the reason that this letter was issued was that Chevron had received a letter instructing it to do so from the Egyptian General Petroleum Corporation ("EGPC"). It is further understood that EGPC itself issued this instruction because it had received legal advice from the Legal Advice Department of the Council of State (an internal government advisory department) that the companies operating in the gold mining sector in Egypt were not entitled to such subsidies. In November 2012, the group received a further demand from Chevron for the repayment of fuel subsidies received during the period from late 2009 through to January 2012, amounting to EGP403 million (approximately US$51 million at current exchange rates).

The group has taken detailed legal advice on this matter (and, in particular, on the opinion given by the Legal Advice Department of the Council of State) and in June 2012 lodged an appeal against EGPC's decision in the Administrative Courts. Again, the group believes that its grounds for appeal are strong and that there is a good prospect of success. However, as a practical matter, and in order to ensure the continuation of supply whilst the matter is resolved, the group has since January 2012 advanced funds to its fuel supplier, Chevron, based on the international price for fuel.

As at the date of this document, no decision had been taken by the courts regarding this matter. The group remains of the view that an instant move to international fuel prices is not a reasonable outcome and will look to recover funds advanced thus far should the court proceeding be successfully concluded. However, management recognises the practical difficulties associated with reclaiming funds from the government and for this reason has fully provided against the prepayment of US$208.0 million, as an exceptional item. Refer to note 6 of the accompanying financial statements for further details on the impact of this exceptional provision on the group's results for 2015.

No provision has been made in respect of the historic subsidies prior to January 2012 as, based on legal advice, the Company believes that the prospects of a court finding in its favour in relation to this matter remain very strong.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

20. Contingent liabilities and contingent assets continued

Contingent liabilities continued

Concession Agreement court case

On 30 October 2012, the Administrative Court in Egypt handed down a judgment in relation to a claim brought by, amongst others, an independent member of a previous parliament, in which he argued for the nullification of the agreement that confers on the group rights to operate in Egypt. This agreement, the Concession Agreement, was entered into between the Arab Republic of Egypt, the Egyptian Mineral Resources Authority ("EMRA") and Centamin's wholly owned subsidiary Pharaoh Gold Mines ("PGM"), and was approved by the People's Assembly as Law 222 of 1994.

In summary that judgment states that, although the Concession Agreement itself remains valid and in force, insufficient evidence had been submitted to court in order to demonstrate that the 160km^2 "exploitation lease" between PGM and EMRA had received approval from the relevant minister as required by the terms of the Concession Agreement. Accordingly, the court found that the exploitation lease in respect of the area of 160km^2 was not valid although it stated that there was in existence such a lease in respect of an area of 3km^2. Centamin, however, is in possession of the executed original lease documentation which clearly shows that the 160km^2 exploitation lease was approved by the Minister of Petroleum and Mineral Resources. It appears that an executed original document was not supplied to the court.

Upon notification of the judgment the group took various steps to protect its ability to continue to operate the mine at Sukari. These included lodging a formal appeal before the Supreme Administrative Court on 26 November 2012. In addition, in conjunction with the formal appeal the group applied to the Supreme Administrative Court to suspend the initial decision until such time as the court was able to consider and rule on the merits of the appeal. On 20 March 2013 the court upheld this application thus suspending the initial decision and providing assurance that normal operations would be able to continue whilst the appeal process is underway.

EMRA has lodged its own appeal in relation to this matter which is supportive of the Company's position in this matter.

Furthermore, in late December 2012, the Minister of Petroleum lodged a supporting appeal and shortly thereafter publicly indicated that, in his view, the terms of the Concession Agreement were fair and that the "exploitation" lease was valid. The Minister of Petroleum also expressed support for the investment and expertise that Centamin brings to the country. The Company believes this demonstrates the government's commitment to its investment at Sukari and the desire to stimulate further investment in the Egyptian mining industry.

The Company has taken extensive legal advice on the merits of its appeal from a number of leading Egyptian law firms who have confirmed that the proper steps were followed with regard to the grant of the 160km² lease. In addition, the Company has been advised that it should benefit from Law no. 32 of 2014, which came into force in April 2014 and which restricts the capacity for third parties to challenge any contractual agreement between the Egyptian government and an investor. This law, whilst in force and ratified by the new parliament, is currently under review by the Supreme Constitutional Court of Egypt. It therefore remains of the view that the appeal is based on strong legal grounds and will ultimately be successful.

In the event that the appellate court fails to be persuaded of the merits of the case put forward by the group, the operations at Sukari may be adversely effected to the extent that the group's operation exceeds the exploitation lease area of 3km^2 referred to in the original court decision.

The Company remains confident that normal operations at Sukari will be maintained whilst the appeal process is underway. Centamin does not currently see the need to take the matter to a court outside of Egypt as Centamin remains of the belief that the Egyptian Court will rule in Centamin's favour.

Contingent assets

There were no contingent assets at year end (31 December 2014: nil).

21. Subsidiaries

The parent entity of the group is Centamin plc, incorporated in Jersey, and the details of its subsidiaries are as follows:

		Ownership interest	
	Country of incorporation	**31 December 2015 %**	31 December 2014 %
Centamin Egypt Limited	Australia	**100**	100
Viking Resources Limited	Australia	**100**	100
North African Resources NL	Australia	**100**	100
Pharaoh Gold Mines NL	Australia	**100**	100
Sukari Gold Mining Co	Egypt	**50**	50
Centamin UK Limited (voluntarily struck off)	United Kingdom	**—**	100
Sheba Exploration Holdings Limited(1)	United Kingdom	**100**	100
Centamin Group Services Limited	Jersey	**100**	100
Centamin Holdings Limited	Jersey	**100**	100
Sheba Exploration Limited	United Kingdom	**100**	100
Centamin Limited	Bermuda	**100**	100
Centamin West Africa Holdings Limited	United Kingdom	**100**	100
Ampella Mining Limited	Australia	**100**	100
Ampella Share Plan Ltd	Australia	**100**	100
Ampella Mining Gold Pty Ltd	Australia	**100**	100
West African Gold Reserve Pty Ltd	Australia	**100**	100
Ampella Mining Gold SARL	Burkina Faso	**100**	100
Ampella Mining SARL	Burkina Faso	**100**	100
Ampella Mining Côte d'Ivoire	Côte d'Ivoire	**100**	100
Centamin Côte d'Ivoire	Côte d'Ivoire	**100**	—
Ampella Mining Exploration CDI	Côte d'Ivoire	**100**	—
Ampella Resources Burkina Faso	Burkina Faso	**100**	—
Konkera SA	Burkina Faso	**90**	—

(1) Previously Sheba Exploration (UK) Plc.

Through its wholly owned subsidiary, PGM, the Company entered into the Concession Agreement with EMRA and the Arab Republic of Egypt 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 2005 PGM, together with EMRA, were granted an exploitation lease over 160km^2 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.

In 2006 SGM was incorporated under the laws of Egypt. SGM was formed to conduct exploration, development, exploitation and marketing operations in accordance with the Concession Agreement. Responsibility for the day-to-day management of the project rests with the general manager, who is appointed by PGM.

The fiscal terms of the Concession Agreement require that PGM solely funds SGM. PGM is however entitled to recover from sales revenue recoverable costs, as defined in the Concession Agreement. EMRA is entitled to a share of SGM's net production surplus or profit share (defined as revenue less payment of the fixed royalty to ARE and recoverable costs). As at 31 December 2015, PGM has not recovered its cost and accordingly, no EMRA entitlement has been recognised to date. It is anticipated that the first payment to EMRA will become payable during 2017. Any payment made to EMRA pursuant to these provisions of the Concession Agreement will be recognised as a variable charge in the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

21. Subsidiaries continued

The Concession Agreement grants certain tax exemptions, including the following:

- from 1 April 2010, being the date of commercial production, the Sukari Project is entitled to a 15-year exemption from any taxes imposed by the Egyptian government on the revenues generated from the Sukari Project. PGM and EMRA intend that SGM will in due course file an application to extend the tax free period for a further 15 years. The extension of the tax free period requires that there has been no tax problems or disputes in the initial period and that certain activities in new remote areas have been planned and agreed by all parties;
- PGM and SGM 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 Gold Mine. The exemption shall only apply if there is no local substitution with the same or similar quality to the imported machinery, equipment or consumables. Such exemption will also be granted if the local substitution is more than 10% more expensive than the imported machinery, equipment or consumables after the additional of the insurance and transportation costs;
- PGM, EMRA and SGM and their respective buyers will be exempt from any duties or taxes on the export of gold and associated minerals produced from the Sukari Gold Mine;
- PGM at all times is free to transfer in US$ 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;
- PGM's contractors and sub-contractors are entitled to import machinery. Equipment and consumable items under the "Temporary Release System" which provided exemption from Egyptian customs duty; and
- legal title of all operating assets of PGM will pass to EMRA when cost recovery is completed. The right of use of all fixed and movable assets remains with PGM and SGM.

22. Auditor's remuneration

The analysis of the auditor's remuneration is as follows:

	31 December 2015 US$'000	31 December 2014 US$'000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	**375**	300
Additional fees relating to the prior year	**—**	—
Fees payable to the Company's auditor and its associates for other services to the group		
– the audit of the Company's subsidiaries	**150**	100
Total audit fees	**525**	400
Non-audit fees:		
Audit related assurance services – interim review	**104**	100
Other assurance services	**22**	125
Tax compliance services	**—**	—
Tax advisory services	**—**	—
Other expenses	**14**	—
Total non-audit fees	**140**	225

The audit and risk committee and the external auditor have safeguards in place to avoid the possibility that the auditor's objectivity and independence could be compromised. These safeguards include the implementation of a policy on the use of the external auditor for non-audit related services.

Where it is deemed that the work to be undertaken is of a nature that is generally considered reasonable to be completed by the auditor of the Company for sound commercial and practical reasons, the conduct of such work will be permissible provided that it has been pre-approved. All these services are also subject to a predefined fee limit. Any work performed in excess of this limit must be approved by the audit and risk committee.

23. Joint arrangements

The consolidated entity has an interest in the following joint arrangement:

	Percentage interest	
Name of joint operation	**31 December 2015 %**	31 December 2014 %
Egyptian Pharaoh Investments[1]	**50**	50

(1) Dormant company.

The group has a US$1 (cash) interest in the above joint operation. The amount is included in the consolidated financial statements of the group. There are no capital commitments arising from the group's interests in joint operation are disclosed in note 19.

24. Earnings per share

	31 December 2015 Cents per share	31 December 2014 Cents per share
Basic earnings per share	**4.506**	7.208
Diluted earnings per share	**4.441**	7.113

Basic earnings per share

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

	31 December 2015 US$'000	31 December 2014 US$'000
Earnings used in the calculation of basic EPS	**51,570**	81,562

	31 December 2015 Number	31 December 2014 Number
Weighted average number of ordinary shares for the purpose of basic EPS	**1,144,499,697**	1,131,521,652

Diluted earnings per share

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

	31 December 2015 US$'000	31 December 2014 US$'000
Earnings used in the calculation of diluted EPS	**51,570**	81,562

	31 December 2015 Number	31 December 2014 Number
Weighted average number of ordinary shares for the purpose of basic EPS	**1,144,499,697**	1,131,521,652
Shares deemed to be issued for no consideration in respect of employee options	**16,649,502**	15,098,842
Weighted average number of ordinary shares used in the calculation of diluted EPS	**1,161,149,199**	1,146,620,494

No potential ordinary shares were excluded from the calculation of weighted average number of ordinary shares for the purpose of diluted earnings per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

25. Notes to the statements of cash flows

(a) Reconciliation of cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and at bank and deposits.

	31 December 2015 US$'000	31 December 2014 US$'000
Cash and cash equivalents	199,616	125,659

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

	31 December 2015 US$'000	31 December 2014 US$'000
Profit for the year	51,570	81,562
Add/(less) non-cash items:		
Depreciation/amortisation of property, plant and equipment	94,051	84,290
Stock write-off	—	11
Increase/(decrease) in provisions	11,231	(5,234)
Foreign exchange rate (gain)/loss	(3,471)	4,455
Impairment (reversal of)/loss on available-for-sale financial assets	(526)	436
Loss on disposal of property, plant and equipment	—	1,093
Impairment of exploration and evaluation assets	6,294	2,328
Share-based payments expense	2,350	2,493
Changes in working capital during the period:		
(Increase)/decrease in trade and other receivables	1,188	454
Decrease/(increase) in inventories	5,853	(5,359)
Decrease/(increase) in prepayments	549	(4,832)
Decrease/(increase) in trade and other payables	16,722	(44,885)
Cash flows generated from operating activities	185,811	116,812

(c) Non-cash financing and investing activities

During the year there have been no non-cash financing and investing activities. In 2014 there was the Ampella asset acquisition as disclosed in note 13.

26. 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 the previous financial period.

The group has no debt and thus not geared at year end or in the prior year. 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, Jersey, Egypt, Burkina Faso and Côte d'Ivoire. 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 Mine in Egypt, and the exploration projects in Burkina Faso and Côte d'Ivoire.

Categories of financial assets and liabilities:

	31 December 2015 US$'000	31 December 2014 US$'000
Financial assets		
Available-for-sale assets	163	409
Cash and cash equivalents	199,616	125,659
Trade and other receivables	23,844	25,618
	223,623	151,686
Financial liabilities		
Trade and other payables	43,969	34,042
	43,969	34,042

(b) Financial risk management and objectives

The group's overall risk management programme 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 cash equivalents. Other financial instruments include trade receivables and trade payables, which arise directly from operations.

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 dollar, Great British pound and Egyptian pound. 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 analyses on the group's financial position.

Financial instruments denominated in Great British pound, Australian dollar and Egyptian pound are as follows:

	Great British pound		Australian dollar		Egyptian pound	
	31 December 2015 US$'000	31 December 2014 US$'000	31 December 2015 US$'000	31 December 2014 US$'000	31 December 2015 US$'000	31 December 2014 US$'000
Financial assets						
Cash and cash equivalents	332	127	2,800	5,919	1,411	1,246
Available-for-sale assets	146	390	17	19	—	—
	478	517	2,817	5,938	1,411	1,246
Financial liabilities						
Trade and other payables	390	1,476	10,905	1,161	9,402	7,311
	390	1,476	10,905	1,161	9,402	7,311
Net exposure	88	(959)	(8,088)	4,777	(7,991)	(6,065)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

26. Financial instruments continued

(c) Market risk continued

The following table summarises the sensitivity of financial instruments held at the reporting date to movements in the exchange rate of the Great British and Egyptian pounds and Australian dollar to the United States dollar, with all other variables held constant. The sensitivities are based on reasonably possible changes over a financial period, using the observed range of actual historical rates.

	Impact on profit		Impact on equity	
	31 December 2015 US$'000	31 December 2014 US$'000	**31 December 2015 US$'000**	31 December 2014 US$'000
US$/GB£ increase by 10%	**(35)**	123	**(13)**	(35)
US$/GB£ decrease by 10%	**35**	(123)	**13**	35
US$/A$ increase by 10%	**737**	(483)	**(1)**	(2)
US$/A$ decrease by 10%	**(737)**	483	**1**	2
US$/E£ increase by 10%	**726**	463	**—**	—
US$/E£ decrease by 10%	**(726)**	(463)	**—**	—

The group's sensitivity to foreign currency has decreased at the end of the current period mainly due to the decrease in foreign currency cash holdings in Australian dollars and a corresponding increase in US dollar cash holdings.

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 group's exposure to interest rate risk as at balance date were as follows:

	Weighted average effective interest rate %	Less than one month US$'000	One to twelve months US$'000	More than twelve months US$'000	Total US$'000
31 December 2015					
Financial assets					
Variable interest rate instruments	**0.22**	**53,471**	**146,093**	**—**	**199,564**
Non-interest bearing	**—**	**24,059**	**—**	**—**	**24,059**
		77,530	**146,093**	**—**	**223,623**
Financial liabilities					
Variable interest rate instruments	**—**	**—**	**—**	**—**	**—**
Non-interest bearing	**—**	**43,969**	**—**	**—**	**43,969**
		43,969	**—**	**—**	**43,969**
31 December 2014					
Financial assets					
Variable interest rate instruments	0.23	26,863	98,770	—	125,633
Non-interest bearing	—	26,053	—	—	26,053
		52,916	98,770	—	151,686
Financial liabilities					
Variable interest rate instruments	—	—	—	—	—
Non-interest bearing	—	34,042	—	—	34,042
		34,042	—	—	34,042

(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 has established 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 forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels.

	Less than one month US$'000	One to twelve months US$'000	More than twelve months US$'000	Total US$'000
31 December 2015				
Financial assets				
Variable interest rate instruments	**53,471**	**146,093**	**—**	**199,564**
Non-interest bearing	**25,531**	**—**	**—**	**25,531**
	79,002	**146,093**	**—**	**225,095**
Financial liabilities				
Variable interest rate instruments	**—**	**—**	**—**	**—**
Non-interest bearing	**43,969**	**—**	**—**	**43,969**
	43,969	**—**	**—**	**43,969**
31 December 2014				
Financial assets				
Variable interest rate instruments	26,863	98,770	—	125,633
Non-interest bearing	25,325	—	—	49,075
	52,188	98,770	—	174,708
Financial liabilities				
Variable interest rate instruments	—	—	—	—
Non-interest bearing	34,042	—	—	34,042
	34,042	—	—	34,042

(g) Credit risk

Credit risk refers to the risk that a counterparty 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 counterparties 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's credit risk is concentrated on one entity, but the group has good credit checks on customers and none of the trade receivables from the customer has been past due. Also, the cash balances held in 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

26. Financial instruments continued

(h) Fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, principally as a consequence of the short term maturity thereof.

(i) Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2015			
	Level 1	**Level 2**	**Level 3**	**Total**
Available-for-sale financial assets	**163**	**—**	**—**	**163**

	2014			
	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	409	—	—	409

There were no financial assets or liabilities subsequently measured at fair value on Level 3 fair value measurement bases.

27. Share-based payments

Restricted share plan

The Company's new restricted share plan, as approved by shareholders at the AGM in 2015, allows the Company the right to grant awards (as defined below) to employees of the group. Awards may take the form of either conditional share awards, where shares are transferred conditionally upon the satisfaction of performance conditions; or share options, which may take the form of nil cost options or have a nominal exercise price, the exercise of which is again subject to satisfaction of applicable performance conditions.

To date the Company has granted 5,145,000 conditional awards to employees of the group.

A detailed summary of the scheme rules is set out in the 2015 AGM proxy materials which are available at www.centamin.com.

In summary, awards will vest following the passing of three years from the date of the award and vesting will be subject to satisfaction of performance conditions. For the purpose of the performance conditions, the award will be divided into up to three tranches to be assessed against separate performance conditions measured over a three year period. Although the precise performance conditions may vary between awards, the performance conditions adopted at the date of the plan which apply to the first grant are as follows:

- 20% of the award shall be assessed by reference to a target total shareholder return ("TSR").
- 50% of the award shall be assessed by reference to absolute growth in earnings per share ("EPS").
- 30% of the award shall be assessed by reference to compound growth in gold production.

The above measures are assessed by reference to current market practice and the remuneration committee will have regard to market practice when establishing the precise performance conditions for future awards.

Where the performance conditions have been met, in the case of conditional awards, 50% of the total shares under the award will be issued or transferred to the award holders on or as soon as possible following the specified vesting date, with the remaining 50% being issued or transferred on the second anniversary of the vesting date.

Restricted share plan ("RSP") awards granted during the period:

	RSP 2015
Grant date	4 June 2015
Number of instruments	5,145,000
TSR: fair value at grant date £(1)	0.5150
TSR: fair value at grant date US$(1)	0.7894
EPS: fair value at grant date £(1)	0.6520
EPS: fair value at grant date US$(1)	0.9994
Gold production: fair value at grant date £(1)	0.6520
Gold production: fair value at grant date US$(1)	0.9994
Vesting period (years)	3
Expected volatility (%)	0 – 72.33
Expected dividend yield (%)	1.97

(1) The vesting of 20% the awards granted under this plan are dependent on a TSR performance condition. As relative TSR is defined as a market condition under IFRS 2 'Share-based payment', this requires that the valuation model used takes into account the anticipated performance outcome. We have therefore applied a Monte-Carlo simulation model. The simulation model takes into account the probability of performance based on the expected volatility of Centamin and the peer group companies and the expected correlation of returns between the companies in the comparator group.

The remaining 80% of the awards are subject to EPS and gold production performance conditions. As these are classified as non-market conditions under IFRS 2 they do not need to be taken into account when determining the fair value. These grants have been valued using a Black-Scholes model.

The fair value calculated was then converted at the closing £:US$ foreign exchange rate on that day.

The awards due to be granted in April 2016 will vest following the passing of three years. Vesting will be subject to the satisfaction of the performance conditions (and the two year holding period for 50% of the award) which will be divided into four tranches, as set out on pages 96 and 97 of the directors' remuneration report.

The above measures are assessed by reference to current market practice and the remuneration committee will have regard to current market practice when establishing the precise performance conditions for awards.

Deferred bonus share plan ("DBSP")

In 2012, the Company implemented the DBSP which is a long term share incentive arrangement for senior management (but not executive directors) and other employees (participants).

On 4 June 2013, the group offered to both the beneficiaries of the shares awarded under the ELFSP and to the majority of the beneficiaries of the options granted under the EOS the choice to replace their awards and options with awards under the DBSP. The group has accounted for this change as modifications to the share-based payment plans and will be recognising the incremental fair value granted, measured in accordance with IFRS 2, by this replacement over the vesting period of the new DBSP awards.

Under this offer, each participant has been granted a number of awards under the DBSP equivalent to the number of shares or options held under the ELFSP and EOS respectively. Such DBSP awards shall be subject to the terms and conditions of the DBSP and shall ordinarily vest in three equal tranches on the anniversary of the grant date, conditional upon the continued employment with the group. All offers made to participants were accepted. The award of the deferred shares will not have any performance criteria attached. They will however be subject to a service period.

Historic plans

The historic plans, namely the executive directors loan funded share plan ("EDLFSP") and employee loan funded share plan ("ELFSP") 2011 Employee Option Scheme ("EOS") are no longer in use and all shares awarded have either being forfeited, lapsed or transferred to other schemes. The residual accrual in relation to these schemes has been expensed to the consolidated statement of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

28. Key management personnel compensation

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including any director (executive or otherwise) of the group.

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

	31 December 2015 US$	31 December 2014 US$
Short-term employee benefits	**6,184,750**	7,567,732
Long-term employee benefits	**—**	1,642
Post-employment benefits	**22,025**	59,285
Share-based payments	**1,810,805**	2,106,223
Total	**8,017,580**	9,734,882

29. 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 21.

Equity interests in associates and jointly controlled arrangements

Details of interests in joint ventures are disclosed in note 23.

(b) Key management personnel compensation

Details of key management personnel compensation are disclosed above in note 28.

(c) Key management personnel equity holdings

The details of the movement in key management personnel equity holdings of fully paid ordinary shares in Centamin plc during the financial period ended 31 December 2015 are as follows:

31 December 2015	Balance at 1 January 2015	Granted as remuneration ("DBSP")	Received on exercise of options	Net other change(1)	Balance at 31 December 2015	Balance held nominally
J El-Raghy	71,445,086	—	—	—	**71,445,086**	—
T Schultz	30,000	—	—	—	**30,000**	—
G Haslam	102,056	—	—	—	**102,056**	—
M Arnesen	15,000	—	—	34,000	**49,000**	—
M Bankes	150,000	—	—	—	**150,000**	—
K Tomlinson	24,400	—	—	—	**24,400**	—
P Louw	2,137,500	—	500,000	(112,000)	**2,525,500**	—
A Pardey	2,185,000	—	900.000	(116,200)	**2,968,800**	—
R Osman	800,000	—	300,000	(116,666)	**983,334**	—
H Brown	550,000	—	100,000	—	**650,000**	—
D Le Masurier	300,000	—	200,000	—	**500,000**	—
L Gregory	300,000	—	150,000	(20,000)	**430,000**	—
Y El-Raghy	637,414	—	200,000	(56,781)	**780,633**	—
T Smith	—	—	400,000	(25,000)	**375,000**	—
L Sobey	390,000	—	—	(390,000)	**—**	—
A Davidson	450,000	—	200,000	(30,000)	**620,000**	—

(1) "Net other change" relates to the on market acquisition or disposal of fully paid ordinary shares, including the forfeiture of shares awarded under the LFSP and DBSP and the replacement of awards under the ELFSP with shares awarded under the DBSP.

Since 31 December 2015 to the date of this report there have been no transactions notified to the Company under DTR 3.1.2.R.

The details of the movement in key management personnel equity holdings of fully paid ordinary shares in Centamin plc during the financial period ended 31 December 2014 are as follows:

31 December 2014	Balance at 1 January 2014	Granted as remuneration ("DBSP")	Received on exercise of options	Net other change(1)	Balance at 31 December 2014	Balance held nominally
J El-Raghy	71,445,086	—	—	—	71,445,086	—
T Schultz	1,030,000	—	—	(1,000,000)	30,000	—
G Haslam	102,056	—	—	—	102,056	—
M Arnesen	15,000	—	—	—	15,000	—
M Bankes	120,000	—	—	30,000	150,000	—
K Tomlinson	—	—	—	24,400	24,400	—
P Louw	1,737,500	400,000	—	—	2,137,500	—
A Pardey	1,785,000	400,000	—	—	2,185,000	—
R Osman	600,000	200,000	—	—	800,000	—
H Brown	475,000	75,000	—	—	550,000	—
D Le Masurier	—	300,000	—	—	300,000	—
L Gregory	—	300,000	—	—	300,000	—
Y El-Raghy	510,000	170,000	—	(42,586)	637,414	—
T Smith	—	300,000	—	—	300,000	—
L Sobey	300,000	100,000	—	(10,000)	390,000	—
A Davidson	—	450,000	—	—	450,000	—

(1) "Net other change" relates to the on market acquisition or disposal of fully paid ordinary shares, including the forfeiture of shares awarded under the LFSP and DBSP and the replacement of awards under the ELFSP with shares awarded under the DBSP.

(d) Key management personnel share option holdings

There were no options held, granted or exercised during the year by directors or senior management in respect of ordinary shares in Centamin plc.

(e) Other transactions with key management personnel

The related party transaction for the year ended 31 December 2015 is summarised below:

Josef El-Raghy is a director and shareholder 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 period were A$62,595 or US$46,820 (31 December 2014: A$57,898 or US$51,920).

(f) Transactions with the government of Egypt

Royalty costs attributable to the government of Egypt of US$15,197,860 (2014: US$14,143,710) were incurred in 2015.

With a view to demonstrating goodwill toward the Egyptian government during the year PGM has made advance payments to EMRA of US$5,000,000 (2014: US$4,800,000) which will be netted off against any future profit share that becomes payable to EMRA..

(g) Transactions with other related parties

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

During the financial period, 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 financial period the Company provided funds to and received funding from 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS continued

for the year ended 31 December 2015

30. Dividends per share

The dividends paid in 2015 were US$33,786,831 and are reflected in the consolidated statement of the changes in equity for the period (2014: US$9,923,308).

A final dividend in respect of the year ended 31 December 2015 of 1.97 US cents per share, totalling US$22,696,527 has been approved by the board of directors and is subject to shareholder approval at the annual general meeting on 11 May 2016. These financial statements do not reflect this dividend payable.

31. Subsequent events

As referred to in note 30 subsequent to the year end, the board of directors announced the approval of a final dividend for 2015 of 1.97 US cents per share. Subject to shareholder approval at the annual general meeting on 11 May 2016, the final dividend will be paid on 27 May 2016 to shareholders on the register as of 22 April 2016.

There were no other significant events occurring after the reporting date requiring disclosure in the financial statements.

COMPANY LEGAL FORM AND STRUCTURE

Centamin plc, number 109180 (the "Company") is a mineral exploration, development and mining company dual listed on the London Stock Exchange (LSE: CEY) and the Toronto Stock Exchange (TSX: CEE).

The Company is incorporated in the island of Jersey with company number 109180. The Company conducts limited activity in its own right, with certain of the subsidiary entities carrying out exploration, development and mining activity. Details of all subsidiaries are listed in note 21 to the financial statements.

The Company's principal asset, the Sukari Gold Mine, is operated by the Sukari Gold Mining Company, a joint stock company established under the laws of Egypt, which is owned 50% by Pharaoh Gold Mines NL, a wholly owned subsidiary of the Company, and 50% held by the Egyptian Mineral Resource Authority.

Articles of Association

The Articles of Association govern many aspects of the management of the Company. The Articles may only be amended by a special resolution at a general meeting of the shareholders. The Articles of Association were adopted on 15 December 2011 and, together with the Memorandum of Association, are available for inspection at the Company's registered office during normal office opening hours.

The liability of each member arising from the members respective holding of a share in the Company is limited to the amount (if any) unpaid on it. The Company has unrestricted corporate capacity.

Directors

Directors may be appointed by ordinary resolution. The board may appoint a director but such a director may hold office only until the dissolution of the next annual general meeting after his appointment unless he is reappointed during that meeting. Each appointed director shall retire from office at each annual general meeting and may, if willing to act, be reappointed.

All directors must notify the Company of any shares held, acquired or disposed of in the Company. A register of director shareholdings is held at the registered office which is open to inspection by the members. The directors are also required to disclose shares held by their connected parties. Details of the interests of directors and their connected persons in the Company's shares are outlined in the directors' remuneration report.

Directors' indemnity insurance

In accordance with Company's Articles of Association and to the extent permitted by law, the Company may indemnify its directors out of its own funds to cover liabilities incurred as a result of their office.

The Company has entered into indemnity agreements with each director to indemnify each director to the extent permitted by applicable law and excluding any matters involving fraud, dishonesty, wilful default or bad faith on the part of a director.

During the 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 law. This provides insurance cover for any claim brought against directors or officers for wrongful acts in connection with their positions. The insurance provided does not extend to claims arising from fraud or dishonesty and it does not provide cover for civil or criminal fines or penalties imposed by law.

Capital structure

The capital structure of the Company is detailed in the schedule below, which reflects the total issued shares in the Company at 31 December 2015 and those held by trustees pursuant to the Company's share plans.

	As at 31 December 2015
Issued capital (including shares issued and held under the DBSP)	**1,152,107,984**
Total shares in issue under the DBSP	**5,659,709**

The issued capital of the Company at the date of this report is 1,152,107,984 ordinary shares.

The Company may from time to time pass an ordinary resolution (by a simple majority) authorising the board to allot relevant securities up to the amount specified in the resolution. The authority shall expire on the day specified in the resolution, not being more than five years after the date on which the resolution is passed. Details of the share capital and reserves are set out in note 17 to the financial statements.

COMPANY LEGAL FORM AND STRUCTURE continued

Substantial shareholders

Based on shareholder disclosure and register analysis(1), the following shareholders had holdings of more than 3% (being the applicable threshold adopted by Centamin in its Articles of Association, as though it were a UK issuer under the Disclosure and Transparency Rules of the UK Financial Conduct Authority) in the issued share capital of Centamin:

Name	Shareholding	% holding
Van Eck Global	141,235,159	12.26
BlackRock Investment Mgt	119,656,807	10.39
Mr Josef El-Raghy(2)	71,445,086	6.2
T Rowe Price	44,349,855	3.85
Aberforth Partners	37,835,554	3.28
Dimensional Fund Advisors	37,335,485	3.24

(1) Information at 14 December 2015.
(2) Includes the El-Raghy family.

The substantial shareholders do not have any different voting rights to other shareholders.

To the extent known to the Company:

a) no person other than the substantial shareholders detailed above has an interest of 3% or more in the Company's capital;
b) the Company is not aware of any persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company; and
c) there are no arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

Listing rules

UK listed companies must report in accordance with LR 9.8.4 R. In compliance with LR 9.8.4 (12) Computershare Nominees (Channel Islands) Limited waived its entitlement to dividends in respect of the unvested shares held by it pursuant to the Company's deferred bonus share plan. In accordance with LR 9.8.4 (13) Computershare Nominees (Channel Islands) Limited has agreed to waive future dividends in respect to unvested shares under the deferred bonus share plan. There are no other disclosures to report under LR 9.8.4 R.

Dividend policy

Centamin announced its dividend policy on 16 May 2014 which is based on the financial condition of, and outlook for, the Company and its cash flow and financing needs. When determining the amount to be paid the board will take into consideration the underlying profitability of the Company. Specifically, the board aims to approve an annual dividend within the range of 15-30% of the Company's net cash flow after sustaining capital costs and following the payment of profit share due to the government of Egypt. The following dividends have been declared in respect to the financial year ended 31 December 2014:

Interim dividend

An interim dividend of 0.97 US cents per share (US$0.0097) on Centamin plc ordinary shares (totalling approximately US$11 million) was declared on 12 August 2015. The interim dividend for the half year period ending 30 June 2015 was paid on 9 October 2015 to shareholders on the register on the record date of 4 September 2015.

Final dividend

A final dividend of 1.97 US cents per share (US$0.0197) on Centamin plc ordinary shares (totalling approximately US$22.7 million was declared on 21 March 2016. The final dividend for the financial year ended 31 December 2015 will be paid on 27 May 2016 to shareholders on the register on the record date of 22 April 2016. The ex-dividend date is 21 April 2016 for LSE listed shareholders and 20 April 2016 for TSX listed shareholders.

AGM

All shareholders are encouraged to attend our AGM on 11 May 2016, which will be held in Jersey. This will be an excellent opportunity to meet board members and our senior management team.

Financial calendar

7 April 2016	Q1 2016 preliminary production results
11 May 2016	Results for the quarter ended 31 March 2016
11 May 2016	Annual general meeting in Jersey
27 May 2016	Dividend payment date
7 July 2016	Q2 2016 preliminary production results
10 August 2016	Results for the quarter ended 30 June 2016
6 October 2016	Q3 2016 preliminary production results
9 November 2016	Results for the quarter ended 30 September 2016

GLOSSARY

AFS
Available-for-sale financial assets

AIF
Annual Information Form

Alecto
Alecto Minerals plc

AML
Ampella Mining Limited

AN
Ammonium nitrate

ARE
Arab Republic of Egypt

ASIC
Australian Securities Investments Commission

assay
Qualitative analysis of ore to determine its components

Au
Chemical symbol for the element gold

Board
The board of directors of the group

CA
Concession Agreement

cash and cash equivalents, bullion on hand, gold sales receivable and available-for-sale financial assets
Cash and cash equivalents, bullion on hand, gold sales receivables and available-for-sale financial assets is a non-GAAP financial measure any other companies may calculate these measures differently. Bullion on hand is valued at the year-end spot price

DBSP
Deferred bonus share plan

DFO
Diesel fuel oil

directors
The directors of the board of Centamin plc

dump leach
A process used for the recovery of metal ore from typically weathered low-grade ore. Blasted material is laid on a slightly sloping, impervious pad and uniformly leached by the percolation of the leach liquor trickling through the beds by gravity to ponds. The metals are recovered by conventional methods from the solution

EDLFSP
Executive director loan funded share plan

ELFSP
Employee loan funded share plan

EMRA
Egyptian Mineral Resource Authority

EOS
Employee option scheme

EGPC
The Egyptian general Petroleum Corporation

GLOSSARY continued

EMRA
Egyptian Resource Mineral Authority

FA
Fatality

feasibility study
Extensive technical and financial study to assess the commercial viability of a project

flotation
Mineral processing technique used to separate mineral particles in a slurry, by causing them to selectively adhere to a froth and float to the surface

FRC
Financial Reporting Council

FVTPL
Financial liabilities at fair value

grade
Relative quantity or the percentage of ore mineral or metal content in an ore body

g/t
Gram per metric tonne

GST
Goods and services tax

indicated resource
As defined in the JORC Code, is that part of a mineral resource which has been sampled by drill holes, underground openings or other sampling procedures at locations that are too widely spaced to ensure continuity but close enough to give a reasonable indication of continuity and where geoscientific data is known with a reasonable degree of reliability. An indicated mineral resource will be based on more data and therefore will be more reliable than an inferred resource estimate

inferred resource
As defined in the JORC Code, is that part of a mineral resource for which the tonnage and grade and mineral content can be estimated with a low level of confidence. It is inferred from the geological evidence and has assumed but not verified geological and/or grade continuity. It is based on information gathered through the appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability

IFRS
International Financial Reporting Standards

JORC
Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Minerals Council of Australia

LFSP
Loan funded share plan

LTI
Lost time due to injury

LTIFR
Lost time injury frequency rate

mill
Equipment used to grind crushed rocks to the desired size for mineral extraction

mineralisation
Process of formation and concentration of elements and their chemical compounds within a mass or body of rock

Moz
Million ounces

Mt
Million tonnes

MTIFR
Medical treatment injury frequency

Mtpa
Million tonnes per annum

net production surplus or profit share
Revenue less payment of the 3% royalty to Arab Republic of Egypt ("ARE") and recoverable costs

NCI
Non-controlling interest

Nyota
Nyota Minerals plc

open pit
Large scale hard rock surface mine

ore
Mineral deposit that can be extracted and marketed profitably

ore body
Mining term to define a solid mass of mineralised rock that can be mined profitably under current or immediately foreseeable economic conditions

ore reserve
The economically mineable part of a measured or indicated mineral resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could be reasonably justified. Ore reserves are sub-divided in order of increasing confidence into Probable and Proven

ounce or oz
Troy ounce (= 31.1035 grams)

PGM
Pharaoh Gold Mines NL

PPE
Property, plant and equipment

probable
Measured and/or indicated mineral resources which are not yet proven, but where technical economic studies show that extraction is justifiable at the time of the determination and under specific economic conditions

RSP
Restricted share plan

SGM
Sukari Gold Mining Co.

TOFA
Taxation of financial arrangements

VAT
Value added tax

ADVISERS

Registrar services

Jersey, Channel Islands

Computershare Investor Services (Jersey) Plc
Queensway House
Hilgrove Street
St Helier
Jersey JE1 1ES

Canada

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100 University Avenue
8th Floor
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FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward looking information.

Cautionary note regarding forward looking statements

This document contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of Centamin plc ('Centamin' or 'the Company'), its subsidiaries (together 'the Group'), affiliated companies, its projects, the future price of gold, the estimation of mineral reserves and mineral resources, the realisation of mineral reserve and resource estimates, the timing and amount of estimated future production, revenues, margins, costs of production, estimates of initial capital, sustaining capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, foreign exchange risks, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, consents and permits under applicable mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and a variety of material factors, many of which are beyond the Company's control which may cause the actual results, performance or achievements of Centamin, its subsidiaries and affiliated companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Readers are cautioned that forward-looking statements may not be appropriate for other purposes than outlined in this document. Such factors include, among others, future price of gold; general business, economic, competitive, political and social uncertainties; the actual results of current exploration and development activities; conclusions of economic evaluations and studies; fluctuations in the value of the U.S. dollar relative to the local currencies in the jurisdictions of the Company's key projects; changes in project parameters as plans continue to be refined; possible variations of ore grade or projected recovery rates; accidents, labour disputes or slow-downs and other risks of the mining industry; climatic conditions; political instability, insurrection or war, civil unrest or armed assault; labour force availability and turnover; delays in obtaining financing or governmental approvals or in the completion of exploration and development activities; as well as those factors referred to in the section entitled "Principal risks affecting the Centamin Group" section of the Management Discussion & Analysis. The reader is also cautioned that the foregoing list of factors is not exhausted of the factors that may affect the Company's forward-looking statements.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this document and, except as required by applicable law, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Please refer to the technical report entitled "Mineral Resource and Reserve Estimate for the Sukari Gold Project, Egypt" effective on 30 June 2015 and issued on 23 October 2015 and filed on SEDAR at www.sedar.com, 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, or other relevant issues as well as details of the qualified persons and quality control.

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